I. BACKGROUND

A. The Golden Rule of Management: “The person who has the gold makes the rules.”

B. “What gets measured, gets done.” – old management axiom

C. As has been documented (Lumpkin, Montgomery, Quinn and Bull), there has been a transformation over the past forty years from deferred giving offices to planned giving offices and now to gift planning offices.

D. In the early days of deferred giving, the focus was on gift plans that did not produce funds for the charity until the death of the donor (or a period of years in the future). As a result, measuring the performance of deferred giving officers was amorphous, at best.

E. In today’s environment, much more focus is being placed on the planned giving/gift planning office.

1. As a result, gift planners are being held accountable for their activities (and the results of those activities) in a much more systematic manner.

2. The consulting firm, Eduventures, is currently conducting a research study tentatively entitled “Integration of Gift Planning in Development Operations.”

F. Nationally recognized gift planning consultant, Tom Cullinan has outlined how a gift planning should measure her/his productivity (Cullinan):

1. Results that must be measured
   a. Realized net gift income
   b. Expectancies discovered
   c. Irrevocable gift commitments secured
   d. Other numbers and dollars (i.e. average gift value, etc.)

2. Process activity that yields tangible results
   a. Responses to marketing and communication (quantity and quality)
   b. Appointments with prospects
   c. Proposals delivered
   d. Advisor contacts
   e. Presentations made
   f. Coached contacts with trustees, volunteers, internal colleagues, etc.
g. Prospect research developed

G. Guiding Principles for Performance Management (Ohio State)

1. Results Oriented
2. Flexible: adaptable to circumstances of any single employee
3. Clear Targets: no surprises on what is expected
4. Realistic Expectations: based on experience, circumstances of the employee
5. Quality as well as Quantity should be measured

H. In order to understand what is happening in the field, we developed a survey to examine how a wide-variety of organizations from throughout the country are measuring the performance of their gift planning officers.

I. Survey Respondents:

Bill Sammers
American Committee for the Weizmann Institute

Philip Melberg
NRA Foundation

Angie Sosdian
Nature Conservancy

Peter Witherell
American Cancer Society

Rebecca Locke
American Red Cross

Brad Britton
The Columbus Foundation

Jean Vukas Roberts
St. Paul Foundation

Jim Hoobler and Mary Ann Iveson
The Ohio State University

Camille Licklider
Florida State University

Laura Hansen Dean
University of Texas

Pete Sommerfeld
Oregon Health Sciences University
II. RESULTS OF THE SURVEY

A. Office Structure

1. What best describes the organization of your gift planning office?

   44% - Stand alone/independent
   25% - Stand alone/report to same supervisor as major gift office
   12% - Partially integrated with major gift office
   19% - Fully integrated with major gift office

2. Does your organization have a dedicated principal gift function?

   43% - yes
   50% - no
   7% - other

   A. If yes to 2, which of the following best describes the relationship between your gift planning office and the principal gift office?

   40% - Independent of each other
   40% - Report to same supervisor
   20% - Partially integrated
   0% - Fully integrated

   B. If yes to 2, briefly describe the interaction between the offices of gift planning, major gifts and principal gifts.

   • “Seamless…Major Gift Office is very conversant in Gift Planning…..Major Gift Office lead, Gift Planning Office technical expert; travel together”
• “Our Gift Planning Office works with all areas of the university, including major and principal gifts in their respective areas of focus. At the same time, the GP office closes major and principal “outright gifts”, as well as deferred gifts of various types.”

• “Frequent and highly collaborative interactions among all three groups.”

• “Assist as needed on when planned gifts involved, including joint visits with donors.”

• “Relationship is more of a dotted line.”

• ” First some background: Our gift planning office is centralized (although gift planning officers are deployed across the country). Our major gift fundraising is done by our state and regional fundraisers (this is defined as gifts of $100,000 or more). Our principal gift office (working with prospects who have the potential to give $10 million or more) is centralized – they manage our top organizational prospects and also assist our state offices with strategy work with some $1+ million donors.”

• “Gift Planning supports major gift fundraising across the organization – we provide training, act as a resource for fundraisers, do joint calls, and also generate leads on our own that we then jointly cultivate with our field fundraisers. (We give all “credit” for gifts to our state or field fundraisers so competition is not an issue and there’s excellent collaboration.)"

• “Cordial interaction; we believe that the donors belong to the organization.”

3. Do you utilize annual fund pledge cards or other membership/annual fund marketing to uncover gift planning leads?

67% – yes
20% – no
13% – not applicable

4. Number of Gift Planning Staff

<table>
<thead>
<tr>
<th></th>
<th>High</th>
<th>Low</th>
<th>Mean</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frontline Gift Planning Officers</td>
<td>55</td>
<td>1</td>
<td>12</td>
<td>5</td>
</tr>
<tr>
<td>Administrative specialists</td>
<td>12</td>
<td>0</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>(marketing, probate, etc.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office support staff</td>
<td>24</td>
<td>1</td>
<td>5</td>
<td>2</td>
</tr>
</tbody>
</table>
5. How many development officers does your gift planning team support?

- High = 350
- Low = 0
- Mean = 67
- Median = 50

6. How do you deploy your Gift Planning Officers?

- 44% - By geographic regions
- 11% - Specific units of the organization
- 39% - All are generalists/available to entire organization
- 6% - Other

- We have organized our efforts since 2001 around how we view our donor markets – as the 1%, the 9% and the 90%. I have one team focused on the 90% audience – the general population with estates small enough that estate taxes are not an issue, who are motivated to give almost solely by mission. There are 5 GPOs who work primarily on the phone/by mail out of our central office and mostly work on bequests and gift annuities. They handle the highest volume of gifts.

- I have another team of Regional gift planners focused on the 9% audience – the wealthy business owner as well as the “millionaire next door” type who are motivated by mission and tax mitigation and who often hold complex assets. There are 9 regional GPOs (4 in California) who work with our fundraisers and donors across the country on a variety of gifts – CRTs, CLTs, real estate, closely held stock, etc.

- Last, I have a small team of 2 Philanthropic Planners who work with the 1% - those high net worth individuals who employ a bevy of professional advisors, often tend to give to entities rather than directly to charities, and whose motivations also include a desire to preserve influence and/or control over assets.
B. Performance Measurement

7. Activities that are measured

<table>
<thead>
<tr>
<th>Activity</th>
<th>% of Gift Planning Officers time dedicated to the activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultivation</td>
<td>High: 70%</td>
</tr>
<tr>
<td>Solicitation (including Proposal preparation)</td>
<td>80%</td>
</tr>
<tr>
<td>Stewardship coaching</td>
<td>70%</td>
</tr>
<tr>
<td>Assisting Internal Peers</td>
<td>30%</td>
</tr>
<tr>
<td>Marketing (includes Print/electronic or seminar Presentations)</td>
<td>20%</td>
</tr>
<tr>
<td>Administrative duties (timely completion of contact reports, prospect Management, events, etc.)</td>
<td>20%</td>
</tr>
<tr>
<td>Participation in continuing education or other professional growth activities</td>
<td>20%</td>
</tr>
<tr>
<td>Other</td>
<td>15%*</td>
</tr>
</tbody>
</table>

*Gift policy committee, related foundations, legal issues, policies, procedures, etc.

8. Do you weigh the performance review based on these percentages?

47% – yes
53% – no

If no, how do you weigh these activities?

- Are we responding to donors and cultivating relationships? Very subjective.
- Do not weigh these activities.
- Results of contacts, correspondence, meetings, progress towards gift commitment.
- Far and away, the greatest weight is given to “scores and assists” (gifts individually or collaboratively) produced by each gift officer.
Supervisor uses large set of criteria based on targeted goals, same as fundraisers, but more flexibility for gift planners, since they are seen as a supporting function for all staff.

9. Measurement Metrics

<table>
<thead>
<tr>
<th>Category</th>
<th>Number required per category</th>
<th>1 response:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>gift planning officer</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>We don’t use this measure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Cultivation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Phone calls</td>
<td>240</td>
<td>14</td>
</tr>
<tr>
<td>ii. Letters/email</td>
<td>240</td>
<td>14</td>
</tr>
<tr>
<td>iii. Face-to-face</td>
<td>High = 150</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Low = 60</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean = 121</td>
<td></td>
</tr>
<tr>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 response: 300 substantive contacts of any type</td>
<td></td>
</tr>
<tr>
<td>B. Stewardship</td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Phone calls</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>ii. Letters/email</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>iii. Face-to-face visits</td>
<td>27 (mean)</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 response: lumped together with cultivation calls</td>
<td></td>
</tr>
<tr>
<td>C. Solicitations</td>
<td>40 (mean)</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 response: “total office goal, not individual”</td>
<td></td>
</tr>
<tr>
<td>D. Contacts w/professional advisor of donors,</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>i. Phone calls</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ii. Letters/email</td>
<td></td>
<td></td>
</tr>
<tr>
<td>iii. Face-to-face visits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>iv. Strategic events</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3 responses: included as part of total contacts required</td>
<td></td>
</tr>
<tr>
<td>E. Coaching of Internal Peers</td>
<td>“Almost 100% of our activity”</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Presentsations for internal staff and travel with peers across the university as opportunities arise.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Although we would greatly welcome the chance to train and mentor peers with an interest in learning, the opportunities to do so have been limited given our small GP staff.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>At monthly staff meeting coordinate calendars to share.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tracking #, but no numeric requirement for review.</td>
<td></td>
</tr>
</tbody>
</table>
F. Other

- We use move measurement. Annually expect 600 moves with face-to-face being 125 total. Any contact with prospective donor and/or advisor that moves forward a gift is counted as a move.

- Monthly progress and quarterly commitments need to exceed the amount completed the same period the previous year.

- Closure rate.

- This is a small enough place that they know whether or not we are doing the work – no specific number assignments.

10. Gift Closures

A. Are your gift planning officers measured on the number of closed gifts?

33% – yes
67% – no

If yes, how many are expected?
- “varies”
- minimum of 2 a month, 1 of which MUST be a bequest
- 8 – 16

B. Are your GPO’s measured on the dollar amount to be raised annually?

50% – yes (1 measures over a multi-year period)
31% – no
19% – not individually but as an office

- No responses on dollar amounts per individual
- 4 responses: office goal, not individual goal

11. Does your organization have different metrics for major gift officers?

69% – yes
19% – no
12% – not applicable

- Why or why not?

- We are working on making adjustments.

- Different job. (several responses).

- Different department, philosophy and methodology.

- We are a central service unit, first and foremost.
- Exact cash is designated for operations.

- Planned giving and major gift officers are not differentiated.

- Goals for MGOs vary depending on region covered – e.g. NYC – far easier to get 30 visits than in Houston.

- Yes, major gift officers (regions) have specific overall dollar targets; PGOs do not have specific objectives except to help achieve the overall targets.

- MGOs responsible for more face to face.

- If yes, briefly describe the differences

- PGOs often “staff” many donors. They serve as consultants/specialists in structuring gifts, but not primarily as donor relationship managers.

- Due to a realignment of the department, within the past 18 months GPO goals are more future gift focused than immediate revenue.

- “Briefly” is not a possible response to this question.

- We are not charged with prospecting.

- We focus on internal service.

12. “Teamwork” measurements

- Does your organization permit multiple staff members to receive credit for:
  i. A joint call/contact with a donor 81% - yes 19% - no
  ii. A solicitation 85% - yes 15% - no
  iii. A completed gift 92% - yes 8% - no
  iv. 3 - Not applicable to my organization

- If yes, how is this accomplished?
  i. 60% - each staff member receives 100% credit
  ii. 10% - credit is divided by number of staff participating
  iii. 30% – Other:

    - Supervisor evaluates contribution/role on case basis. Many staff can be recognized for a critical role in the “staffing” of a major donor gift.

    - Actual accounting given in other departments but gift planning officer receives soft credit.
• Do your GPO’s receive credit for “coaching” other development officers even if the GPO is not directly a part of the ultimate call, visit or solicitation?  59% - yes  29% – no  12% – not applicable

If not, should they?  67% - yes  33% - no

• Does your organization face challenges in what constitutes a “substantive” contact for performance measurement purposes?  36% - yes  64% - no

If yes, how do you address this issue?

- In performance review.
- By education/training; individually addressed
- GPO reports and supervisor judges.
- We read and monitor information collected in visits and contact reports. It’s pretty clear in most cases. For example, 26 visits during a 2 hour donor lunch where a speaker engaged the audience for over an hour…would not indicate that these were meaning visits.

- “Staffing” the donor is regarded as a critical management decision, where the donor can make all the difference to our campaign. The staffing calls can be made in concert by national PGO and the immediate supervisor of the regional account executive, and sometimes by the organization’s executive VP.

13. The bottom line: what are the approximate results (please round) of your organization’s gift planning efforts over the past 3 years?

• Data was insufficient to arrive at any conclusions

14. Please describe any other methods your organization uses to measure/evaluate the performance of the GPOs.

• Primary evaluation mode combines an objective description and assessment of GPO’s involvement in major gifts achieved with self-evaluation and evaluation by direct supervisor.

• New gifts they generate, new donors they contact, marketing efforts, assistance
• with events, articles written, etc. The Trust and Estate Administration team also reports to our office so we oversee, and recognize, their efforts.

• Building relationships with family members plus prompt, comprehensive file documentation of all contacts.
• It’s pretty subjective, based on the director’s perception of quality of work and productivity, coupled with feedback from donors and fundraising staff/colleagues.

• Number of visits, proposal dollars submitted.

• It is very Subjective. We measure teamwork and leadership qualities, commitment to the organization.

C. Process and Politics

15. How long have you been utilizing your current metrics structure?

35% - >10 years
13% - 8 – 10 years
13% - 6 – 7 years
13% - 3 – 5 years
13% - 1 – 2 years
13% - Starting this year

16. If your current structure is more than 5 years old,

50% - Status quo exists
17% - Senior management is currently working on a revision of our metrics
0% - Senior management is initiating discussions of our metrics
25% - Other (tightened up every year)
8% - Not applicable

• While we have been using this combination of Total FRD objective data with self and other evaluation, we are currently experimenting with implementing a new way of “staffing the donor” in 360-degrees.

• Reviewed and reaffirmed or modified as needed

17. If your current metrics are 5 years old or less,

60% - The new metrics were initiated within the gift planning office
0% - Senior management mandated revision for GPO’s only
40% - Senior management mandated office-wide revision
0% - Other

18. How much input did the gift planning office have in establishing your current metrics?

19% - 100% set by gift planning office
56% - Collaboratively set by gift planning director and senior management
6% - Mandated by senior management; no input from gift planning office
19% - Other

• Determined by Board of organization.
• Recommended by PGD and approved by Senior Management.

• To a great degree our total FRD approach is adapted not just to gift planners but to all fundraisers.

19. Have your current metrics:

A. Been 73% - helpful  0% - harmful  27%- neutral in advancing the output/bottom line of the gift planning office?

B. Been 71% - helpful 7% - harmful 22%- neutral in promoting collaborative across various areas of your total development operation?

C. Been 86%- helpful  0% - harmful 14% - neutral in advancing the output/bottom line of the total development operation?

20. Comments (successes or concerns) about your current metrics.

• We try to use a combination of qualitative and quantitative measures. So far, we are very fortunate NOT to be among the organizations with highly quantified systems measuring time spent even in very small increments of time; these can be destructive to a system that depends on collaboration and sharing of information where the plan is centered around the donor.

• We would like to have a formal process for donor and gift sharing.

• Better recognition of various dimensions of GP job allows to be put in work plan and our goals.

• We are a central service unit not oriented towards prospecting or 1:1 cultivation. We do a lot of marketing. We are constantly challenged to keep up with the volume of new prospects and gift proposals.

• Gift planning has made a greater effort to communicate and “internally market” its actual production. Our numbers usually show up in a school or unit’s year end totals, and the university did not seem to understand the impact of certain categories of gifts (e.g. 10 year average of bequests realized exceeds $16 million). We have also tried to better enable MGOs and AF officers to utilize outright gift opportunities through IRA rollovers or other gifts. Our new marketing efforts, both externally and internally to Boards and Committees, has worked well and we will continue to grow in that area. Over the next 12-18 months, we will be adding 4 new Planned Giving officers, a Program Coordinator and other staff, largely because we have produced significant, valuable results but also because we have communicated what we do so our production does not simply “disappear in the numbers.”

• A daily personal contact beyond the office desk pays big dividends.
• Just reviewed and are satisfied with our process.

• Your great results can be unknown for years and there is no way to measure that.

• I wish we could thank our anonymous donors.

• People who are challenged/stretched will step up and perform; good metrics encourage possibility thinking; good metrics help gift planning officers to be realistic is this is really a good career choice for them.

21. If you were in charge of the world, how would you measure GOP performance?

• Relationship building before revenue results always wins in the end. We are in the people business—never forget it. Being entrusted with another’s legacy in perpetuity is an awesome responsibility!

• Comfortable with current measurement system. (two responses)

• I show new gift officers a line graph – that shows crossing lines for expected visit numbers and gift production. I expect newer officers to have to make more personal contacts in order to build relationships and receive referrals from satisfied donors. Development is a relationship business and, in Gift Planning, one also needs to develop and maintain certain specialized knowledge. GP officers need to have the personal skills and desire/motivation to be successful. They need to enjoy getting to know prospects and donors, and being able to travel (one of the things I have missed the most as I have progressed up the administrative ladder.) I expect more seasoned officers to be “stuck in the office” more with incoming work built up by years of building donor relationships. After a few years, if an officer is not successful in these categories, they may not be a good fit for development work.

• As we do it.

• Comprehensive and strategic plan elements and effort….proposals not bottom line…consistency in multi dimension and strategic. Efforts, not results…long term/trends not #’s in any given year.

• If raised, follow up on leads, collaboration effort, professional development, program growth.

• We are pleased with the system we have refined over the last 30 years.
• Much of the rapid growth of our campaign can be attributed to having the focus of gift planners be on the larger picture of the donor’s and organization’s total achievement, rather than on the smaller metrics of the individual gift planning department. More and more, we see that our success depends on getting the best gift for all of us. – the organization, the donor and the major gift officers. None of us succeeds as well as all of us.

• Just like we do. We get good results and have happy employees. (This is the survey that uses many subjective criteria.)

• Coached contacts with donors, development officers and advisors, and number of gifts closed.

• Collaboration is the key component to success; measure numbers of gifts/calls/etc. rather than dollars raised; major gift officers should have metrics for collaborating with the gift planning office

• Should be balanced over the range of activities that a gift planning officer is asked to perform

• Metrics can be used to focus on areas of strategic growth

III. CONCLUSION

A. Best practices seem to indicate a team approach to measuring dollars raised and an individual approach to other activities related to the gift planning process.

B. As gift planning involves many intricacies, and many of those do not exist in other aspects of the fund raising enterprise, a true measure of a gift planning officers performance must take place on multiple levels, and it should not be linked to how other development professionals are measured.

C. “In truth, most recognize that the work of the gift planning officer will reflect deliberative and thoughtful effort to educate, inform, and motivate their donors and prospects toward actions that will support the charitable objectives of the individual. The prospect is the one in control of the timing of a decision to move forward, and the gift planning officer will exploit (meant in the legal, not criminal, sense) an opportunity when the prospect is disposed toward the next step.” (Cullinan)

IV. BIBLIOGRAPHY

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