

Development for Conservation

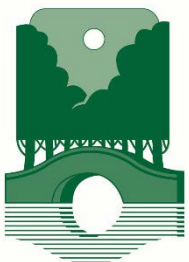
Fundraising Metrics and How to Use Them

Presented at

**Land Trust Alliance Rally – 2018
Pittsburgh**

12 October 2018

David Allen, Development for Conservation



**DEVELOPMENT
FOR
CONSERVATION**

If you don't know where you're going,
you'll end up somewhere else.



-Yogi Berra

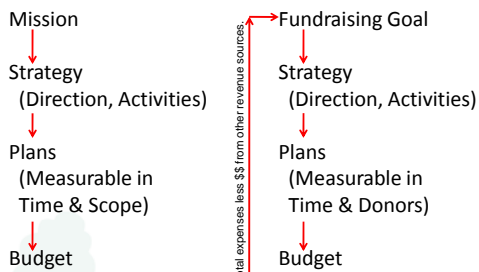
Our Strategic Plan

- Goal #1 – Save the World
- Goal # 2 – Increase Membership
- Goal #3 – Raise as much Money as Possible



David Allen | Development for Generation LLC

Strategic Planning



David Allen | Development for Generation LLC

Raise it once

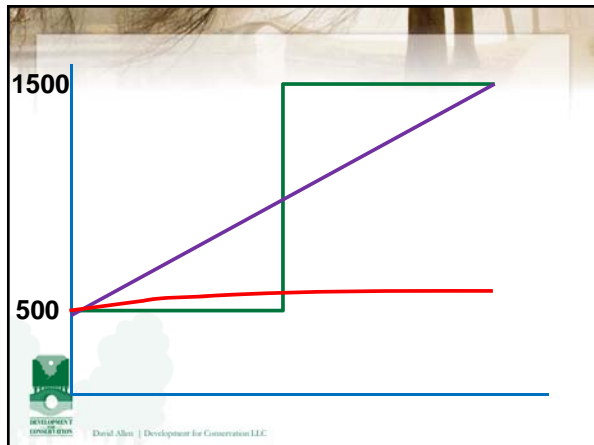
- Capital
 - Land
 - Buildings
 - Equipment
 - Endowment

Raise it every year

- Operations
 - People
 - Utilities
 - Supplies
 - Travel



DEVELOPMENT CONSULTANTS David Allen | Development for Generation LLC





Membership Growth

- Related to **Retention** up to a point
- Mostly related to **Recruitment**
- Land Trust growth ambitions fail mostly because fundraisers fail to adequately plan for and **budget for recruitment** activity.



David Allen | Development for Generation L.L.C.

Here's What We Hear


- Challenge grants really work – you need to find us a challenge grant
- Newsletters are too expensive and they waste paper – ENews works just as well
- I know a great graphic designer who will do our appeal pro bono - she will help us raise more money



David Allen | Development for Generation L.L.C.

Here's What We Hear

- People join because they get involved
- Direct mail doesn't work any more - you need a better social media strategy
- Telephone calls just irritate people
- No one will read a four-page letter



David Allen | Development for Generation L.L.C.

THEORIES

Here's What We Hear

- Challenge grants really work – you need to find us a challenge grant
- Newsletters are too expensive and they waste paper – ENews works just as well
- I know a great graphic designer who will do our appeal pro bono - she will help us raise more money



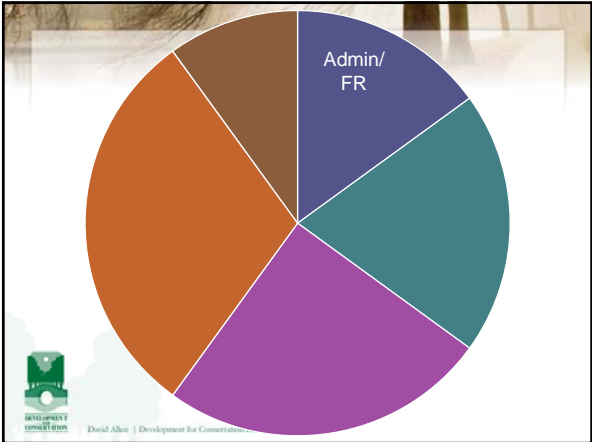
David Allen | Development for Generations LLC

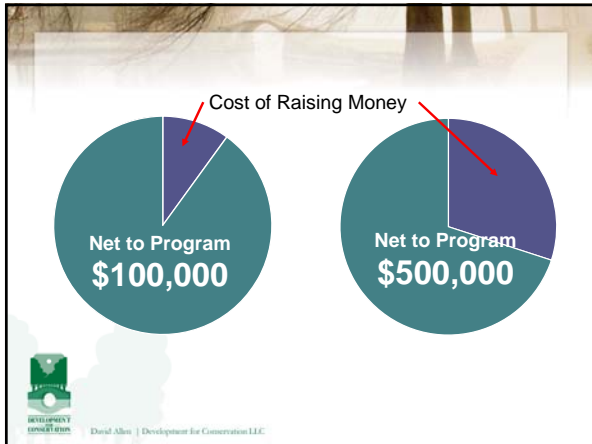
Here's What We Hear

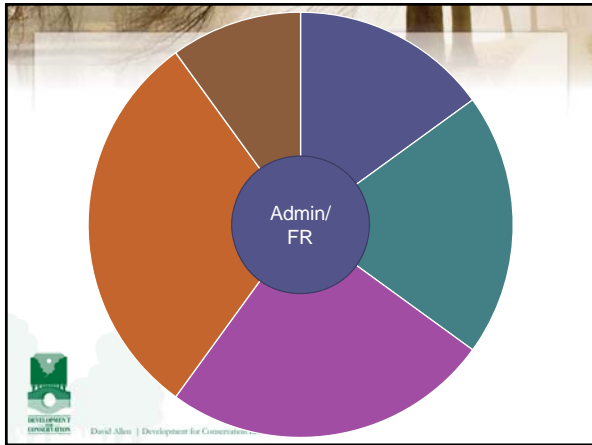
- People join because they get involved
- Direct mail doesn't work anymore - you need a social media strategy
- Telephone calls just irritate people
- No one will read a four-page letter

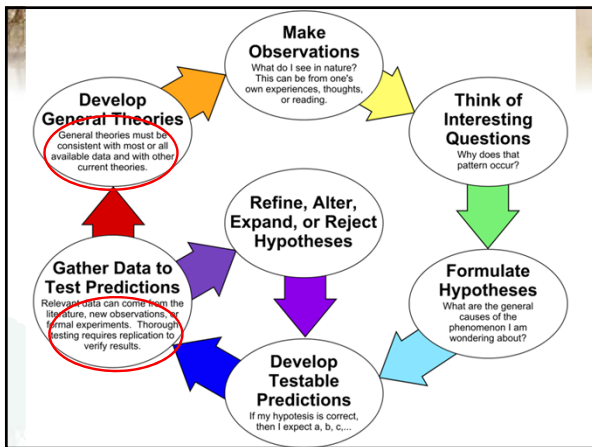


David Allen | Development for Generations LLC










Definition

A Year is 365 days (and sometimes 366)

The year I use for my metrics is
January 9 – January 8
(It doesn't need to be yours)




David Allen | Development for Generation LLC

Definition

A **Source Code** is a code that you assign to every GIFT that tells you what motivated the donor to give

- Implies that every response card (and envelope?) has a source code printed on it
- Implies that you have a key for the codes
- Implies that you take the time to chase down unattributed gifts




David Allen | Development for Generation LLC

Definition

A metric is simply something that can be counted or measured.

The value in a metric lies in the ability to draw conclusions from how it changes over time and how it relates to other metrics.



David Allen | Development for Generation LLC

We **care** about metrics because
 the more we **understand** about what
 we're doing,
 the more **control** we have over the
 outcomes.




David Allen | Development for Generation LLC

Metric #1 – Amount of Money

Data Needed from each gift or transaction

- Amount (Value)
- Date it was given (date on the check)
- Who (or what) gave it (Ind/Fdn/Cor)
- Restricted/Unrestricted
- Gift/Transaction
- Source Code!




(This is the easy one!)

David Allen | Development for Generation LLC

Metric #2 – Number of Donors

Make some rules and be consistent

- Donors are **check-writers** (*figuratively*)
 - Some Business gifts are individuals
 - Some Foundation gifts are individuals
- Donors give money philanthropically
- Be consistent with memorials and pledges



David Allen | Development for Generation LLC

Metric #3 - Actual revenue split

- How much comes from passive sources vs. active fundraising?
- How much comes from corporate, foundation, and individual donors?
- How much comes from philanthropy vs. transactions?
- How dependent are we on just a few donors (or events)?



David Allen | Development for Generation LLC

Metric #4 – Cost of FR

FOR EACH FUNDRAISING ACTIVITY

- Design and Production
- Postage
- Consulting
- Transportation
- Premiums for joining (and fulfillment!)
- Paid ads
- Event venues
- Etc, Etc, Etc



David Allen | Development for Generation LLC

Metric #5 – Labor cost for FR

• FOR EACH FUNDRAISING ACTIVITY

- Staff – Not just how much time, but also whose time (opportunity cost)
- Volunteers
- Consulting



David Allen | Development for Generation LLC

Derivative Metric #1

Cost of acquiring a new donor

FR Cost of Recruitment Activity
of First Gift Donors




David Allen | Development for Generation LLC

Derivative Metric #2

Cost of acquiring a first renewal

FR Cost of LY Recruitment Activity
of First Renewal Donors




David Allen | Development for Generation LLC

Derivative Metric #3

Average Gift


Amount Raised
of Donors



David Allen | Development for Generation LLC

Derivative Metric #4

Renewal Rate

$$\frac{\text{\# of LY donors who give this year}}{\text{\# of LY donors}}$$


David Allen | Development for Generation LLC

Derivative Metric #5

Five Year Value of New Members

$$\frac{\text{Total given by those donors since}}{\text{\# of First Donors in 2013}}$$


David Allen | Development for Generation LLC




The Five-Year Black Box

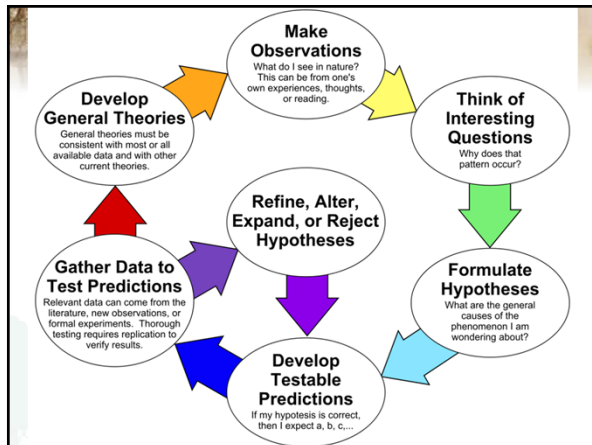
\$100 →

- News
- Renewals
- Appeals
- Field Trips
- Engagement

→ \$483




David Allen | Development for Generation LLC



Peter Drucker was right when he wrote:
"What gets measured gets managed."

But why is this so often taken to a false corollary like *"What can't be measured isn't worth managing"*?

-Laurence Prusak



David Allen | Development for Generation LLC

DAVID ALLEN

I am a non-profit organizational development consultant. I work with nonprofit organization boards to help their members learn how to be better leaders and advocates.

My background includes 30 years working in membership fundraising, major donor development, communications, and marketing. I worked for about half that time for Nature Conservancy (TNC) chapters in Oregon, Texas, and Wisconsin. In addition to my duties for the individual chapters, I served TNC as an internal fundraising consultant and major gift development trainer.



In 2000, served as the vice-president of operations for the Wisconsin-based, international conservation organization Sand County Foundation, a position I held through mid-2009.

Gathering Waters Conservancy, a land trust service agency based in Wisconsin, called me in 2002 to ask whether I would be interested in teaching a seminar for Wisconsin land trusts on major donor development. From 2002, then, through 2009, I consulted on a nights and weekends basis with just a few clients each year.

In March of 2009, I launched my consulting business full-time using the name **Development for Conservation**.

Also in 2009, I partnered with Nancy Moore to form Conservation Consulting Group. Together we help land trusts prepare for accreditation by providing assessment, planning, and leadership coaching services.

I consider myself a strategic thinker, problem solver, facilitator, educator, and program developer who brings a particular passion for conservation and the environment.

Practice Competencies

Fundraising

- Development Audit
- Staff/Board Training and Development
- Major Gift Coaching
- Capital Campaigns

Organizational Development

- Strategy Development
- Practice & Process Assessment
- Problem Solving Facilitation
- Marketing

David Allen

Development for Conservation

David@DevelopmentForConservation.com

608-239-5006

608 West Dean Avenue
Monona, WI 53716

www.DevelopmentForConservation.com