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The Auerbach  
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Informational Report

# Data Management

By **Ayax Rangel & Paulina Doran**

Money spent, Returns earned, Campaign successes and Outreach effectiveness:  
How to use your gathered data impactfully, engagingly, comparatively, critically,  
insightfully and purposefully.

# Looking to make efficient data-driven decisions for your nonprofit? It's possible!

“Data includes financial reports on money spent, returns earned, campaign success, and outreach effectiveness.”



In the modern era, nonprofit organizations have the opportunity to accomplish their objectives with a multitude of available assets and techniques to amplify outcomes. One means of growing in a sustainable manner and pulling in desired revenue is by focusing on the possibilities of data management, which can transform an NGO's functionality and top priorities.

Data can come in the forms of financial reports on money spent and returns earned, campaign success, and community outreach effectiveness. These can be helpful in ensuring that accounting is regulated, that appropriate monetary provisions are made for operations, and that approaches to fundraising are guided by sound reason.



# Reasons why data management is critical to sustainability.

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Individuals leading a growing NGO may lack the insights to employ their data in strong and influential ways or may not know how to obtain the most worthwhile data, which is necessary to keep an establishment with minimal capital and external sources afloat, as well as to ensure that their intentions are fulfilled in a meaningful way. For example, when surveyed 90% of NGOs emphasized they had a means of gathering statistical insights, but that 49% had little to no awareness of the actual collection methods being used <sup>(1)</sup>.

On top of this concern, NGOs may also be gathering data that is inconsistent or incorrect due to this oversight, which lessens the chances of utilizing the data advantageously. For instance, a survey conducted by Virginia Commonwealth University suggests that most groups are failing to tap into the full potential of their data due to poor management. Further, only 10% of groups even keep a record of their practices in handling data, where a whopping 90% do not follow any effectual standards to guide their procedures <sup>(2)</sup>.



In addition, they may also not have a knowledgeable team of data specialists and analysts to ensure the correct methods are being employed to gather significant information. An NGO might also lack data security, which can burden it even further when the collected data, such as credit card information or donor characteristics, is sensitive. And that sensitivity may require the help of an external party to help alleviate privacy concerns or keep information compliant with set standards<sup>(3)</sup>.

These types of errors can have a negative impact on NGO performance, including amplifying organizational expenses. They can even devastate a fundamental mission supported by the group or collapse a nonprofit entity completely. This is why it is imperative to identify how data can be collected and assessed properly in a resolute, regulated fashion. Important inquiries on an NGO's fundraising outcomes and beneficiary appeals can help it make vital choices and direct its team into a sustainable future.



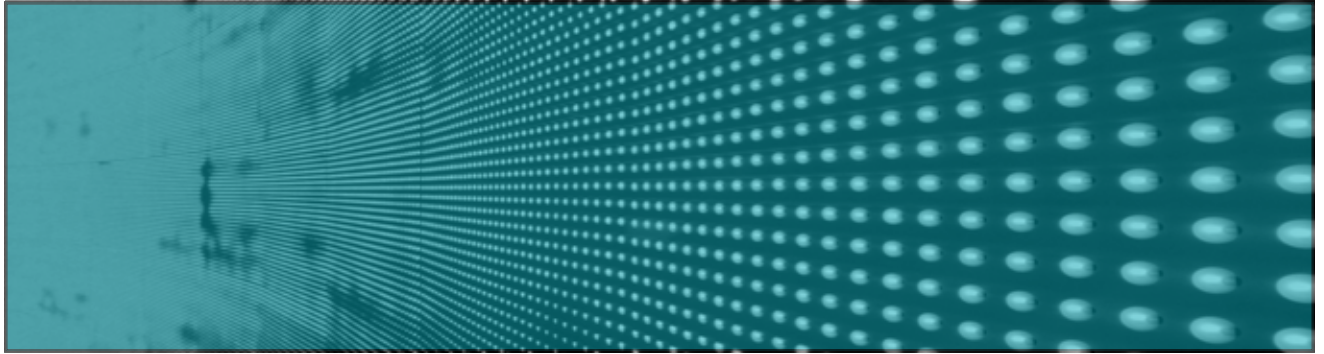
## Platforms and tools to simplify facts and figures.

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The process of managing an NGO's data involves choosing the right technology for each stage of data management, so that specific tools can be relied on to produce accurate and valuable insights. Many NGOs fail to update their systems to the latest platform, instead relying on older tools like simplified spreadsheets or databanks with less user friendliness or innovation.

There are four crucial processes that an NGO must consider when dealing with statistics and other analytical information, which include obtaining, warehousing, displaying, and examining the data <sup>(4)</sup>. Each of these steps can be carried out with preprogramed, accessible software associated with each task.

First, an NGO must be able to enter and then store the data into a system, so that it can be utilized and altered accordingly. Presently, data management programs allow customers to use an online system that works through the cloud, so that data can be easily obtained and isolated from external sources through continual updates into a digital storage bank.



These platforms include software like Alooka and Fivetran, which make it easier to access information anywhere and transfer it between systems. All information can also be kept in an online database such as Google Big Query or Amazon Redshift, where it can be manipulated frequently to allow for new data to be entered. These alternatives are also less costly and intimidating for new users to configure and use.

Next, nonprofits can decide how they want the data to appear by visualizing the information based on the problems they are trying to address. Systems such as Looker and Mode ensure that you can input how you would like to model the data, how you would like to gauge your insights, the computations that need to be performed on numbers, and what information you would like to combine. They also allow for nonprofit departments to work together by showing contributions on a single platform, where data can be communicated widely between personnel.





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Finally, to explore the data, organizations require a high-speed, economical system that will provide solutions and accurate answers to the requests and challenges provided. Examples include Tableau, Domo, and Superset, which are accessible, user-friendly tools that can be operated within a web browser or online application to demonstrate what has been found. They include features to find patterns within the data; map it in charts, graphs, or diagrams; and control panels to complete statistical functions.



Mobile devices can even do similar functions with services from companies like Druva and Wipro, which provide tools for organizations that can be accessed remotely for data security on the cloud <sup>(5)</sup>. These platforms allow users

to create a protected back-up copy of their information that can easily be reinstated when information is lost. They also ensure compliance on certain types of data. This can be crucial in securing critical information with the amount of data not protected by a secure firewall found in applications created by nonprofit companies.





# Management of donors and outreach.

Another form of data management concerns the NGO patrons, stakeholders, and volunteers that donate time and money to a cause. An effective nonprofit needs a tool that organizes donors and contributions in a systematic fashion, where a list of individuals can quickly be accessed. This



commitment is necessary because donors' addresses or emails may not be current. When this happens, an NGO cannot reach out. In fact, a study over Target Analytics emphasized that the average NGO lacks emails for over 74% of donors, which impairs relationships with constituents <sup>(6)</sup>.

These platforms help leaders and staff in charge of fundraising efforts monitor and evaluate the revenue they have obtained, donor characteristics and contact information, outreach methods, and marketing promotions to create more deliberate campaigns. They also encourage positive, loyal connections between an organization and its consumers so that they will maintain their commitments in volunteering and donating. Studies have shown that 77% of donors stop participating in an NGO's activities because they felt contact was limited in keeping them engaged <sup>(7)</sup>.

## System functionality and features.

These types of systems include an array of features that can support NGOs based on their unique operations and objectives <sup>(8)</sup>. Most allow users to input contribution amounts and contact data such as addresses and phone numbers. However, some even expedite the process to make it easier for time-crunched staff members, allowing for mass imports of donations from a single file. Other programs have filters that categorize information by a particular fundraiser or funder to make the process of finding information quicker.

In collecting characteristics about donors, specialized systems allow you to connect to donors through their social media accounts, monitor their activity online, integrate communications to them via email as well as opt them out of certain marketing campaigns. Users can indicate particular contributors that take precedence over others and mark how the donor will play a role in a campaign.



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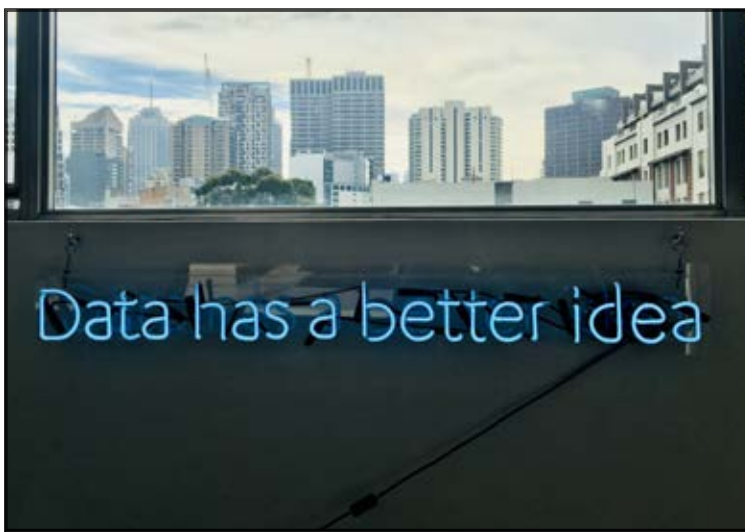
In addition, many of these donor management systems are equipped with robust features that make printing seamless, so that letters can be constructed to beneficiaries to request future contributions or show gratitude for their involvement. Emails can also be sent to several recipients at once in a single group, categorizing people by their level of contributions.

As an added benefit, financial reports can be constructed to show clear statistics of how an NGO’s diverging fundraisers are doing in relation to one another as well as the money an NGO raises per month or year. Some even provide the ability for donors to make digital money transfers (such as for contributions to a cause, membership fees, and enrollment costs for events) through a designated web page, and can also be integrated with an associated accounting platform to import data on revenue received.



## Popular donor management programs and subscriptions.

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Some of the leading systems for smaller nonprofits starting out or looking to grow include Fundly CRM, BatchBook, DonorSnap, Bloomerang, and eTapestry, which all have unique tools to keep the lines of donor communication open.

Fundly CRM (starting at \$60 per month) is appropriate for entities looking to expand to a wider audience of donors or attempting to diversify the types of charity campaigns they conduct <sup>(7)</sup>. Batchbook (starting at \$35 per month) is preferable for newcomers starting out with donor management platforms with little technological experience, seeking easy to use features to record contacts on a cloud-based system. DonorSnap (starting at \$39 per month with a \$200 setup fee) centers on reporting tools, allowing users to set up and track NGO objectives to guide the types of statistics that are created within the system.





Techsoup has also recommended a few economical platforms. Bloomerang (starting at \$99 per month) helps NGOs with monitoring their contributions and pledges, while also ensuring that scheduled, routine monetary donations can be paid within a connected digital system <sup>(9)</sup>. Finally, eTapestry provides more expansive control over all constituents and types of fundraising with the ability to track ongoing or future events and supervise volunteers giving their time to a cause. Each can be helpful in consolidating and systematizing donors depending on the needs of staff and underlying purposes of the nonprofit.

# How to effectively use data to achieve NGOs' goals.

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Using the appropriate software to assist an NGO achieve its mission and increase its performance is only half the battle. It is essential that NGOs ensure that their mission statements are designed with clarity and specificity. This promotes the opportunity that leadership and staff will understand their defined goals and the context they play in for the larger nonprofit business. It also ensures that stakeholders comprehend the outcomes that the NGO hopes to achieve.

With a solid mission, it is then possible to break down the objective into smaller actions that will lead up to its achievement. It is recommended by the Chronicle of Philanthropy that NGOs should determine three or four aims that motivate toward their cause <sup>(10)</sup>. However, NGOs should stray from attempting to do this task on their own, since finding experts in NGO data management and goal formulation can support NGOs to realize their missions faster.



“It is important to find well-versed specialists who can lead staff through steps and instruct them in preparing for the process.”

It is important to find well-versed specialists who can lead staff through steps and instruct them in preparing for the process. The right software can only go so far if the staff powering it is ill-equipped at understanding the data in relation to a target. After this period of learning, it becomes easier to utilize more simplified technology to assist with collection, visualization, and investigation <sup>(11)</sup>.



Make a list of major objectives that help you break down your organization's underlying mission to ensure you remain focused.

Another central technique in building an organization destined to work with data in purposeful and effective ways is involving employees deeply in the motives of the task. It is crucial that staff understand the reasons why gauging data on performance and other facets of the nonprofit's efficiency are vital. As follows, NGO staff and onsite employees should have the ability to provide their own insights on obtaining, modeling, and exploring the data so that they feel included.



Any system or set of techniques that are chosen for data management should also be continually evaluated and tried out on staff before they go into official usage. This helps create the most robust and helpful tools. When data on performance or campaigns is collected, it is then crucial to communicate to employees via group meet-ups, showcase the outcome of their work, highlight the growth and say who was responsible for the positive results. When employees are recognized for their efforts and shown quantitative proof that their practices matter, they are more likely to work harder and inspire others to do the same.





When assessing the kind of data to collect, it is also wise to center research on campaigns or initiatives within the organization that are failing or not meeting set standards. It is this data that can be explored for the greatest benefit of NGOs because it emphasizes aspects of programs that need to be enhanced or expanded.

It may also be useful to question current types of data being studied and what other feasible sources must also be considered. By charting out key sources of information that can be valuable, including focus group data, content from emails, contributor trends, and survey responses, and their practical function for the NGO it is easier to understand key stats that need to be drawn <sup>(11)</sup>. It also gives an NGO the ability to assess what it wants to know.

Organizations can inquire on how much funding they have received and what expenses were put into those fundraising projects. They can monitor who their contributors may be, as well as which individuals are only providing donations, time, or both. Knowing these trends can help nonprofits customize their content for a particular type of audience since their efforts in data management result in more clear awareness and knowledge of constituents.

Lastly, it is important that NGOs only focus on the information critical to their operations and servicing donors, stakeholders, or clients <sup>(10)</sup>. Information that is irrelevant or outside the scope of the organization can be risky because it directs attention away from the true purposes of the NGO, which at its core is to assist a direct audience of people or foster a positive ideology.

## Leveraging data for sponsorship and fundraisers.

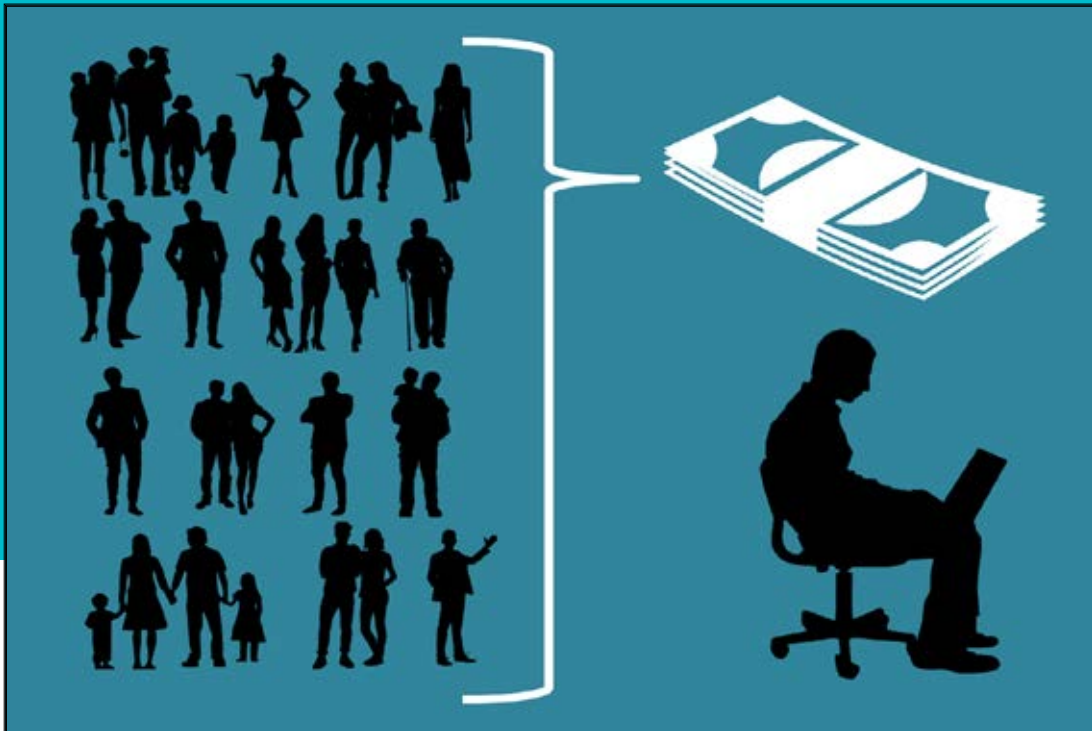
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Executive directors and leadership may be hesitant to implement data into their organizational fundraising. Some may have difficulty understanding and interpreting complex information from intellectual sources, or be short on time to devote to this practice <sup>(12)</sup>.

Others may not have a team with enough training and ability to locate or cut down dense statistical findings into clear, applicable conclusions for their broader purpose. It may seem highly unjustified spending money and time on data collection or analysis for sponsorship purposes when most employees and staff need to be putting their talents and capacities toward the actual event or activity to avoid a loss of revenue from current donors. Executive directors may, in turn, feel insecure and apprehensive about the consequences of messing with current campaign tactics.





However, research on fundraising has presented the notion that a great deal of traditional NGO intentions and sponsorship attracting methods may be flawed or ineffective. These experts suggest that data for fundraising should expand from just one audience to the wider patterns found in donating behavior <sup>(12)</sup>.

This requires studying collective conduct of sponsors as well as concentrating on how their behavior relates to relevant psychological theories. For example, it has been noted that donors that feel discomfort or hurt due to an aspect of a campaign may provide more monetary funding and exert more voluntary effort. This outcome occurs because humans are altruistic beings that want to alleviate human suffering. They also are willing to sacrifice things like money for the sake of a larger cause they believe in. This universal behavior can thus be applied in fundraising for greater results.

When utilizing data in fundraisers and gaining sponsorship, it can also be useful to ponder how the information collected can be leveraged in conducive way. As follows, it is always significant to ask who the exact individuals to be contacted and what their



possible donation intentions are <sup>(6)</sup>. In addition, it is important to consider the donors that are the most loyal to the NGO brand and the ones lessening their general involvement over time. By clarifying these insights, it becomes easier to identify where funds and assets should be allocated. It can also help understand who the short-term and long-term constituents are for a particular organization as well as the types of behavior that are most likely to be observed (online donating, mail-in contributions, volunteering, etc.).

Moving forward, an NGO must be aware that reports are not the only source of data for a potential way ahead <sup>(6)</sup>. In general, reports tend to only reveal past trends in donors and their habits, which can lead to NGO leadership building their programs and marketing efforts toward a dated target audience. When this occurs, they miss out on knowing what their current and future donors will look like.





For this reason, it is vital to be in control of one's own testing. By actively approaching each study with a business mindset, an NGO can speak to its sponsors about why it is collecting certain data and how that data

can aid the cause. An NGO can also showcase to its stakeholders that money collected is going toward necessary activities.

Further, it is also valuable to create a culture that supports the utilization of data and put mechanisms in place to encourage successful collection or analysis <sup>(6)</sup>. NGOs should realize the benefits of data over other resources available and be determined to work with it constructively. Without an environment that values testing, the NGO can miss out on opportunities.

This is especially important for small nonprofits. Any prospect skipped over, who could contribute thousands of dollars to the cause, could cost the organization its ability to carry out its mission or stay afloat. By paying attention to these leads and investigating further, an NGO boosts the chance of claiming extra revenue that can bolster its mission and drive sustainability.

## Be realistic in your process.

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It is also important to keep efforts toward data used for fundraising as realistic as possible. This means not taking on too many performance indicators or kinds of data. NGOs should limit themselves to no more than five fundraising concerns within the organization.

This can help ensure staff and employees do not burn out or study an excessive amount of extraneous information. Any concern targeted should also be practical for the group to address. This focus can help show that data is useful and can help make widespread organizational changes, even if it is not the largest obstacle to address. Again, frustration is subdued because staff do not get overwhelmed or over their head when dealing with data.



# The takeaway.

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Taken as a whole, the most successful brands (such as Google, Disney, and Fitbit) implement these techniques into their data management plan to assist in guiding their resolutions because statistical evidence ensures more impactful choices that amplify general performance.

Though executive directors, leadership, and staff may feel hesitant to learn new data management practices or apply them to their NGO campaigns, it becomes a necessary pursuit to help them better prepare for the future with ever-changing sponsorship and broad missions that need to be obtained with tangible results for demanding stakeholders. There are a vast amount of software tools, techniques, and trained experts available to smaller NGOs looking to invest their time and money wisely into data management practices for maximized results.

Making the decision to put data first and apply best practice techniques ensures that a nonprofit utilizes its assets in effective ways and properly serves its constituents.

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## About the authors:

### Ayax Rangel



Ayax is a foreign language professor at the Defense Language Institute in Fort Bragg, NC. In this capacity, he imprints language and cultural competence on Special Operations Forces Soldiers of the US Army. Himself a war veteran with seven years of military service, he was honorably discharged in the fall of 2017 with an exemplary record. In his last role, Ayax was responsible for managing a portfolio that included: personnel recovery, training procurement, foreign language readiness, and equal opportunity for 1st Battalion, Psychological Operations (PSYOP), US Army, assigned to South America as its primary area of responsibility. Associated duties required constant vigilance of political developments abroad and assessment of threats posed to fellow deploying service members.

Other assignments within the organization include an overseas deployment to the US Embassy in Tegucigalpa, Honduras, as a program manager for a PSYOP team and a rotation in 5th Battalion PSYOP, requiring military training in Asian regional studies and Chinese Mandarin.

Before his arrival to PSYOP, Ayax deployed as an Infantryman on a combat tour to Kandahar, Afghanistan in the summer of 2012 as part of Operation Enduring Freedom with the 3rd Infantry Division.

Ayax has further distinguished himself as an active member of his community. He currently serves in the NCPTA Board of Directors (2018-2020 term), in the Resource Development, Governing Documents, and Executive Committees, and has been appointed a Human Relations Commissioner for the City of Fayetteville, NC (2018 - 2020 term). In 2018, Ayax received the honor of being selected to the Fayetteville Observer's 40 under 40 for distinguished community service.

He is also a volunteer at the Auerbach Global-Impact Foundation (AGIF), a nonprofit. As Director of Research some of his duties include developing plans of action, conducting target audience analyses, producing reports and targeted messaging, training and supervising staff, and collaborating with the Executive Director on strategy and delivery.



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## Paulina Doran



Paulina is a recent graduate from Drury University, who received her Bachelor of Arts in psychology and writing. During her time in academia, she facilitated a support group for clients with chronic illness and physical disabilities at Circle on the Square, a holistic life center and mental health facility, using therapeutic coping techniques from positive psychology. She was also vice president and secretary of her local Sigma Tau Delta chapter.

Currently, she is a fellow at The AGIF, who assists the research department in collecting data for their library of tools and resources geared toward marketing, leadership, human resources, strategic planning, and data management for nonprofits. She also has assisted in devising strategic marketing plans by conducting analyses for key target audiences. Her other duties include planning and implementing usability studies and surveys for website development.

In her spare time, she does independent contracting with companies like UserTesting, participating in usability tests and moderated studies for UX design, development, and research of applications and websites. In addition, she runs her own online retail and consignment store, where she resells vintage goods and inventory to the public on the Poshmark app.

In the future, she plans to eventually pursue a career in user-experience research and obtain her master's degree in human-computer interaction. She hopes to focus her studies in exploring accessible features for individuals with auditory and visual disabilities, providing them more functional tools to navigate and interact with mobile and desktop platforms.

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