



Create a Smart Data Culture

Take a close look at the way you manage your precious data.

By Shaun O'Reilly

When Marketing General Inc. (marketinggeneral.com) asked nonprofit professionals what keeps them up at night, many said they had concerns about the quality of their data. This makes sense, because leaders rely on their data to make vital decisions.

What things can your data do for you? Here are a few:

Help you understand the behaviors, preferences, and interests of your constituents.

Better navigate the strategic planning process.

Establish core programming, marketing, and content necessary to achieve your objectives.

Analyze donor trends.

Show which fundraising tactics work and which don't.

Provide a comprehensive picture of individual donors, how often they contribute, what motivated them to donate in the first place, or why they chose to discontinue their contributions.

Help build a comprehensive fundraising strategy that includes outreach, acquisition, retention, and reactivation.

Considering its huge importance, it's a mystery why data management is given short shrift in so many organizations. Leaders need to have a data-governance strategy. They need a team that works together to create a smart data culture. To do so in your organization, consider the following steps:

Identify an Executive Sponsor

Every organization needs an executive sponsor – someone who understands that data management is *not* just IT's job. The role of this executive sponsor is to ensure that everyone in the organization recognizes the strategic value of the organization's data. Most employees won't pay attention unless they understand how the integrity of the data – its accuracy, consistency, and completeness – impacts the organization's work.

Create a Data-Governance Team

With the support of the executive sponsor, organizations should form a data-governance team. This cross-functional team should be made up of owners or super-users of data. For example, this team could include representatives from the development, membership, program, communication, and IT departments.

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Members of the data-governance team must be staff who are committed to using data to achieve the organization’s strategic goals. The team’s duties should include the following:

Plan how the organization will collect, maintain, and use data.

Ensure that staff and leaders have the data they need to make decisions.

Develop data-entry procedures that promote accuracy.

Create a data style to ensure consistency.

Write a user guide that explains how to handle different scenarios (such as what to do if an e-mail bounces, for example).

Review data-integrity reports to identify problems such as missing or invalid e-mail addresses.

Work with the IT department to arrange security-awareness training.

Ensure that internal systems comply with a high level of data security.

Appoint a Data Team Leader

The leader of the data-governance team must be a user of data but *not* part of the IT department. The team leader must take ownership of the organization’s data and garner the support of staff leadership to champion and enforce data-quality practices.

Collect Donor Data

With data comes valuable donor knowledge. But it has a short shelf life. That’s why it’s so important for the data-governance team to follow a clear strategy for data collection, maintenance, and usage. Here are six principles to keep in mind:

1. Collect only what you can use. The more data you have, the more data you must keep clean, update, and migrate to a new management system when necessary. Review your forms to make sure you’re not requesting needless data.

2. Gather data on a regular, systematic basis. Understanding the motivations, misconceptions, and trends of current donors is key to retention and future acquisition. Donor engagement levels change over time, so their data should too. Create a schedule for updating pertinent information.

3. Describe data’s impact. People are more willing to provide information when they understand how it will be used. Emphasize how up-to-date data can help you understand donor preferences and thus provide more value to the communities you serve. Having stronger data helps you target the right donors at the right time and lower the

costs associated with retaining current donors. If individuals understand the full impact of a data request, their privacy concerns should be alleviated.

4. Talk about data security. Become an industry leader on cybersecurity. Let stakeholders know the security of their data is a priority. Communicate your security prevention and awareness practices. Teach employees and affiliates how to implement their own cybersecurity.

5. Widen data-collection methods. You needn’t rely on infrequent surveys to understand your donors. Learn their interests and preferences by tracking their engagement data. For example, measure donor retention rates, donor lifetime value, and donor conversion rates for different fundraising campaigns.

6. Measure progress. Decide on a data-integrity metric – a percentage of records with accurate and complete data. Identify the fields to include in that formula. For example, you might decide that a record is complete if it contains a name, valid mailing address, e-mail address, place of work, job title, average annual contribution, or other related details. Run data-integrity reports regularly, and share progress with colleagues.

Build a Lasting Culture

A smart data culture is one in which everyone values data, understands what data can do, and appreciates the data’s role in successful fundraising. The first step is building a team to decide what information to collect, how to collect it, and what to do with it. 

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