



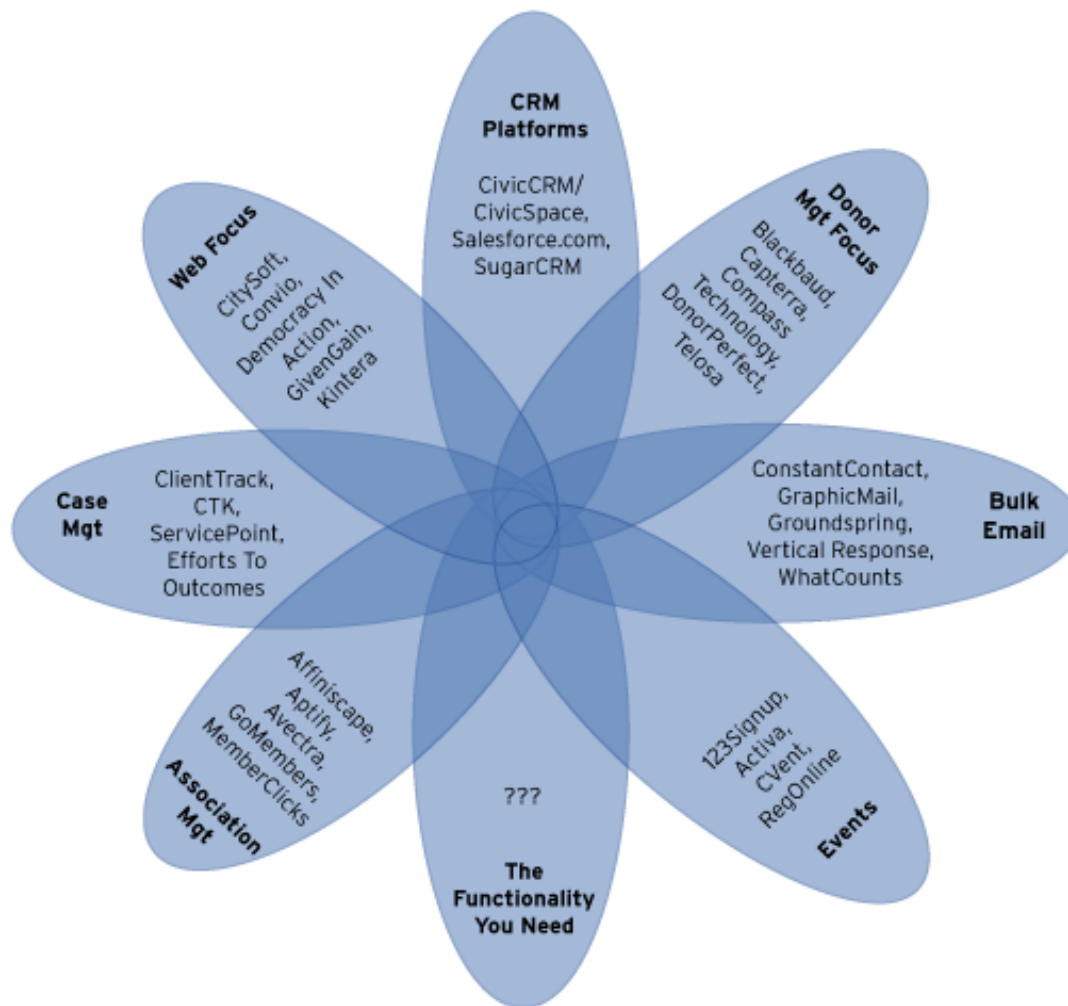
Creating the Constituent-Centric Organization: The Benefits of Constituent Relationship Management (CRM)



Agenda

- The challenge of knowing your constituents (data management challenge)
- CRM: Creating a constituent-centric mindset
- The benefits of nonprofit CRM

The problem: financial & programmatic silos



- Vendors focus on singular interactions with constituents
- Fundraising separated from program needs
- Programming separated by department

New interaction channels magnify challenge

Traditional channels

- In-person
- Phone
- Direct mail

New channels

- E-mail
- Instant messaging
- Phone
 - Cell phone
 - Text messaging
- Web/Web 2.0
 - Web site
 - Adwords (e.g. Google)
 - Social networking (e.g. Facebook, MySpace, LinkedIn)
- Content syndication
 - RSS
 - Podcasting/Videocasting

The problem: Uncontrolled data explosion

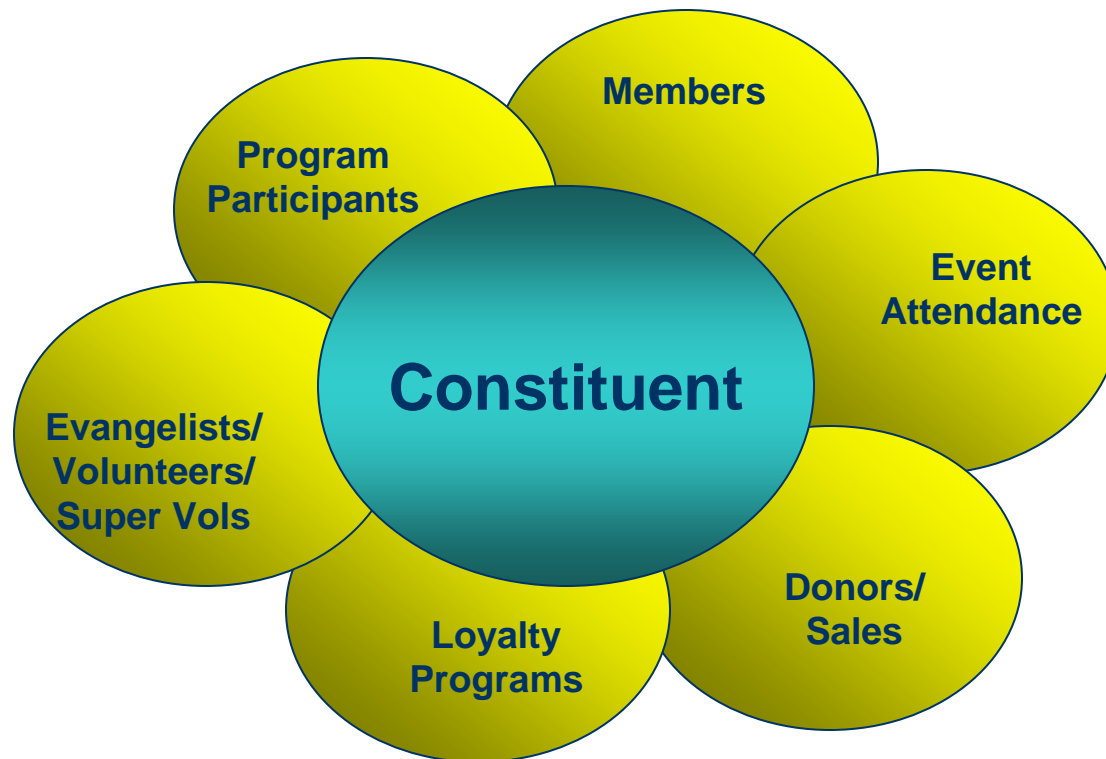
- Data is scattered everywhere.
 - 51% manage over 4 repositories of data about the organization's various constituents!
- Systems don't share data.
 - < 7% of respondents said that their systems share data easily with one another
- Staff use poor tools.
 - > 50% of organizations use **slips of paper**, Excel spreadsheets, and personal contact managers (i.e. Outlook) to manage organizational data.

Source: 2006 dotOrganize survey of 400+ nonprofits

The result: Mission Underperformance

- Fewer participants
 - Programs
 - Events
 - Education
- Fewer donations
- Fewer volunteers
- Wasted staff time (focused on non-strategic work)
 - Manual data re-entry
 - Time compiling lists
- Underwhelming customer service

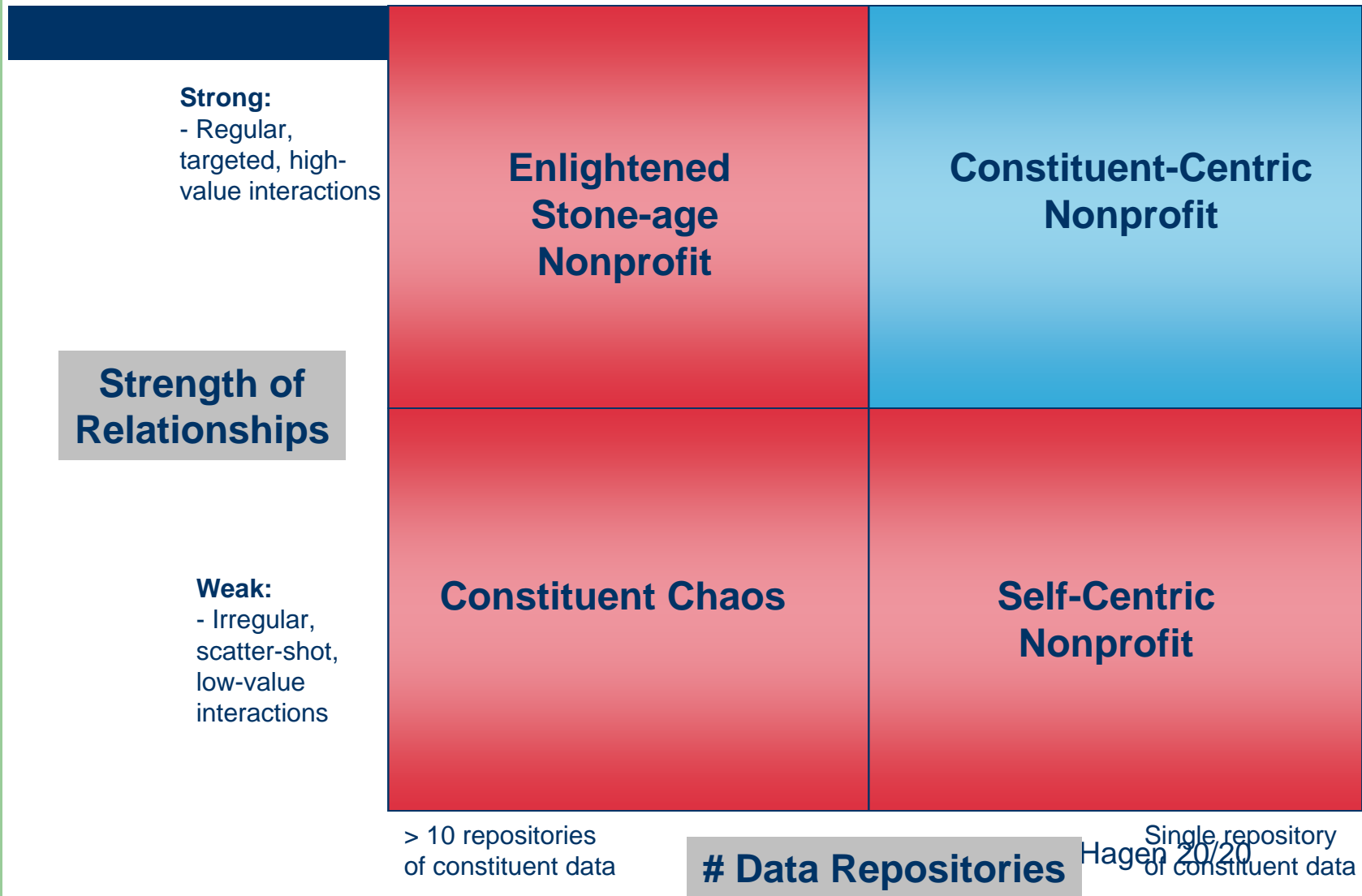
Creating a constituent-centric mindset: Put constituents at center



What is CRM?

Constituent Management Relationship:
“Institutional memory about interactions with all constituents that is used to build organizational value.”

What kind of nonprofit is yours?



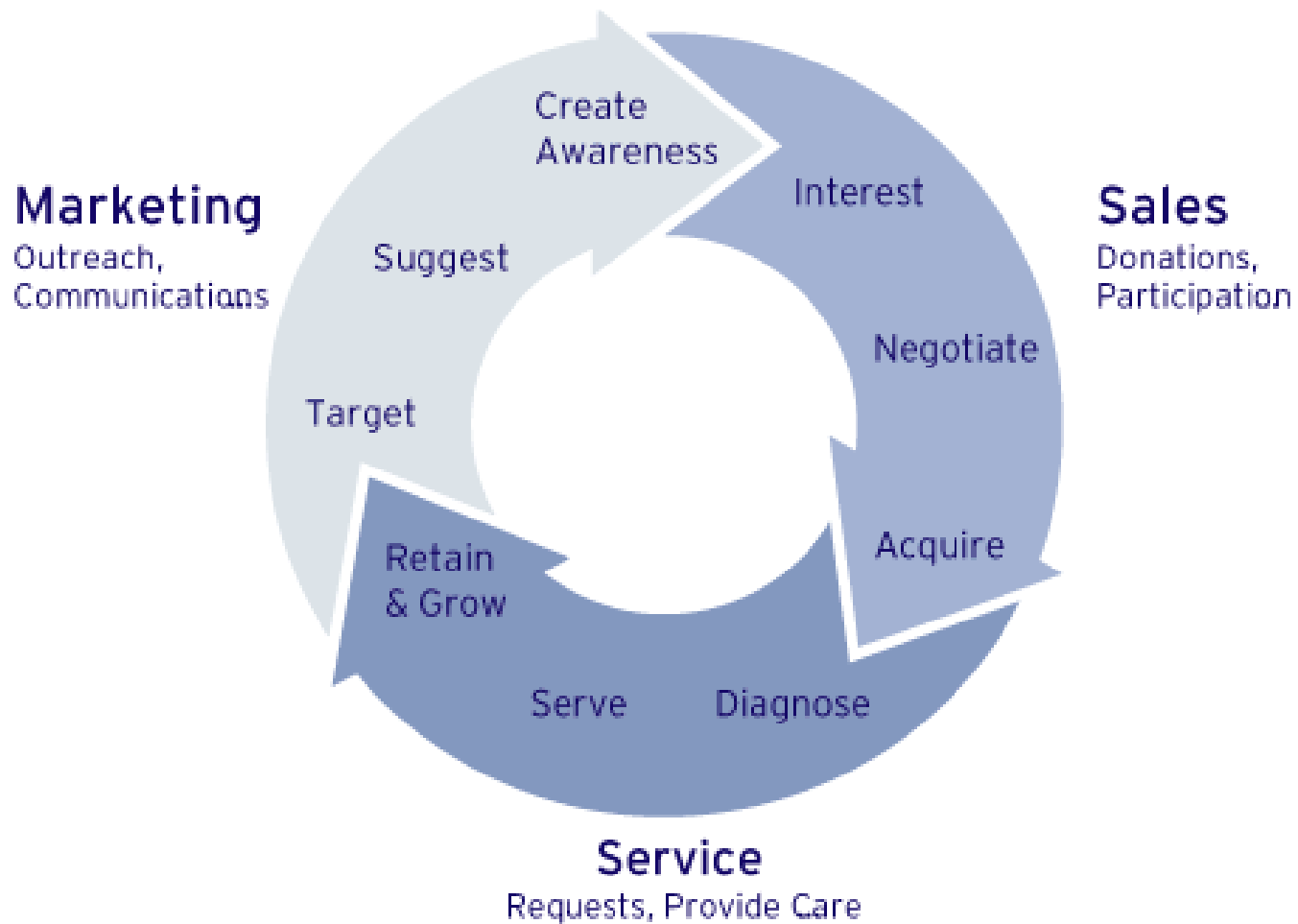
Getting to CRM

- CRM is strategy & technology
 - Strategy about using data to build the value of relationships...
 - Technology that contains the data
- A few comments about “databases”
 - Every software application has one.
 - Web donation tool, email blasting tool, online volunteer recruiting tool, social networking tools.
 - Do you have a strategy for synchronizing these databases?

Getting to CRM

1. Identify repositories of data across the organization
2. Define the desired constituent experience
3. Fix simple things that don't require technology
 - Standardize all forms for data collection (wall-of-forms)
 - Combine rouge spreadsheets, paper, other repositories
 - Ensure that prompt follow-up is happening with all key interactions (15 minutes in life of constituent)
 - Fix areas where constituent experience doesn't match desired state
4. Look for opportunities to “cannibalize” repositories
 - Look for vendor ecosystems
 - Get out of Excel and Outlook – unless they integrate into system

Getting to CRM: Review full customer life cycle processes



Example: Technical assistance legal advocacy nonprofit

- Problem:
 - 32 spreadsheets, 3 custom databases, and Outlook
 - Poor staff utilization to deliver services - no understanding of overlap across program
 - Inability to show bigger picture to funders and clients
 - Silos prevent cross-pollination of program info
- Goals:
 - Increase fundraising potential; develop fee-for-service option
 - Increase staff effectiveness
 - Increase exposure of clients to broader range of services
- Decided on [Salesforce.com](https://www.salesforce.com)

Example: Community Foundation

- Problem: “Getting data like restoring the Sistine chapel”
- Goals:
 - “Getting staff to be more strategic by taking away the mundane aspects of their jobs. If they’re spending three days in front of the photocopier and re-typing data, they’re not focusing on the important, strategic aspects of our programs. Some staff don’t like this, because it requires more effort and a higher level of thinking than the mundane work.”
- New metrics
 - “How long does it take us to respond to them? What was the solution to their problem? Are we getting more timely in our responses? Who are good targets for our different activities?”
- Decided to implement Microsoft CRM
 - Used opportunity to re-think constituent interactions (e.g. application process, follow-up)

Example: Faith-based institution

- Problem:
 - 40+ data repositories identified in audit
 - Regular contact with < 25% of constituent base
 - \$100+ donors not receiving thank you notes
- Goals:
 - Organization doing well only hitting < 25%; imagine if they hit 75% -- and empowered those constituents to fundraise
- Decided to consolidate repositories with CiviCRM/CivicSpace pilot
 - Considered Convio; realized it only dealt with about half of the needed types of constituent interactions
 - Fixed non-technical processes of interacting with constituents
 - In process of fixing forms collection

Example: Human services

- Problem: 25+ constituency repositories
 - Multiple departments soliciting corporations independently – no leveraging of existing relationships
 - Multiple departments soliciting individual donors – no leveraging of existing relationships
- Goals:
 - Increase corporate involvement by 50-75% by building on existing relationships for different programs
 - Increase individual donor value by building on existing relationships
- Decided on Salesforce pilot

Relentlessly track metrics and adjust

Marketing	▶	Increase campaign response rate	Increase word-of-mouth	Decrease acquisition cost
		Increase ROI on outreach efforts	Improve targeted prospecting	Accelerate maturation rate
Sales & fundraising	▶	Increase "value" per constituent	Shorten major donor "sales" cycle	Increase average gift size
		Increase average program use	Increase conversion rate	Increase avg # of gifts/yr
Service	▶	Increase retention rate	Increase productivity/FTE	Reduce service costs
		Decrease inquiry response times	Inc. constituent self-education	Inc. constituent satisfaction rate

Thanks!

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