

Ten Twelve Common Mistakes in Selecting Donor Databases (And How to Avoid Them)



TechConnect 3.0

A Nonprofit Technology Conference

July 8, 2014

Robert Weiner

Robert L. Weiner Consulting

robert@rlweiner.com

415.643.8955

www.rlweiner.com

Where We're Going

- Who should make the decision?
- What will a new database cost?
- Assessing your needs.
- Comparing databases.
- Conducting due diligence.
- Implementation and ongoing support.
- Resources.
- Questions.



Why Are We Here?

“After people, data is your most important resource.”

— John Kenyon

Why? Surviving Staff Turnover



Image: [Ed Yourdon](#)

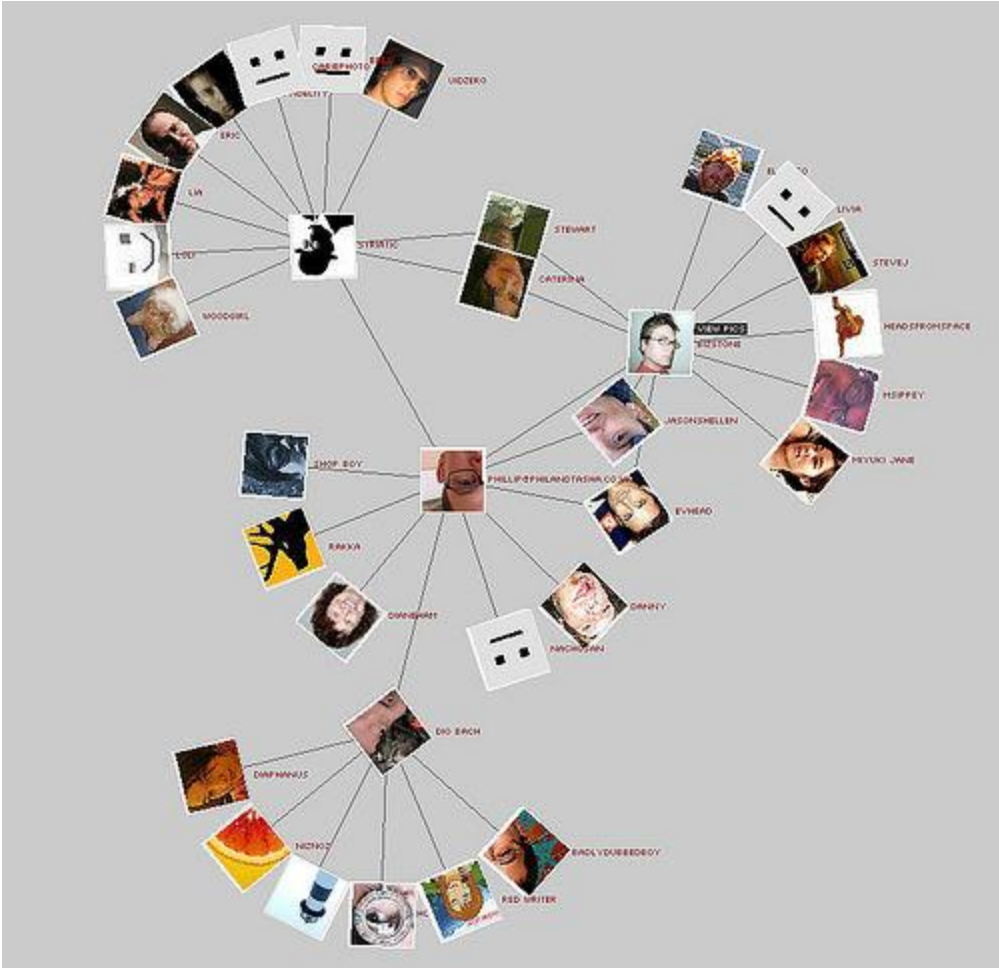


Image: Phillip

Why? Focus

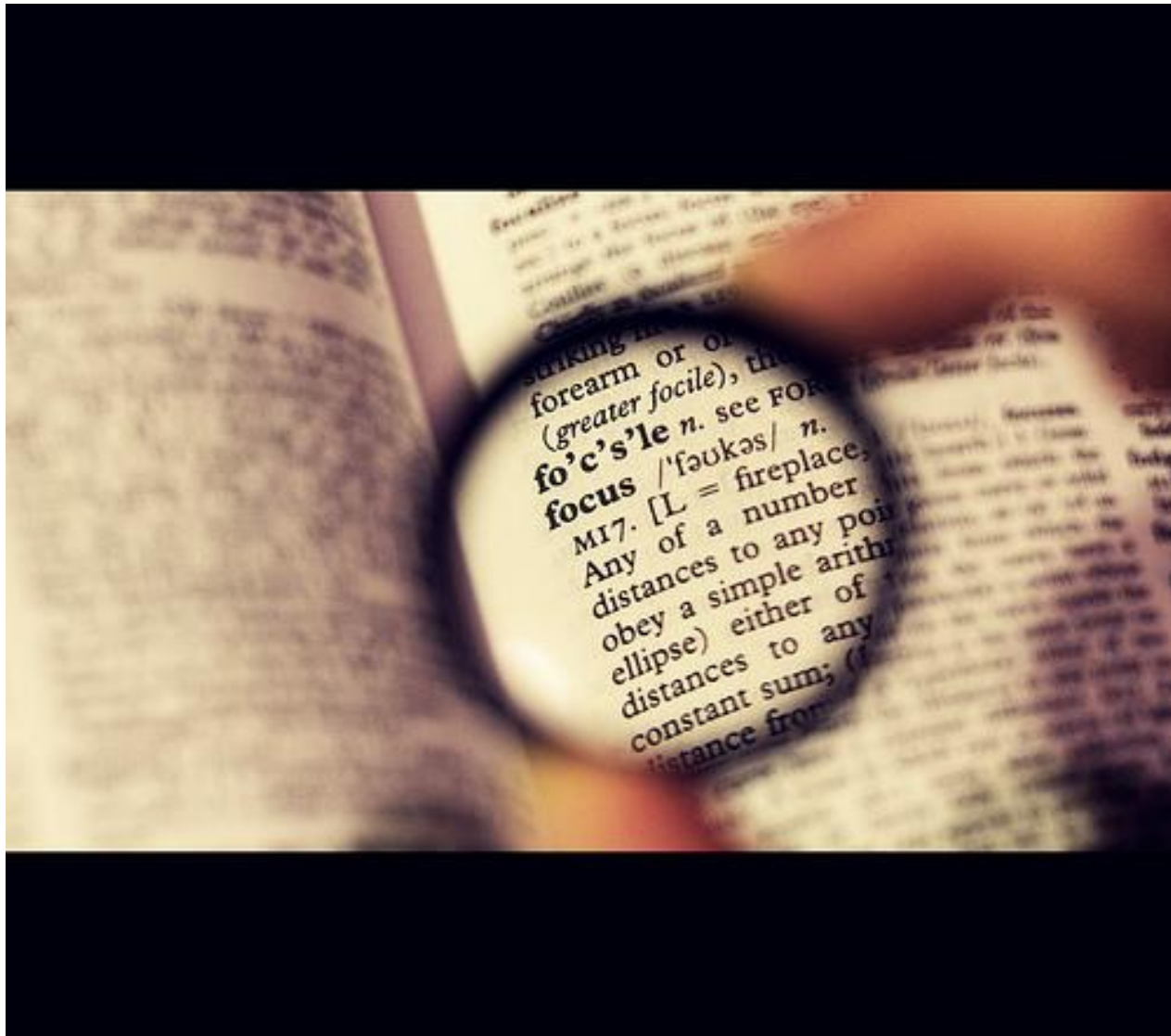


Image: [Michael Dales](#)

Why? Tracking actions, next steps



Image: [DrewToYou](https://www.drewtoyou.com/)

Why? Tracking Progress

Gift Amount	# Gifts	# Prospects	Cumulative Total
\$150,000	1	4	\$150,000
\$75,000	2	8	\$300,000
\$40,000	4	16	\$460,000
\$20,000	8	24	\$620,000
\$10,000	16	32	\$780,000
\$5,000	24	48	\$900,000
\$2,500	40	80	\$1,000,000

Image: [About.com](https://www.about.com)

Why? Forecasting



Image: xcunhax.fotografia

Questions?



Image: [cesar bojorquez](#)

Mistake #1: Letting Techies Make the Decision

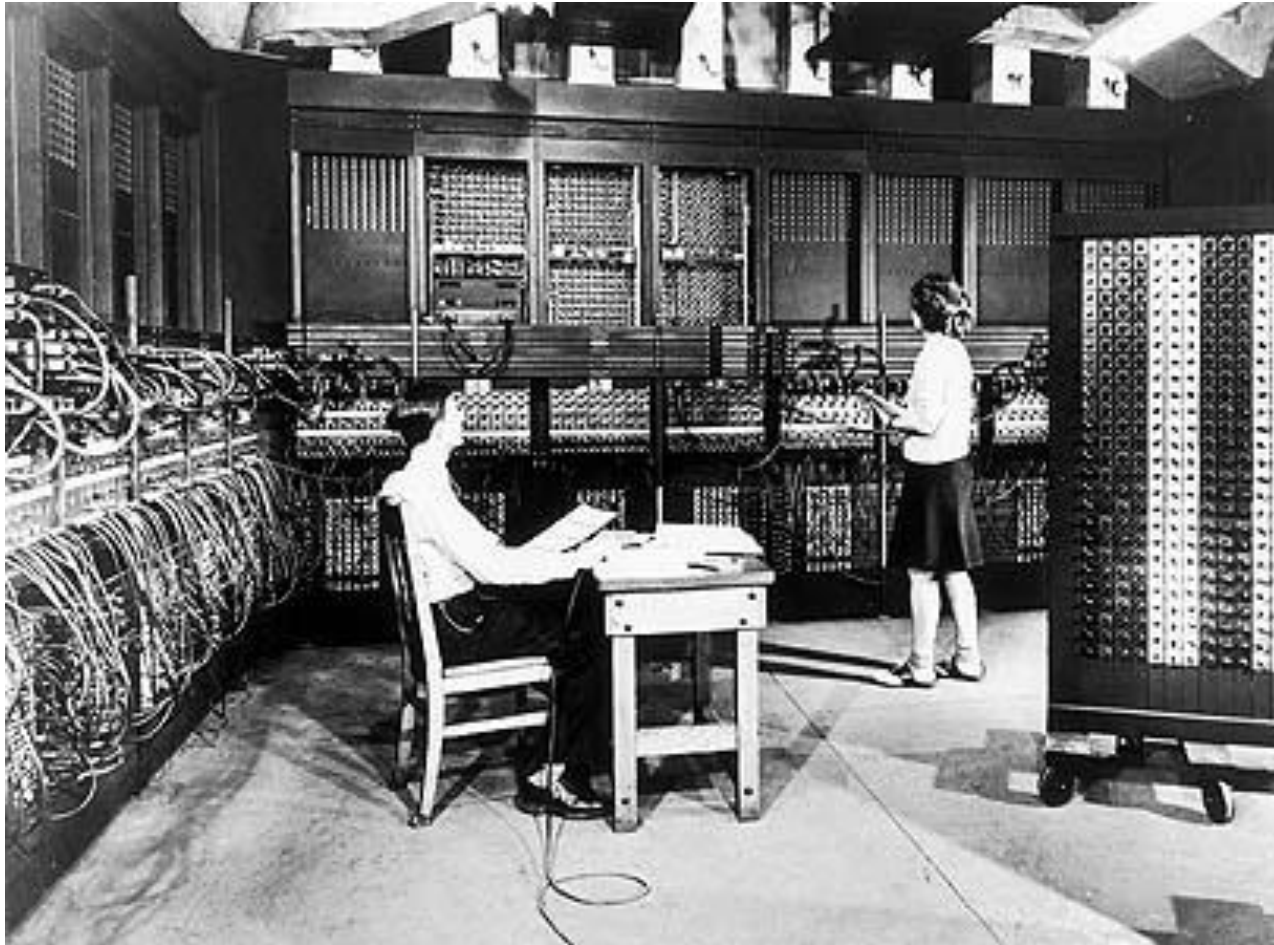


Image: [Eniac](#)

Mistake #2: Wishful Budgeting



Image: [401K](#)

2.2 What Should You Budget For?

- Software (of course)
- Hardware (server(s) and desktops)?
- Network upgrades?
- Implementation assistance?
- Training (yes!)
- Customizations?
- Interfaces to other systems?

2.3 What Will It Cost?

- Ballpark starting price: $\sim 0.25\%$ to 2.5% of annual operating budget. \$1M budget = \$2,500 to \$25,000, depending on your needs.
- Annual support for on-premise software: $\sim 20\%$ of retail price. SaaS = \sim same price every year.
- Conversion cost will depend on:
 - How much and what kinds of help you will need:
 - data migration, custom programming, help with business rules, report creation, training.
 - What shape (and how many places) your data is in.

2.4 Sample 5 Year Budget

Item	Unit	Cost	Total
Software	1	\$5,000.00	\$5,000.00
Implementation			
Consulting	40	\$125.00	\$5,000.00
Training	5	\$750.00	\$3,750.00
New workstations	5	\$1,250.00	\$6,250.00
		Total Year 1	\$20,000.00
Software, years 2 - 5	4	\$5,000.00	\$20,000.00
Ongoing Training	2	\$750.00	\$1,500.00
		Grand Total	\$41,500.00

Mistake #3:

Prioritizing Price above Everything



Image: unipr.it

3.2 Document Your Requirements



Copyright Warner Brothers

3.3 Prioritize Your Needs

Feature	Must have	Would be nice	Ideal	Not Req'd	Comments
Records Administration					
Multi-level password protection					
Join and separate records for couples					
System has a "smart search" feature so user does not have to type in records full name.					
Users can set up data-entry defaults.					
Separate recognition names (annual reports or honor rolls) so donors can be tracked.					
System allows for joint and separate giving records for spouses.					
Addressee/mailling name and salutations are auto-created based on a prefix and last name (i.e., Mr. Tom Jones).					
User can overwrite auto-created addressee or mailing names.					
Relationships can be tracked between records (employer/employee, board member/organization).					

Source: <http://www.fundraising123.org/files/donor+management+toolkit+book.pdf>

Questions?



Image: [alexanderdrachmann](#)

Mistake #4: Randomly Looking at Demos



Image: nltnet

4.1 Narrow Your Choices



Image: [emilio labrador](#)

4.2 Optional: Issue a Request For Proposals



Image: [stephthegeek](https://stephthegeek.com)

4.3 Compare Apples to Apples



Image: [Castaway in Scotland](#)

Vs.



Image: [Brooks Elliott](#)

4.4 Software Demonstrations

- Sample of a Demo Script:
 - Add a record for Barney Rubble, with a \$25 gift.



Copyright Hannah-Barbera

4.4 Software Demonstrations

- Add a record for Elizabeth McBricker, with a \$10,000 multi-year pledge through her family foundation. Give Elizabeth soft credit.



Copyright Hannah-Barbera

4.4 Software Demonstrations

- Marry the two records, change Elizabeth's last name to Rubble, add a salutation for "Betty", and show joint giving.



Image: [Wedding Collectibles](#)

4.4 Software Demonstrations

- They divorce. Show the database process. Are both of them still major donors?



Image: [DrJohnBullas](#)

4.5 Grade the Demos



AREA	RATING	COMMENTS
Data Entry		
Membership Management		
Prospect Management		
Events Management		

4.6 Hands-on Testing



Resource: System Usability Scale

www.usabilitynet.org/trump/documents/Suschapt.doc

Image: [colemama](#)

Questions?

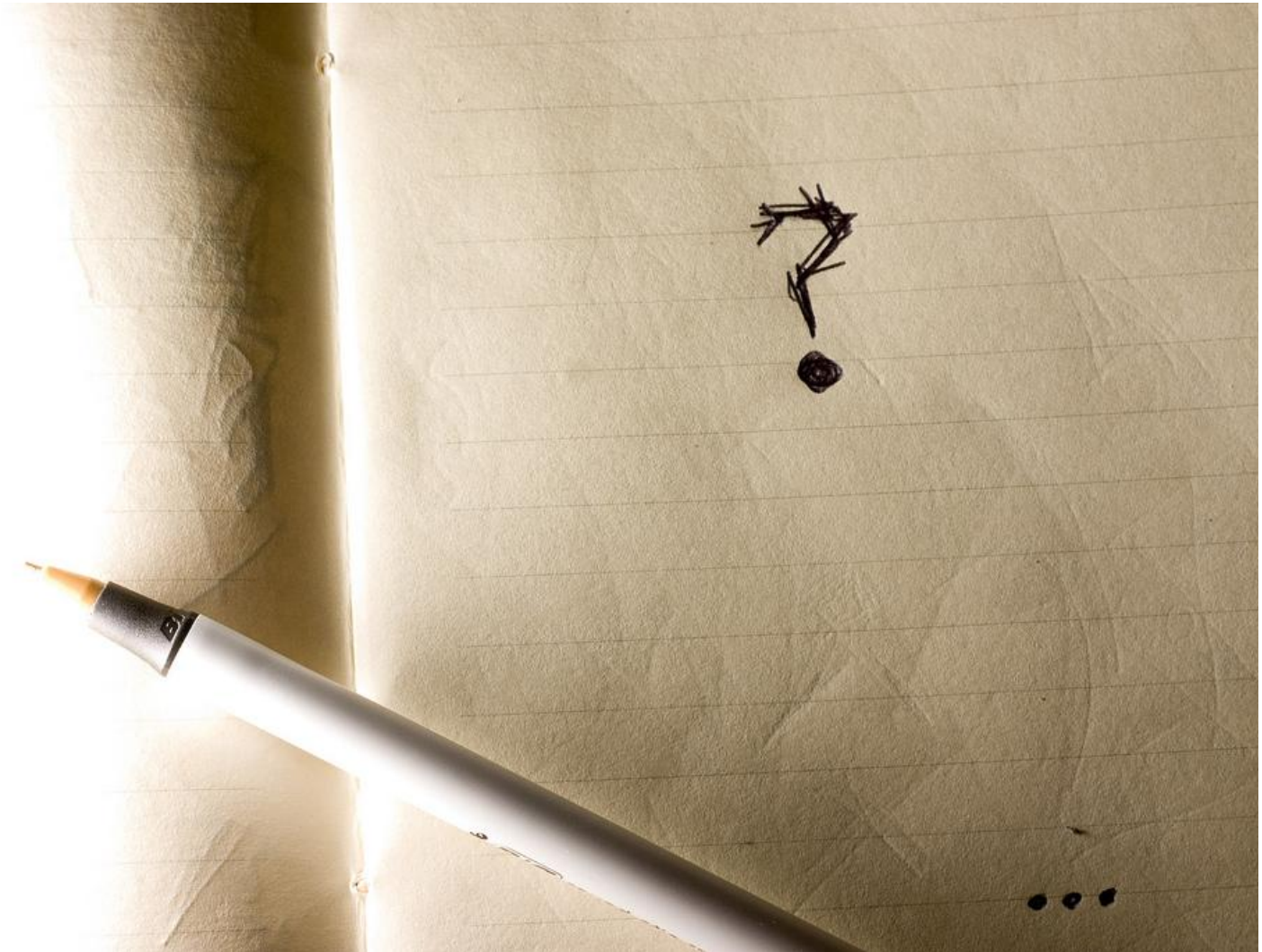


Image: [Ethan Lofton](#)

Mistake #5: Falling in Love with Cool Features



Image: [Hirsute Ursus](#)



Image: [caribbeanfreephoto](#)

Mistake #6:

Falling in Love with the Salesperson



Image: [wsshix](https://www.wsshix.com)

Mistake #7: Buying More Than You Need



Image: [ppmfl](http://ppmfl.com)

Mistake #8: Confusing Highly Functional Software with Highly Trained Staff

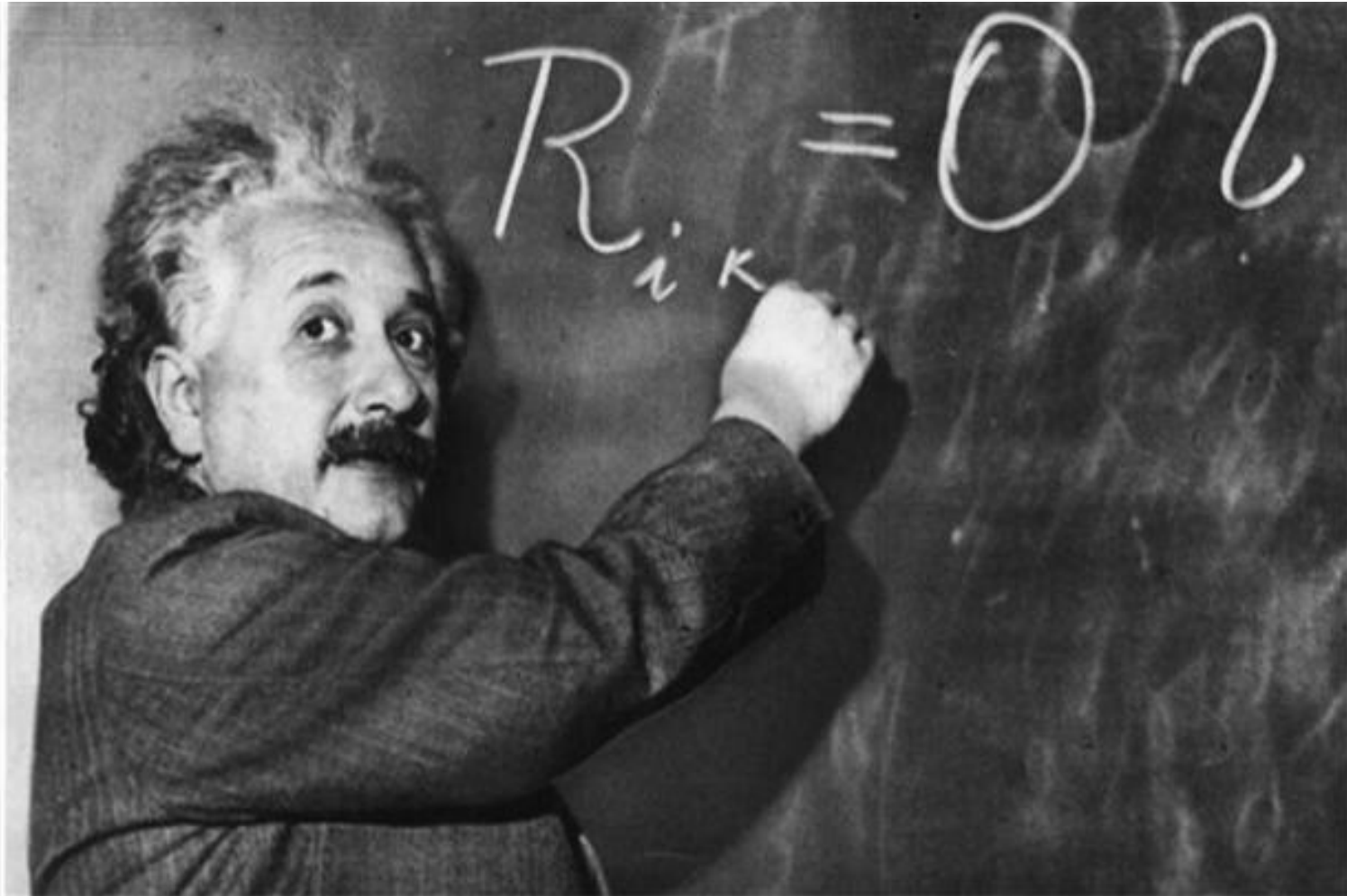
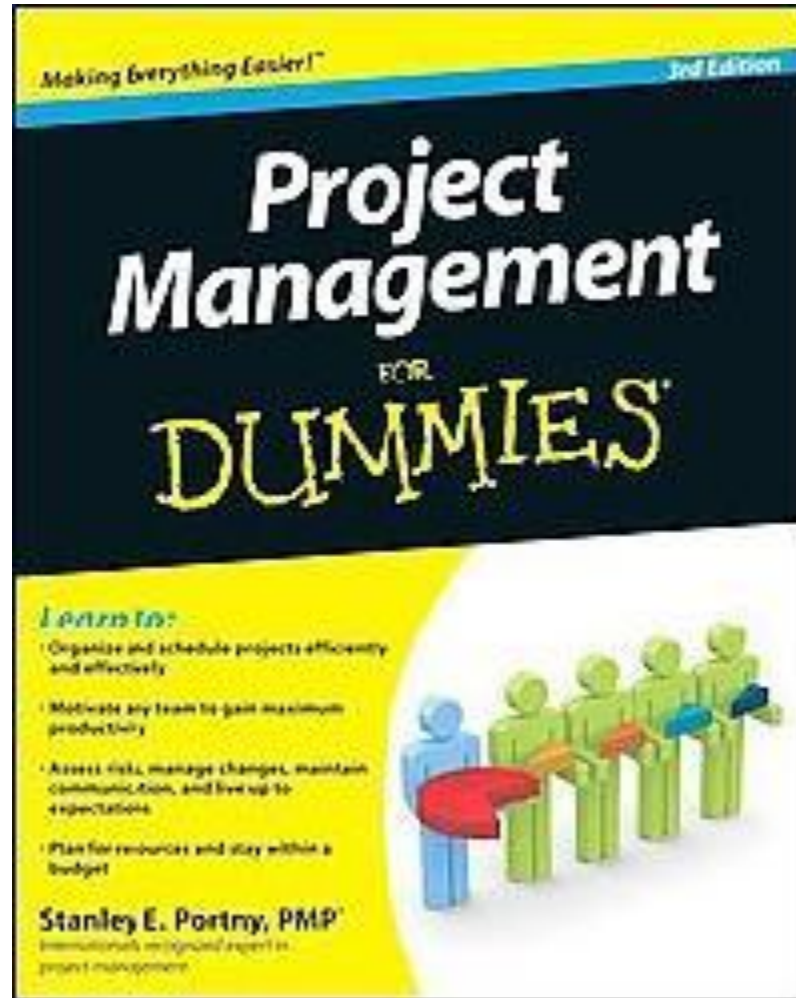


Image: [Montreal Gazette](#)

Mistake #9:

Hoping the Database Will Install Itself



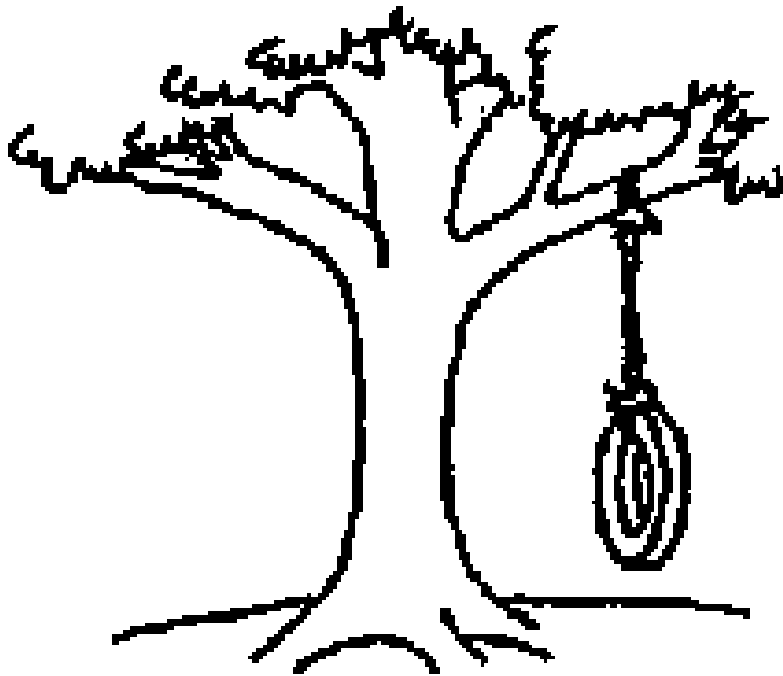
Mistake #10:

Leaving the Database to Fend for Itself



Image: [strollerderby](#)

Mistake #11: Building Your Own Database



What the user wanted.



As installed at the user's site.

Mistake #12: Using Excel



Recap

- Involve stakeholders in the decision.
- Decide what you're looking for.
- Structure demos so you can compare “apples to apples.”
- Make sure you understand all the costs.
- Trust but verify (check references and test the software).
- Plan for implementation and ongoing support.
- If you can't afford training and maintenance, don't buy the software.

Resources

Heller, Keith: [*Do You Need New Donor Management Software?*](#)

Idealware: [*Consumers Guide to Donor Management Systems*](#)

Idealware: [*There Ain't No Such Thing As a Free Software Package*](#)

Murrian, Michelle: [*The True Costs of Free and Low-Cost Software*](#)

Weiner, Robert : [*Finding the Perfect Fundraising Database in an Imperfect World*](#)

Weiner, Robert: [*Back Away From That Spreadsheet: Why Excel Isn't a Donor Database*](#)

Weiner, Robert: [*Ten Common Mistakes in Selecting Donor Databases*](#)

Wild Apricot: [*Membership Database Selection \(part 1 of 3\)*](#)

More resources are posted at <http://www.rlweiner.com/resources>

Questions?



What are your top takeaways from this workshop?

More Questions?

Robert Weiner

robert@rlweiner.com

415.643.8955

www.rlweiner.com