FUNDRAISING IDEAS THAT WORK!

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SPECIAL ISSUE!

Information Systems for Fundraising

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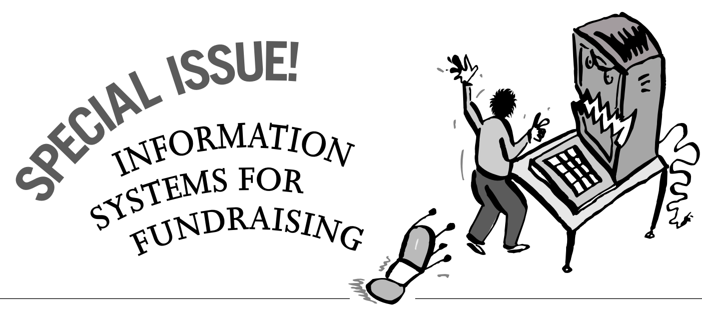

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LETTER FROM THE PUBLISHER

KIM KLEIN

Welcome to our first ever SPECIAL ISSUE! Tactile readers will have already noted that this issue is way longer than normal—28 pages. And it is all devoted to ONE topic—information systems for fundraising. We start with Maria Petulla's article about what databases can and cannot do for you, followed by Michael Stein's explanation of the world of ASPs—Application Service Providers, not snakes. Kristen Cashmore reviews a few fundraising databases that are affordable and designed for grassroots groups. Finally, I look at the human side of technology in my ongoing attempt to make sure people see technology as a tool and not an end in itself.

Of course, as each day passes, new versions of all the technologies come on the market. The last time we reviewed fundraising databases, in the six weeks between the author seeing the article and it appearing in print, one of the databases no longer existed and another had been bought by a larger company!

We want to make database review a regular part of the *Journal* and we'd like to hear about databases you like or you don't like (and why). Also, if you have anything to add to the information in this issue, please let us know.

A lot of important innovations have helped fundraisers immensely over the years we have been publishing the *Journal*. I came across a light table recently and remembered spending hours using that table to glue down columns of print for the newsletter of the group I was working for. Answering machines were another major innovation. But the innovation that helped me the most was photocopying—no more carbon paper! No more whiting out my typos on six copies of a grant proposal! I also remember the miracle of overnight delivery, which has allowed us ever since to delay getting something done until the day before it is due.

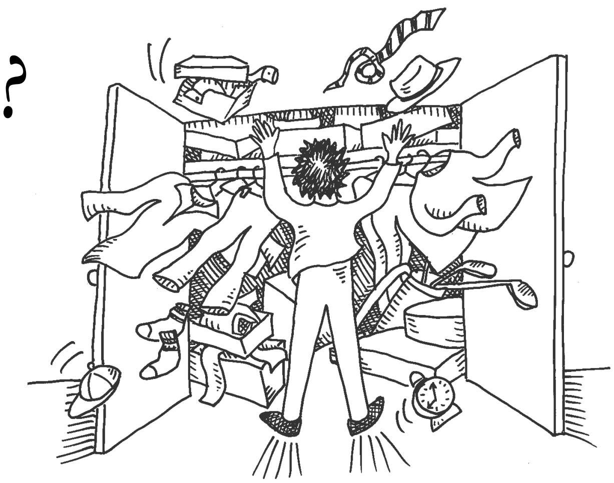
Technological innovations starting with word processing, then e-mail, and the World Wide Web have actually transformed what we can do. None of this saves time, of course, but it does change how we use our time, as witnessed by the following letter I received by e-mail:

> Dear Kim:
>
> I was stranded in an airport in early December and suddenly thought, "I could use this time to write my annual holiday letter to friends." I got out my laptop and wrote about a number of things, including a great activist group I had gotten involved in. I had helped them design their Web site and got them set up to take donations online. I decided to be bold and tell my friends to go to the site and make a donation instead of giving me a holiday gift.
>
> When the letter was done, I hooked up my computer to a phone and sent the letter to my address book. The whole process took forty-five minutes. When I finally got home later that day, I checked my e-mail. Three people had already gotten my letter and made a donation online. They all commented on how easy it was! Now, three weeks later, my friends have given more than $1,000 online. You really can raise money anywhere!

Here's to using all that technology to raise real money.

Nightmare or Rosy Dream?

DATABASE MANAGEMENT FOR FUNDRAISING



BY MARIA PETULLA

The Nightmare: All of the clothing you have ever owned in your entire lifetime is in piles on the floor of your walk-in closet, unfolded and disorganized. Socks, shoes, tights, jogging pants, underwear, pajamas, shirts, tank-tops, t-shirts, shorts, ties, earrings, rings, hats and coats, everywhere. The pile is chest-deep. You have to get dressed. You panic. "This is not an efficient way of dressing! I can't find anything!" Then you realize you have to organize it. "It's too overwhelming. I just need everything to be in its place so I can get what I want when I need it!"

You wake up in a cold sweat.

DATABASES—DOES YOUR GROUP NEED ONE? YES!

Is this nightmare how you sometimes feel when it comes to managing donor information? Is it frustrating, confusing, overwhelming, and disorganized? Database management is often the last priority for small groups. You're busy changing the world! Data *what?*

If your shoes are on a tree rack and the shirts and pants are on hangers in the closet, you can plan when you need to do laundry, know if you have an outfit for a black-tie party, or assess which pants look good with what shirt. Right? How does this relate to fundraising?

It is generally understood that the goal of fundraising is to build a base of donors who will give you money every year. In order to make informed decisions and realistic plans about all of your fundraising efforts, you need to assess and target your fundraising strategies so that you can increase your base of donors. You can do this better and smarter if donor information is organized and easy to capture in a readable report. One important aspect of doing that is to have a database that is used properly and runs efficiently. You wouldn't put all your clothes from your whole life in one room and try to get dressed or even try to organize them. Think of your donors in the same way.

You wouldn't put all your clothes from your whole life in one room and try to get dressed or even try to organize them.

This article looks at what databases can do for you, followed by steps to take to find a database that fits your needs.

WHAT DATABASES CAN DO FOR YOU: REPORTS AND GROWTH

When a database is up and running efficiently, it's like having a rosy dream instead of a nightmare. How? Databases do two things that are essential to fundraising:

1) Produce *reports* to help you make informed decisions and realistic fundraising plans

2) Help you *grow* in your fundraising efforts

1) Reports: Proof of Effectiveness

Reports are the core of your database program. Their job is to provide answers to questions about your donors and your fundraising efforts so you can move forward with some certainty. Imagine spending 45 minutes in the nightmare closet looking for a clean pair of white socks when the only ones in there are from when you were five, but you don't know that. In fundraising, if you don't know what donors you have or how long they've been with you or what happened in your past efforts with them, you'll spend time trying things that either aren't a good idea or aren't even a possibility. For example you wouldn't launch a special event starting at $50 if your average gift is $40.

Different kinds of reports answer different questions:

Assessment reports answer, "What happened?" They are "the numbers," measuring success so that you can compare fundraising efforts. Some examples: How many donors were mailed to in that last mail appeal? How many responded? What was the average gift size? Are this year's special events doing as well as last year's? Did they bring in a higher ratio of money to expense? Did more people come?

• ***Donor category reports*** answer, "Who responded?" giving you specific donor information. For a major donor campaign, when you ask, "Who gave $50 or more in the last 24 months for any reason?" a donor category report can print out all their names, addresses, phone numbers, and gift history so that board members can follow up with personal solicitations.

• ***Thank you letter reports*** answer, "Who gave in the last week/just to the direct mail appeal?" Then it compiles information to be merged into thank you letters—an important tool as your donor base gets larger and you have more donors to thank within that 48-hour window!

• ***Mailing label reports*** answer, "Who gave (total givers or any subset)" and prints the answer on mailing labels. Useful if you want to exchange with another group for one-time use or if you want to mail something to a specific set of donors (like special event givers).

• ***Pledge reports*** answer, "Who made what pledges and what pledge payments are late?" These help you maintain a monthly giving program.

• ***Giving history reports*** answer, "Who gave and how much?" For example, you can show the name and phone number of donors who gave $100 or more in the last three years (major donor) *and* how much they have given in total over the last three years. You can also track individual donors to see if there are patterns to their giving. This can help you determine when to ask them for more.

Here's an example of how reports help: One group didn't cancel their June mailing until a report confirmed it was "failing." The report showed that for three years this mailing to active donors not only brought in an incredibly low response (below 3%), but also did not raise any money—it lost money. Not until they saw the figures on the report were the group's hunches about this mailing borne out.

Tracking segments of the donor base and how they give is a sophisticated analysis strategy and gives a major boost to helping a fundraising program grow. Many groups that are still in the nightmare phase can't imagine having such a concise image of their donor base or this much information. You can select any group of donors based on any criteria and see how they give. This helps with targeting strategies more carefully, from selection of mailing lists to special event invitations, to ceasing to ask seriously lapsed donors.

Tracking segments of the donor base and how they give provides a major boost to helping a fundraising program grow.

You can have all this information at your fingertips. Reports help you plan realistically and make informed decisions.

2) Helping You Grow

When your old clothes are at the Salvation Army and your closet is really under control, you can move onto other things. When your database is running smoothly and efficiently, you are now in a position to focus on executing a better fundraising program—getting more donors and raising more money. You can move on to diversify the ways you ask for money and increase how frequently you ask.

Here's how your programs can improve:

• ***Direct Mail/Annual Fund*** programs often improve when the information in your donor base comes into focus. Some things you can do: cut out a segment of donors who never give to mailings; work to upgrade donors who give the same amount to the annual fund every year; determine how many more mailings to do each year.

• ***Acquisition*** technically loses money, but is a great way to increase your number of donors (thereby making money later). You can choose what kinds of new lists to look for once you understand the demographics of your donor base. Your database can help you do this by sorting current donors by zip codes, professions, or other information you might be able to feed in.

• ***Donor Surveys*** can yield a lot of information from your donors. The more you know, the better decisions you can make about reaching them with appeals, acquisitions, special events, planned giving, and major donor programs. A good time to conduct a donor survey is when you are increasing your efforts or making a change. Information that you gather on your donors can be fed into your database for later use. (For more on conducting donor surveys, see *Fundraising for Social Change* by Kim Klein, and "Getting to Know Your Donors: The Donor Survey," by Martha Farmelo, *Grassroots Fundraising Journal,* Vol. 20:1, 2001.)

• ***Major Donor/Capital Campaign/Planned Giving/ Endowment Efforts*** are all upgrading efforts. As you saw in the "reports" section, if you include in your database information about who knows each donor (either on your board or staff or in the larger community), you can print out a potential major donor report to inform you of potential solicitors. For example, for a direct mail appeal or special event focused on capital improvements, you'd want to select donors you've identified as most likely to give additional money for that kind of project. For a planned giving campaign, you'd want to know who has expressed interest in having your group in their will.

• ***Special Events*** are a way for donors to come closer the organization by bringing your group and the donor face-to-face, instead of through the mail. As a result, special events help build the relationship. Your special event program can be enhanced once you understand the giving tendencies of your donors; you may even ask what events they prefer in your donor survey and include the results in your database.

• ***Phone Banking/Telemarketing*** work well with some donors. Your database can print a report with phone numbers of lapsed donors or those who have responded to phone appeals in the past.

• ***Finding Board Members*** can be easier when you know which donors show commitment to the organization by moving up in their level of giving or giving frequently; these people may be good prospects for your board of directors. Your database program can provide this kind of donor information so you can see who these special donors are.

WHERE TO BEGIN—THE ROAD TO A BEAUTIFUL DREAM

As you can see, with a great database, there is a rosy dream of informative reports, targeted asks, and increased fundraising success. Now it's time to get to work. You know you need a database—or a better database. Where do you begin?

The process from where you are now to the rosy dream of a terrific database can be a nightmare of its own unless you plan, plan, plan. Here are the basic steps to take when beginning the process. (Also see "Avoiding Disaster: The Database Planning Process" by Mary Duffy at www.techsoup.org).

Reports help you plan realistically and make informed decisions.

STEP 1: Take Inventory—What have you got? What do you need to get?

• ***Commitment.*** Get it. First from yourself, with all your heart and soul, because you know how it is when something you hate doing or aren't that good at needs to get done—it's hard. And you can't do it alone—the executive director and board need to be supporters. Your entire group needs to decide that this is a priority. Also, two key fundraising people, including the data entry staff, need to be involved in deciding how to organize your donor information and the process of searching for the database.

• ***Review.*** Look at what you have now and how you are tracking donor information. What is missing? What reports do you need? How do the data get processed now?

• ***Funding.*** What funding is available for this project?

• ***Plan.*** Who is involved in the process of finding the right product? How often will you meet? How will you go from where you are now to actually having the database and the processes in place? How will you train those people who will be using the database? Who will be responsible for maintaining the database?

STEP 2: Research—Things to consider when shopping for a database

Here are some things to know about when shopping so you can make a good decision about what database to choose. For each category below, think about how the database fits what you need and what sophistication the database offers.

• ***Unlimited Fields and Codes.*** Fields are all the distinct bits of information or categories you want to be able to record about a donor and later use to sort donors to create reports (see box on page 8). How many different fields can you have to define each donor? For example, are you able to have unlimited fields for donor interests, affiliations, gender, and so on?

• ***Relational Databases.*** Many groups "build" their own databases from a generic product (see below). If you decide to do this, you will need to make sure the generic database you buy is relational. This means different types of information for the same person are stored in different files—name and address in one file, for example, and amounts and dates of gifts in another, and a list of open house attendees in another. This information is linked by a common identifying number in each file for the donor. Now you can relate the information across the files to create various kinds of pictures of your donors and help you create sophisticated reports—for example, everyone in one zip code who gave a certain amount and also came to the open house. (See "Tips on Database Design and Use: Organizing your information effectively" by Miriam Engelberg at www.techsoup.org).

• ***Name Capacity.*** Start with the number of names you currently have, including donors, volunteers, foundations or other givers, and prospects. Then make sure the database can accommodate this number and have enough room for growth.

• ***Different Types of Donors.*** Can the program handle listing all the different names that may need to be entered: singles, couples, families, corporations, foundations, and other types of donors? What about couples with different last names, and individuals with more than two names? For example, in Latino and Asian communities it's not unusual for someone to have a multi-part name that would need extra space, such as Maria Theresa Estella di Avila. Can the database accommodate that?

• ***Sorting/Queries/Extractions.*** Each program has a different name for this function. Essentially, it's the ability to sort for specific donors using more than one piece of information. For example, how many donors responded to the spring appeal this year *and* last year, *and* gave $40 or more each time?

Take the time to have everyone who will be using the database trained thoroughly.

• ***Multi-User Capability.*** How many people need to have access to the program in your office? Do two or more people need to look at the database at the same time? If so, make sure the database can be running on more than one computer at a time.

• ***Transferring Information.*** Can the information in the program or method you are currently using to track donor information be changed over to the new program easily? This is a big question, since re-typing all the information about all your donors could be an arduous task.

• ***Accounting Compatibility.*** Often the finance and development functions of an organization (if they are separate) are at odds about who enters the checks into the system: funds need to be tracked based on *fundraising* codes, so you can assess your efforts. But it's *money,* so it's also *finance.* Does this program need to be compatible with your organization's accounting program? Can there be larger categories and then subcategories of efforts? For example, if direct mail is the umbrella, can "fall appeal" be a subcategory? This way you can print a report on all direct mail and also just on the fall appeal. If accounting enters the funds, they will need to have a compatible or the same system.

• ***Data Entry.*** Is the process of doing data entry quick and easy? Can the fields be formatted so data entry is uniform no matter how many people enter information over the years? For example, will every letter of the first name be capitalized? Will an error message appear if a field is entered incorrectly?

• ***Defaults.*** Does the program have default options for data entry, which make entry quicker? For example, for some databases you can strike the tab key and a default entry gets put in, such as the state abbreviation for a local group with most of their donors in the same state.

• ***Gift Management.*** How will this program save, store and organize your donor gifts, pledges, payments, thank you letters? How is information "posted" or saved? What if you save a donation under the wrong donor? Can transactions be reversed or changed?

• ***Cost, Support and Data Security.*** What are the strengths and weaknesses of this program compared to others? Does the database give you everything you need for the best price without you paying for things you don't need? What are the hidden costs beyond the purchase price of the software? For example, do you need to pay for ongoing technical support, outside consultants to train you in how to use the program, or hardware/network upgrades? How are your data secured if your computer or network crashes? What if the database manufacturer goes out of business?

• ***Time and Effort.*** Databases are clearly great devices for fundraising, but only if they are used correctly. How much of an expert does one need to be for the database to run at maximum functionality? Will you be where you are today if you get this database—or less organized? What if the volunteer who is building the database from a generic product leaves? Will you end up with a badly built database that becomes unworkable?

• ***Referrals.*** What other groups of your size have used this database and are they close enough for you to visit? Ask to meet with them to see how they run their database. Ask other groups you know what they use.

STEP 3: Learn What Is Out There—Pros and cons

Now you know what you have (commitment, an idea of how your group processes data), what you need, and you have a plan. Now it's time to learn what databases exist.

There are three different kinds of databases and the jargon can get quite confusing. Here is an overview of each type:

- Generic databases such as FileMaker Pro and Access
- Off-the-shelf fundraising programs such as Donor Perfect, FundRaiser Basic, and Paradigm
- Web-based databases or ASPs (Application Service Providers) such as eTapestry, DonorLink, and DonorPerfect Online

Generic Databases

These databases are not specific to fundraising. They start with a general program that can be built upon to manage any number of needs, from a small import/export company's inventory list to a small nonprofit's donor base.

Once you purchase the database, you decide which elements to use and in what ways. This is called "building the database."

Generic databases are generally inexpensive, so small groups with modest budgets like to take this route. Building your own simple database in-house or with well-meaning volunteers may seem the ideal option. Can this program do what you need? Yes, but *only if you build it that way.* Some grassroots groups have had success with building solid, efficient databases. But most have not. Many groups have ended up with "sloppy" database programs that can barely function. The money theoretically saved up front now needs to be found to hire a database consultant or other support.

Generic programs take a lot of thought, time, and energy to build from the ground up. If the database is set up properly, it can be customized to suit a small nonprofit organization. However, that is a big "if" for most groups. The key to success is getting it set up and running at maximum efficiency—and you have to do it all.

Off-the-Shelf Fundraising Programs

These databases are specifically designed for fundraising. When it comes to organizing donor information, many groups have the same needs, and these databases have prepackaged them for you. (See article on page 14.)

Especially if you have very little computer programming knowledge in your office, these programs might be for you. Fields, reports, thank-you letter merges are already set up. One frustration fundraisers have with these programs is that some have "closed" database design, allowing for little or no custom design by you. If, for example, you wanted to add a place to include the donor's children's names, you might not be able to. But shop carefully, because others have room for "user-defined" fields and screens, and those kids can go in. Prices vary from $89–$3,000 to start. Remember, always consider the technical support package too, which is usually additional. There may also be server/network and multi-user costs. Nevertheless, you save time on frustrating generic database building.

Web-Based Databases (Or ASP—Application Service Providers)

These new and interesting database options are services you purchase on the Internet to manage your donor information; prices vary based the number of records you have. They are built specifically for fundraising. (See related article in this issue.)

For these databases, there's nothing to install on your machine. All of your data are secured on the Web. You don't need a network or a server. Because all of your information is managed on the Web, you have access to your information from anywhere. These services vary in expense (some are free) and in the kinds of services you receive. If you have 1,000 or more records, they can be expensive. However, over time, the overall cost might be lower than the cost of managing an in-house program. Make sure the group you choose has a non-disclosure clause—making your data safe and untouchable by others.

These databases do come with some risks, primary among them that the real risks are not yet known. For example, how will you have access to your information if the provider's server is down? What happens if their server crashes? And since many companies offering this service are still new, what happens if the company goes out of business?

INFORMATION TO TRACK

Here are the fields or pieces of information you should be keeping in a database. Most of this information about a donor can be found on their check or on the reply device.

Basic donor information includes the following 14 fields (16 if last names are separate):

- **Title**
- **Salutation**—What do they prefer?
- **Full Name 1:** the first and last names should be recognized as separate to sort by last name
- **Full Name 2:** sometimes the name field is two fields for first and last name
- **Business Name**
- **Address Line 1**
- **Address Line 2**
- **City**
- **State**
- **Zip+4**
- **Work Number**
- **Home Number**
- **Other Phone**
- **Email Address**

Specific donor information includes the following 9 fields/sections (most of these will be one-letter codes per field):

- **Status:** Donor or prospect
- **Type:** Individual, board, volunteer, staff, foundation, corporate, major donor, capital campaign
- **Gift History:** Date of gift, type of appeal they responded to, and amount of each gift
- **Correspondence history:** When thank-you letters have been sent, other correspondence
- **Renewal Date:** For the annual fund or membership program
- **Solicitation Type:** Any exclusions that the donor prefers, such as no special events, no direct mail, special appeals only, holiday appeal only, etc. Again, a code is good for this field.
- **List Exchange:** Usually coded "x" if the donor does not want their name exchanged.
- **Gender:** May help with the default salutation if your database is coded that way
- **Contact:** Who in your organization knows this person and who is the best person to solicit them for a gift (could be two different people)?

STEP 4: **Implementation—Choosing, Converting, and Training**

You've done the work, the research, and the meetings. The next step is choosing a database and converting your office to create a home for the program. Either the staff of the program you have chosen will implement this, or a database consultant you hire. Training is important, and one of your staff can aid the program's staff or the consultant. Take the time to have everyone who will be using the database trained thoroughly. This will save a lot of frustration later. Also, be sure that more than one person is completely familiar with how to use the program. This will be helpful when the main user goes on vacation, is out sick, or—worse—leaves the organization.

WORTH THE EFFORT

Think of the steps you would need to take to put baby clothes in the "give away" pile, new shirts on hangers, and shoes on a tree rack. Organizing that nightmare closet at the beginning of this article is the analogy to the steps you need to take in planning and organizing your donor information. Many groups have some system of organizing their donors—the names aren't all in a big pile on the floor, we hope. But often there is plenty of room for improvement.

There are many options and avenues for developing an effective database. Remember the keys: Know what you need. Ask a lot of questions. Get referrals. Know how much time and energy you can put into it. Plan, plan, plan.

It's worth the effort. An efficient, functional database will make your job of improving your fundraising program easier—maybe even a dream. Start slowly and build or buy the data-base that makes the most sense for your organization. Good luck. GFJ

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Application Service Providers:

AN IMPORTANT NEW TECHNOLOGY SOLUTION FOR TODAY'S NONPROFIT

BY MICHAEL STEIN AND JOHN KENYON

EDITOR'S NOTE: This article is adapted from a chapter in *The eNonprofit: A Guide to ASPs, Internet Services and Online Software* by Michael Stein and John Kenyon, published in February 2002 by CompassPoint Nonprofit Services, with support from the Community Technology Foundation of California. Available for sale and free download at www.compasspoint.org/enonprofit/.

Long before the commercial sector discovered Web sites for marketing and advertising, nonprofits were building the first organizational brochure Web sites, setting up discussion listservs, and using e-mail to network, educate and mobilize. A decade later, nonprofits are still pioneers in finding new ways to harness the Internet to accomplish their goals.

An important trend for today's nonprofits is the Application Service Provider or "ASP." An ASP is a technology company that develops and delivers software tools over the Internet, usually for a monthly fee. There are over 300 ASPs in operation today that serve nonprofits. Most are for-profit companies, but a small number are not-for-profit.

Nonprofits use ASPs to conduct the following types of services online:

- Activism and advocacy
- Credit card transactions
- Data and database management
- Donor and membership list management
- E-mail messaging and listservs
- Fundraising, including membership recruitment and renewal, auctions, event ticket sales, planned giving, accepting stock donations
- Volunteer recruitment

In addition, some ASPs offer multiple services as part of integrated suites. There are other uses of ASPs as well. You can find them in the complete version of The eNonprofit: A Guide to ASPs, Internet Services and Online Software at www.compasspoint.org/enonprofit/.

NONPROFITS USE ASPs

Nonprofits of all sizes, budgets, and missions representing diverse communities across the country are working with ASPs to meet some aspect of their technology and programmatic needs:

- ***Diversity Works*** in Oakland uses 4Charity.com to help them with their online credit card donation system. During 2000 and 2001 they took in more than $9,000 with this tool plugged into their Web site.
- ***The Korean Community Center*** of the East Bay in Oakland uses NetworkForGood.org (formerly Helping.org) to help with online credit card donations.
- ***The Silicon Valley Toxics Coalition*** in San Jose uses eGrants.org to accept credit card contributions through its Web site.
- ***The Aidan Montessori School*** in Washington, D.C., uses the online auction BenefitEvents.com to help them fundraise.
- ***Being Alive*** in San Diego uses the donor management eTapestry.com to track donations for its HIV and AIDS support services.

INTERNET USE IN THE NONPROFIT SECTOR

ASPs have brought a technology revolution of sorts to the nonprofit sector. By offering sophisticated new Internet services to help nonprofits, ASPs have challenged the nonprofit sector to understand what they have to offer — a process that isn't always an easy one for either nonprofits or ASPs. Nonprofits use the term "accidental technologist" to refer to nonprofit staff who have had to become experts in technology without formal training.

Many nonprofit organizations — particularly those with limited financial and staff resources — were already challenged by the first wave of the Internet's development, when many nonprofits built their first Web sites and sent out their first e-mail newsletters. ASPs that serve nonprofits today are offering themselves as the second wave of Internet development, allowing nonprofits to do things they only dreamed possible before.

In spite of the many ways that ASPs can and do help nonprofits today, there is also a challenging side to this new technology. Nonprofit staff need to learn about and understand the technology that ASPs are selling them. There are complex technology issues to consider, new language and jargon to learn, and needs assessments to undertake. Many nonprofit staff that are new to ASP technology are asking themselves if ASPs are worth considering or if they're a waste of time and money. When is a nonprofit ready to use an ASP? How does a nonprofit evaluate the different services and select the one that is right for them? How does a nonprofit know which ASPs might be in business a year from now?

Depending on what a nonprofit agency hopes to do with an ASP, the investment — both financial and in staff time — should be clearly understood. Explore the total cost of working with an ASP, which should include staff and management time to do the planning, selection, and implementation, costs to work with an ASP, costs to improve the technology infrastructure in your organization, and any other costs that will be required to make this process successful.

FIVE STEPS TO SELECTING AN ASP

ASPs come in all shapes and sizes. Some are quick and easy, while others take longer to select and implement. The process of selecting an ASP varies with agency size, needs, and resources. Here is a description of the five steps that we identified while interviewing nonprofit staff who have worked with ASPs.

Step one

Designate someone in your organization who will spearhead the effort to work with an ASP (for example, the Membership Director or Fundraiser).

Identify who will input and maintain data. Decide who will define the outputs of the system — the end product you want. Include both technical and non-technical staff on your team, and the staff who will actually use the ASP tool.

Step two

Define your needs as simply as possible. An example of a general needs statement might be: "We need an online donation tool that allows people to donate money with their credit cards," or "we need a listserv to communicate with our network of advisers across the country."

Then add other requirements you might have (for example, inexpensive or easy to use) that relate to your operations.

Step three

Search for ASPs that match your needs. You can find descriptions of various ASPs in our online Guide, The eNonprofit. Other resources are www.nonprofitmatrix.com, www.techsoup.org, and www.actknowledgeworks.net/ephil.

To get a good idea of how a service is used and how it really works, speak with other nonprofit customers of the service. To find those other customers, ask ASPs themselves, ask on listservs, and talk to other nonprofits and board members you know. Try to find organizations that use the service in the same way you plan to use it.

Ask these three key questions to other organizations: How do you use this ASP? What was your setup experience? Is their technical support helpful? Do they include intrusive ads on the screen? This is a great way to learn about real-world experiences with an ASP, but can't take the place of listing your needs and expectations as benchmarks for selection.

Step four

Complete your selection criteria. These should include your needs for features and functionality of each ASP, pricing plans, frequency that the ASP updates the software, its commitment to customer service, testimonials from existing customers of that ASP, and the business stability of the ASP. (You can find more on business stability in Part 5 of the eNonprofit Guide.)

Step five

Sign a contract and implement the technology that the ASP will be providing.

TAKE YOUR TIME

Researching and selecting an ASP can be a daunting task. Do your homework and take your time to make a decision that you're confident about. Not all ASP selections happen in the same manner. Adding a search button to your Web site (such as Atomz.com can provide) may take only a review of a few ASPs and a few discussions with your Web person about your needs before moving forward with implementation. You can be up and running in a few days.

On the other hand, working with an ASP to change your entire donor database management system could take several months of planning and implementation. It could involve putting together a team of staff and

Eleven Quick and Easy ASPs You Can Use Today

Many ASPs are free and so easy to use that you should simply try them out. Here are our favorites:

• **www.topica.com** — Topica is a great free service you can use to distribute an e-mail newsletter or set up an e-mail discussion list — sometimes called a listserv. This service is extremely easy to set up whether you're starting from scratch or already have 300 e-mail addresses. You can add a handy "e-mail subscription box" to your Web site to allow visitors to subscribe easily. An archive of all your messages is stored automatically on the Topica Web site, but that archive is not full-text searchable, nor does it store any attachments that were originally sent. Two downsides to this service are that system e-mails will come from listname@topica.com, and some minor Topica branding will appear at the bottom of every message that gets sent out.

• **groups.yahoo.com** — YahooGroups is another great, basic, free service (similar to Topica.com) that you can use to distribute e-mail newsletters and set up e-mail discussion lists. All the features work the same as with Topica.com except that the archive of messages (that is stored automatically on the YahooGroups Web site) is full-text searchable, and it can store any attachments that were originally sent.

• **www.networkforgood.org** — Network For Good (formerly Helping.org) is run by the AOL Time Warner Foundation, and allows you to accept credit card gifts through the Web. You install a "Donate Now" button on the site that links directly to a personalized giving page you create at Network For Good. They charge no fees to use this service, clearly one of the best deals on the Web for nonprofits. One downside is that your giving page on Network For Good cannot be personalized with your logo or other navigational items. To get started, visit the Network For Good Web site, scroll down to the bottom of the home page and click on "Nonprofits Click Here."

• **www.Zoomerang.com** — Zoomerang exclusively provides online surveys that you can plug into your Web site or announce in your e-newsletter. They offer a free survey service for a limited 30-day use, which is usually enough time to run a survey. It's fairly easy to build your own survey using their on-screen instructions and options, and you get real-time results which can also be downloaded into spreadsheet programs as needed. You can upgrade to more features with a service that costs around $200 per year. To get started, visit the Zoomerang Web site, register for free to become a member, and proceed to set up a survey.

• **www.volunteermatch.org** — VolunteerMatch helps you recruit, manage, and communicate with volunteers online. This nonprofit project won two Webby Awards in 2001 and runs a huge Web portal, which attracts hundreds of thousands of visitors annually, thus assuring a steady traffic of potential volunteers. To get started, visit the VolunteerMatch Web site, click on "About" and then on "FAQs" and then on "Nonprofit FAQs" to read all about how to set up their service. Try listing one volunteer opening first to get experience in how it works.

• **www.ezboard.com** — EZBoard is an easy and affordable way to set up a Web discussion forum that can be plugged into your Web site. Many Webmasters opt to install complex scripts to set up Web forums, but this ASP makes it easy with multiple display formats, colors, layouts, features, and more. They offer a free service that displays advertising, and pricing starts at as little as $5 per month for more features. To get started, visit the EZBoard Web site, see how other organizations have set up their forums, and then register to try it out.

• **www.atomz.com** — Atomz is an easy and free way to put a search engine on your Web site to help visitors find specific items on it. To get started, visit the Atomz Web site and signup for the service (click "Join Now"). Then you have to have your Webmaster or Webmistress install a few lines of Java software code on your Web site so that your Web site becomes enabled. Once a week, you get a report on all the searches that were done on your Web site.

• **www.egrants.org** — eGrants offers a service that allows nonprofits to accept credit card contributions through their Web site. This ASP is a nonprofit affiliated with the Tides Center in San Francisco. To plug this service into your Web site, you install a "Donate Now" button that links directly into eGrants. They don't offer any free services, but they excel at helping nonprofits understand the technology and offer a number of training resources and publications. To get started, visit the eGrants Web site and click the green "Donate Now" button to learn about their service.

• **www.webtrendslive.com** — WebTrends Live offers a free service that allows you to track all the statistics of visits to your Web site. Their "Personal Solution" service allows you to track an unlimited number of Web pages. To get started, visit the WebTrends Live Web site and register. Then you have to have your Webmaster or Webmistress install a few lines of Java software code on your site so that your Web site becomes enabled. The traffic reports are available on the WebTrends Live Web site and show number of visits to pages, most popular pages, referrer logs, browsers used, and more. More full-featured versions of this service are available for monthly fees.

• **www.thepetitionsite.com** — The Petition Site offers a free service to set up a petition on the Web. They've set up the technology to make the process of gathering signatures easy. This Web site is operated by the environmental portal Care2.com, which is a non-partisan tool for people working on a variety of issues and causes. To get started, visit The Petition Site and click on "Create Petition" to build your petition on their Web site, and then give out the Web address through e-mails and Web links to drive traffic. It's ingenious because it's so simple to use. People who sign the petition are given the option to subscribe to your organization's e-newsletter.

• **www.cast.org/bobby** — An ASP that's not just for nonprofits is the "Bobby" site that evaluates Web sites "on the spot" for how accessible they are to people with disabilities. Go to the Bobby site and type in your Web address, and it will show you the areas at your site that need improvement. If your site is "Bobby approved," you can apply to have a little Bobby icon for your home page.

consultants, having several planning meetings to assess your needs, researching your options, getting quotes from several ASPs, meeting with finalists, making a selection, and then moving forward with implementation.

THE CHALLENGES AND RISKS OF USING ASPs

Nonprofit concerns about the reliability, security, and longevity of ASPs are legitimate. Many nonprofits have been affected directly when an ASP has gone broke and closed down. The nonprofit ASP industry is still developing and nonprofits can anticipate more changes over the next several years. As your nonprofit selects an ASP, be aware that this process of forming and changing in the industry is ongoing.

Try to assess the business health of an ASP that you are planning to use, and have a contingency plan that includes the regular backup of your data in a secure, independent location. With so many ASPs going out of business in the last few years, selecting an ASP is sometimes compared to buying stocks from a startup Internet company. There's no sure way to know how long a company is going to be in business, but here are a few techniques you can use:

• ***Ask about the company's long-term interest in selling to the nonprofit sector.*** Inquire about their business stability and ask to see an audited financial statement. See how they handle these questions. Your goal is to determine their willingness to share their business strengths and weaknesses with you, and to determine if they have sound financial backing.

• ***Find out how long the company has been in business.*** Ideally, choose a company that has been in business for a year or more (so they've completed at least one fiscal year), and upgraded their software product more than once.

• ***Look for ASPs that have created nonprofit community advisory boards to advise them in their business and marketing development.***

• ***Ask the ASP about their contingency plans if they were to close down or be acquired by another company.*** How would they address your needs in this eventuality? Make sure that you understand how you would get access to your data stored in their system.

• ***Ask for references from other nonprofits that have worked with that ASP.*** Ideally you want to see a sizeable nonprofit client base as a demonstration that this ASP is able to serve nonprofit needs.

LOOKING FORWARD

ASPs hold tremendous promise and offer unique tools to help nonprofits succeed in a world that demands quick access to information, self-service, privacy, and convenience. In spite of the youth and volatility of the nonprofit ASP sector, many nonprofits have used ASPs successfully to raise money, build donor relationships, advocate on behalf of social causes, deliver services, and improve operations. ASPs, like other technology tools, can be used by nonprofits to support their work shaping change in our communities. GFJ

ASPs Serving Nonprofits: Examples

GetActive.com — E-mail messaging and donor mobilization for online advocacy campaigns

eGrants.org — Secure online credit card transactions

BenefitEvents.com — Online auctions

SmarterOrg.com — Online learning environments

eTapestry.com — Donor database management

Convio.com — Web site hosting, e-mail messaging, event management, surveys, and online fundraising

seeUthere.com — Online event management

AssetStream.com — Processes gifts of stock to nonprofits

CommunityApps.com — Private collaboration spaces and calendars

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a few FUNDRAISING software PROGRAMS

BY KRISTEN CASHMORE

Other articles in this issue of the *Journal* explain what data are important when tracking donors and some different options for organizing that data. As discussed in those articles, while customizing an existing generic database application like FileMaker or Access may be an option for some organizations, others may choose to have their data managed through an application service provider on the Web, also known as an ASP. A third option, and the focus of this article, is to use software pre-designed for donor management. In some cases, the software prioritizes member management but has the ability to track donors as well.

Given that there are so many different programs to choose from, the *Journal* decided to focus on those that meet the following criteria:

- They are affordable to grassroots organizations
- They have a good reputation among users
- They aren't as well known as some other programs that have big advertising budgets

TAKE THEM FOR A SPIN

All of the programs described below can be "tested" through the provider's Web site. Once you've taken the programs for a drive, contact an organization that is currently using the software you are most interested in to find out exactly what happens when the rubber hits the road. All the systems, except Organizers' Database, have testimonials on their Web site. However, ask the contact person (named below for each product) to give you a referral to a group in your area that is currently using the system. Try to see the system "in action" and be sure to ask the group how easy it is to customize fields, find particular populations, create and print letters, and produce reports.

Remember that with each system you need to con-

PROGRAMS A

	ORGANIZERS' DATABASE	EBASE	FUNDRAISER BA
Operating environment	Windows for PC	Windows for PC / MacIntosh	**Basic:** Windows f
Hardware necessary to support system	Windows 95 or higher is necessary, but the system runs better if it is supported by Access	WinNT, Win2K, WinXP, OSX or OS9.1. System performs better if supported by FileMaker	**Basic:** 8 mg of m **Jr.:** 32 mg of mem **Pro.:** 64 mg of m
Cost of system	Free	Free	**Basic:** $89 **Jr.:** $875 for sing **Pro.:** $2,800 for s
Types and cost of training	A user's manual can be downloaded for free and periodic, regional demonstrations are provided free of charge. A semi-formal process of approving people around the country, who can be hired at an affordable rate to provide ODB training, is in development.	Classes offered regionally, typically $15–400 per person per session.	For all systems: U in the purchase p
Types and cost of technical support	Most support is provided for free via email. As the user base is still small, support via phone is also an option—for now. By the summer, a "grassroots technology cluster" program will be available for groups requiring a large amount of support. Costs at this time are unknown.	Mostly via email list serves. Remote or on-site consulting is also an option. Uncertified consultants are available around the country and free to charge what they want. Rates nationwide are typically $45/hour and up. Consultations with TechRocks start at $100/hour for experienced program staff.	**Basic:** no charge **Jr.:** includes unli to an online users for single user or **Pro.:** same option
Converting data into this system	ODB can import contact information easily using comma or tab-separated files. For donation information, it is recommended that a consultant be used to transfer data into a spreadsheet program before converting into ODB.	ebase has a built in import tool that converts version1, Palm and Outlook (and compatible) databases. Conversion time/costs depend on the sophistication of the source tables	The conversion pr Contact info. mus To convert giving
Access at multiple workstations	Yes, if using a Local Area Network		**Basic:** no **Jr.:** yes if using a **Pro.:** yes if using
Ability to protect donor information from certain users	Yes, using a password		Single-user versi Multi-user versio

sider the trade-offs between the monetary costs of the program, including technical support, and the costs in time for staff to be trained on the system and troubleshoot ongoing problems. While a free system with free technical support via e-mail may seem like a bargain, it isn't if your organization rarely uses the database because no one knows how to sort populations or print reports and no one can understand the instructions coming over the Internet.

THE BIG HURDLE: CONVERTING DATA

When you've finally decided which system is right for your organization, the hardest part still lies ahead—converting your data. While contact information (names, address, phone numbers) is relatively easy to convert, giving history is not. This is because the coding used to track donation amounts, sources, and so on is more complicated than that used for contact information.

With all the systems described below you will incur additional costs for converting giving history, unless you have the resources to convert the data by hand (that is, typing the information into the new program). Keep in mind, however, that the monetary costs for converting giving history are based on the initial coding, not the number of records. So the good news is that you won't be penalized for having a large base of individual donors—should you be so lucky!

THE DATABASE REVIEW

Now to the specific databases reviewed here: Organizers' Database; ebase; FundRaiser Basic, FundRaiser Junior, and FundRaiser Professional; and GiftMaker Pro. For each program, I review the basic features, advantages and limitations, and include a testimonial from someone who has used it.

While each system has features specific to that system, all the programs have a few things in common. They can all support a large number of records; you are only limited by the memory capacity on your computer. That's why all the systems recommend that your hard drive have a capacity of 300 megahertz if you anticipate tracking thousands of records. They all have a system for identifying and purging duplicates. And they all have a function for batching and printing thank you letters.

▶ Organizers' Database

COMPANY: Organizers' Collaborative, www.organizenow.net/odb.html

CONTACT PERSON: Rich Cowan; rich@organizenow.net

PRICE: Free

This is a relatively basic application, with a format based on Access, which was developed for small groups that have members actively involved in grassroots campaigns. While it is more of a member management system than a donor management system, it still has a number of features that prove useful to fundraisers. For example, ODB allows you

AT A GLANCE

ASIC, JR. AND PROFESSIONAL	GIFTMAKER PRO
for PC / **Jr.:** Windows for PC / **Pro.:** DOS (Windows version currently in development)	Windows for PC / MacIntosh
emory and 1 mg of hard drive space/1000 records nory and 4 mg of hard drive space/1000 records emory and 6 mg of hard drive space/1000 records	For PC users: minimum of a Pentium processor with 32 MB of RAM For Mac users: minimum of an iMac with 32 MB of RAM
le user; $1,175 for multiple users (up to 5) single user; $3,800 for multiple users (up to 5); more for client-server model (10+ users)	$795 for a single user limited record (1,500) version, $2990 for a single user unlimited record version, $3990 for up to 3 users on a LAN for the unlimited version, and more depending on the number of users
User's manual and a walk through over the phone to set up the system. Both are included price of the system.	Training is separate from the cost of the software an includes the following options: Telephone ($700/6 hr. session), web-based ($745/6 hour session), classroom ($700 for 2 day Basics or Advanced; $350 for 1 day Reports or 1 day Executive Overview), On-site ($1590 for 2-day Basics or Advances; $795 for 1 day Reports, or Executive Overview)
for calls, but not toll free mited support via toll-free phone number, fax or email; free program updates; subscription s group; and subscription to a quarterly newsletter of tips and techniques. Cost: $175/yr. $215/yr. for multi-users plus an additional $35/year per module n as Junior. Cost: $425/yr. for single user or $525/yr. for multi-users	Tech support includes free updates/enhancements, unlimited telephone, email, fax, and internet support. They offer online knowledge base and discussion groups. The cost is 20% of the retail value of the software
rocess for all three systems is the same if converting from a non-Fundraiser Family system. st be exported from existing system using a dbase3 format or tab or comma delimited files. history (amount, date, and 1 code) costs between $400-1500 (avg. is $700) for all records.	Please see www.campagne.com/services.html for descriptions of the following conversion options. Standard Import Facility ($350), Campagne Data Facility ($995), Custom data conversion is $110/hour; they will provide a free estimate.
LAN or a client-server a LAN or a client-server	Yes, using a LAN
ons of Basic and Jr.: no ns of Jr. and Pro.: yes, using a password	Yes, using a password

to customize categories for issues and constituencies, which facilitates developing targeted mailings and even enables you to print out donation slips customized to a donor's giving capacity. External applications are necessary to print letters and send e-mails. However, ODB automatically eliminates duplicate e-mail addresses during export and it checks for duplicate records during data entry.

ODB tracks donations in a variety of ways, including maximum gift, total for the current year, total for the previous year, and the cumulative total. ODB enables you to easily find donations within a specific date range and a specific amount range. ODB's reports are minimal at this time. You can select an arbitrary range of donations (date and amount) and then you can view this information in four ways:

- chronologically by donation date, amount, person
- individual donations by the name of the donor
- aggregate donation count and amount by donor, sorted by donor's name
- aggregate donation count and amount by donor, sorted by total of donations

ODB has been in use for less than a year by only eight groups, so it's hard to tell at this point what the reality of using it is. On the other hand, the developers have been making updates and incorporating feedback and plan to launch a 1.0 version in April 2002. Planned improvements include a "district and precinct matching" function, a "source" code function, and the ability to easily relate people to organizations.

Advantages: Ability to perform fundraising functions, including targeted campaigns, at no cost for set up and minimal costs for technical support.

Limitations: As ODB isn't focused on donor management, it doesn't allow for the type of reporting that is necessary to analyze specific fundraising campaigns.

Testimonial: "Currently there are 1,026 records in our database. Printing out mailing labels or phone call lists for members of different committees within our organization is very quickly and easily done. We can now keep better track of donor history and membership expirations. Exporting e-mail addresses is simple too!" (Housing Organizer, Cambridge Eviction-Free Zone)

▶ ebase

COMPANY: TechRocks, www.ebase.org

CONTACT PERSON: Bob Schmitt, bob@techrocks.org

PRICE: Free

ebase uses a FileMaker Pro platform and was originally developed for environmental groups. However, this system is currently in use by hundreds of organizations to track not only members and donors but activists and volunteers as well. Data are organized in a number of screens allowing the user to track payments, pledges, volunteer/activist preferences, and communications.

Ebase allows the user to customize a number of fields, including source codes, which enables them to analyze the results of specific appeals based on the number of responses, gift amounts, and even costs for sending the appeal. This system has an internal e-mail application (SMPT and POP3), which allows the user to send "bulk" e-mails with personalized fields, such as first name, membership expiration date, and amount of last dues payment, without having to export records.

Version 2.0 of ebase is now available in a single-user format only. A unique feature of Version 2 will be its capacity to export payment information into a nonprofit version of QuickBooks Pro (now in development).

Advantages: For free software, this system is surprisingly sophisticated. The myriad features allow an organization to track constituents' donor history and issue preferences in ways that are necessary to continually advance an individual donor program

Limitations: The ability to customize this system to suit your own needs is ideal, but your organization must have someone on staff who is fluent in computer language. I had a hard time communicating with staff at Tech Rocks because they were using terminology I did not understand.

Testimonial: "My organization decided to spend our resources on technical support rather than software. We manage thousands of records in this system and I can easily track the results of a variety of fundraising campaigns." (Development Director, Ruckus Society)

▶ FundRaiser Basic, FundRaiser Junior, and FundRaiser Professional

COMPANY: Professional Support Software (PSS), www.fundraiser-software.com

CONTACT PERSON: Gene Weinbeck, 800-880-3454 ex. 200

PRICE: Varies

The FundRaiser Family consists of three programs, ranging in price from $89 to $5,450. The goal of this system is to enable an organization to match its database capabilities to the growth of its donor base, moving from FundRaiser Basic to Junior and then to Professional as its donor list grows. The programs all have similar formats and functions and data are easily converted from one to the other. An added bonus is that any payment you've made on any of the programs is credited toward the purchase of one of the more advanced programs. In addition, you can get a refund if you're not completely satisfied.

FundRaiser Basic

PRICE: $89

This is the first tier in the system, which is characterized by an internal word-processor based on MS WordPad that enables the user to avoid the process of exporting records and performing a mail merge to send letters. Unfortunately, in the Basic version it is rather limited in that it won't allow for underlining or italicizing. However, Basic does allow for export to other word processing applications. Like all the programs in this system, FundRaiser Basic uses a Query form to sort populations. In Basic, you can find types of individuals (volunteers, board members) or sub-sets of donors (everyone who gave last year but not this year, who donated to the rummage sale last year, and so on).

FundRaiser Junior

PRICE: Ranges from $950 for single user to $1,175 for up to five users on a Local Area Network (LAN) and also offers a client-server version for more than five users starting at $2,300.

NOTE: A payment plan is available.

Junior adds more of nearly everything to the structure of Basic—more fields, searching and sorting options (including by zip code), reporting and word processing capabilities, and the ability to allow more users. In addition, a variety of modules can be "attached" to Junior, allowing for the type of features available in FundRaiser Professional without having to purchase the entire system. The modules include memberships ($200), tributes ($200), pledges ($250), bulk mail ($100), and product sales ($350).

FundRaiser Professional

PRICE: Ranges from $2,800 for single user to $3,800 for up to five users on a LAN and up to $5,450 for a client-server model serving more than 10 users.

NOTE: A payment plan is available.

Professional is the top of the line in the FundRaiser Family. With this program you receive all of the modules described above and more features, including project management, a tickler reminder system, and integration with accounting software. While this program is currently only available in DOS, a Windows version is in development.

Advantages: Professional Support Software has great technical support. They are easily accessible by phone and communicate all instructions without using technical jargon.

Limitations: PSS provides limited training. The current training consists only of a user's manual and a walk-through over the phone. This could be a challenge for users who learn more easily through hands-on experience.

Testimonial: "After using Microsoft Access for about a year, I switched to Fundraiser Basic because it was more user friendly and technical support was only a phone call away. Fundraiser Basic was easy to install and reasonably priced. Our organization will soon upgrade to Fundraiser Jr." (Development Director, Grassroots Institute for Fundraising Training).

▶ GiftMaker Pro

COMPANY: Campagne Associates, www.campagne.com, 800/582-3489

CONTACT PERSON: Heidi Kelley, @campagne.com

PRICE: $795 for a single-user limited-record (1,500) version; $2,990 for a single-user unlimited-record version; $3,990 for up to three users on a LAN with the unlimited version, more depending on the number of users.

NOTE: Leasing arrangements (lease-to-own) are an option for all versions.

Art, education, and health institutions most commonly use GiftMaker Pro; however, grassroots organizations could benefit from a number of its features. This system is very advanced, with myriad screens, fields, and sorting options. It even has internal e-mail and graphic capabilities. Personalized thank you letters with date and amount of last gift are easily printed using a simple mail merge function without having to export records. The basic system allows for tracking pledges and payments, including in-kind, memorial and matching gifts as well as grants. GiftMaker Pro software has basic events, membership, and volunteer tracking capabilities; however, additional modules allow for advanced functionality. These include EventMaker Pro ($795), Membership ($995), Volunteer ($495), Fund Accounting Bridge ($495), and Mail Standardization Facility.

Advantages: GiftMaker Pro is a very sophisticated system and ideal for an organization with a large donor base that needs to be managed for prospecting, solicitation, and cultivation. In addition, it offers a variety of training options, including on-site and classroom.

Limitations: While Campagne Associates does offer a lease-to-own program, the software (not including additional modules), training, and technical support would be a major investment.

Testimonial: "GiftMaker Pro has added value to our organization by helping us get to know our donors better. Since we are better able to segment our mailings and target specific groups as well as generate personalized appeal letters and notes, our donations have increased." (Development Director, Asian Counseling and Referral Services)

KEEP ON TOP OF IT

Since the programs I have reviewed here are constantly being updated, I recommend that you visit each maker's Web site to ensure that information in this article is still accurate. GFJ

KRISTEN CASHMORE, A FREELANCE GRASSROOTS FUNDRAISER, HAS BEEN MANAGING DATABASES FOR SOCIAL JUSTICE ORGANIZATIONS SINCE 1995.

THE *Human* SIDE OF TECHNOLOGY

BY KIM KLEIN

There is no doubt that computer technology has been a boon to fundraising. Mail merge alone has saved millions of hours in getting letters out. Databases make segmenting donors very easy, and their reporting functions make it far easier to keep track of fundraising progress and spot problems early than in the old days of using calculators and chasing endless scraps of paper. E-mail certainly serves fundraisers well, as do Web sites. Once knowing the advantages of using computers, I don't believe any of us would want to go back to the pre-answering machine days of carbon paper, White-out, and Gestetners. (A free subscription to anyone under 30 who can tell me what a Gestetner is without asking an older friend.)

But technology cannot do everything. In this article, I want to focus on the human element that must be brought to all the technological options we have explored in the rest of this issue.

INFORMATION YOU GATHER IS USED TO BUILD RELATIONSHIPS, WHICH IS THE PURPOSE OF FUNDRAISING.

WHAT GOES IN THE DATABASE

Let's start with fundraising databases. You can store a lot of information about each donor in a database and you can sort this information in useful ways. But remember, you are not an archivist, a historian, or a biographer. You need to gather, keep, and update information that will help you or someone else decide what the next step is to be in building a relationship with this person. Think of your friends and neighbors. What information do you "collect" about them? Their birthdays, the names of their spouse, partner, kids, and pets. What they do for a living. If they tell you, "My father is having surgery," you remember to ask later how the surgery went. If they love gardening, you may ask to see the garden when you visit, and you may share gardening tips. You are unlikely (we hope) to go on the World Wide Web and try to get their credit ratings or a record of their court appearances.

There is very little difference between how you treat information about your neighbors and gathering information on donors. As far as donors go, however, you will be collecting information more systematically and you will be writing it down. You will listen carefully for what the donor likes about your organization and what the donor likes or doesn't like about fundraising approaches. This listening often takes the form of watching for patterns in giving, or paying attention to clues that the donor tosses out in conversation. For example, imagine a donor who has been giving your organization money for five years. One day, while looking at the records of your long-term donors (those giving three years or more), you notice a pattern for this particular donor. They give $50 two or three times a year, but the three times in the five years that you sent an appeal about your internship program, they gave $250. Now you can decide among your options of what to do next: Call them and thank them? Call, thank them, and ask what they like about the internship program? Call, ask if they might serve on a committee about this program? Call and ask for more money? Your decision on next steps will depend on whether anyone in your organization knows these people at all and why they would be so interested in this program. However, the point of gathering this information is to use it.

In another instance, a donor comes to the organization's Open House. He has never been to the organization before and says he never opens mail from the organization, but came because he got a message on his voicemail reminding him that he was invited. You, being no dummy, ask if he would rather not get mail from the organization. He says he would like to get the newsletter by e-mail and otherwise not get any other mail, electronic or paper. He says it is fine to phone him anytime, and adds, "I am one of the few people who love phone calls and love having messages." After the Open House, these facts are noted in his record and his name is suppressed for further mailings. Further, his comment makes you wonder if other donors would prefer to get their newsletter by e-mail and you add that choice to your reply card. A year later, half of your donors get the newsletter by e-mail and half by regular mail. Your costs have gone down. Soliciting your donor by phone has resulted in him increasing his gift from $50 to $250, and he has agreed to help with the next phone-a-thon. Since he likes to be on the phone, he is very good at it.

The point, as you can see, is that this information is used to build relationships, which is the purpose of fundraising. You gather and write down things that will help you further this person's relationship with your organization. As such, what you record is what a person would tell you in the course of a non-confidential conversation. It is not public information—they don't want to see it in the press—but it is not secret. If a donor tells you something in confidence, it does not go in your database.

It often happens that the executive director or the development director knows the identity of an anonymous donor or has other confidential information about a donor that is not shared with the rest of the staff or board at the donor's request. If you are the person with this knowledge, you can write it down (you are not expected to have a photographic memory), but keep it in a safe place, either behind several passwords in your database or preferably on a piece of paper in a locked filing cabinet. When you leave your job, you ask the donor's permission to tell your successor.

THERE IS A TEMPTATION TO GET ON EVERY LISTSERV, VISIT EVERY SITE, SIGN UP FOR ENDLESS E-NEWSLETTERS… ANYTHING THAT WILL KEEP YOU FROM VISITING A REAL PERSON IN REAL TIME IN THEIR REAL HOUSE OR REAL OFFICE.

E-MAIL: NOT ALWAYS A SUBSTITUTE FOR TALK

Let's look at the human side of another technology: e-mail. E-mail is a great invention and can save a lot of time. But I worry when I hear staff people say, "I use e-mail to communicate with the board. It's great because I don't have to talk to them."

If you don't like talking to your board members, you need to figure out why. Do you need a vacation? Do you need a different job? Perhaps the board members are not fundraising or not following through on commitments. Dealing with them by e-mail will only make this problem worse, as it distances you from them and them from the organization.

Further, writing always has a harsher feel than speaking. For example, three board members committed to asking two major donor prospects each to make a gift, but haven't done it. To save time, the development director sends one e-mail message to all three: "What's happening with your major donor prospects? I need to hear from each of you." The board members react differently to the e-mail. One feels guilty already and now feels embarrassed that two other people know that she hasn't done her work. The second feels relieved that two other people are in the same boat and puts off doing the work even more. The third accidentally deletes the message and so doesn't read it. None of them respond.

The problem is that the development director wanted to save time more than he wanted to find out what was going on with these board members. A more effective method would have been to call each of them and ask, "What can I do to help you with these donor calls?"

Saving time, doing things quickly, and not talking to people are not appropriate priorities of the development function. Building relationships, helping people fulfill commitments they have made, making people feel good about what they have done and what they have given so they will want to do more and give more—these are priorities. Sometimes you can do all these and save time. For example, an e-mail to all the people who have completed their calls is great. "Just want to thank each of you for your excellent work on the major donor campaign. Your efforts alone brought in $7,500! Talk to you soon."

WEB DISTRACTION

Finally, of course, the World Wide Web has affected fundraising dramatically. Hundreds of Web sites (including our excellent one at the *Journal*—www.grassrootsfundraising.org) now bring information right into your home or office that you previously had to purchase or seek out at a library. Grassroots groups now have access to ideas and information that they never had before. This is all to the good.

However, there is a temptation for development directors to get on every listserv, visit every site, sign up for endless electronic newsletters, go to chatrooms—anything that will keep them from actually visiting a real person in real time in their real house or real office.

Again, you must always come back to the question, "How is this helping me build the fundraising program of my group?" and "What could I be doing now if I weren't doing this?" Your organization needs real money and virtual fundraising in virtual reality will not produce that.

Databases, e-mail, the Internet, and so on are tools. They are necessary tools in today's development office. Used as tools, they can help you get your work done more easily and give you information that would be hard or impossible to get otherwise. Used as a way to avoid people, however, they will only inhibit your development efforts. GFJ

KIM KLEIN IS PUBLISHER OF THE *GRASSROOTS FUNDRAISING JOURNAL.*

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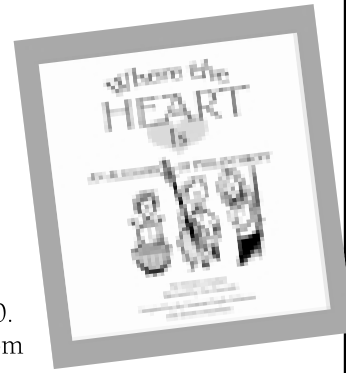

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