



Federation Benchmarking Project

Exploring the Mind of the Mid-Level Donor

2008 Stakeholder Survey

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Goals for today's session

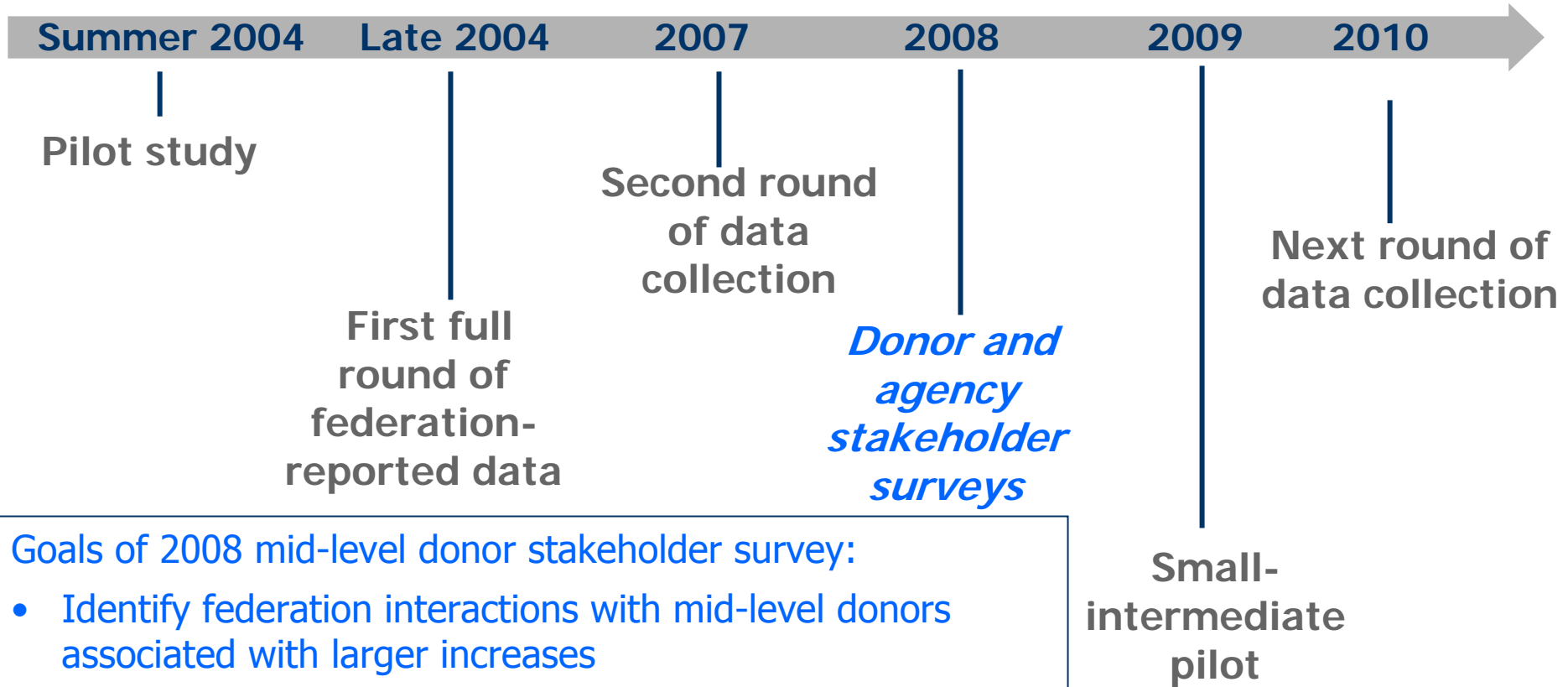
- To share key findings from the Mid-Level Donor Stakeholder Survey, the newest FPB tool developed by The Jewish Federations of North America
 - Emphasis on measurement, benchmarking and best practices
 - Focus on transparency and accountability
 - Continued pressure on operating budgets
- To explore the strategies that helped two very different but high-performing federations achieve their scores and discuss potential implications for your federations

Goal of FPB: strengthening federations

- Why FBP?
 - Tool to empower management to focus on key success factors
 - Identifies activities linked to desired outcomes
 - Compares performance to peers, with opportunities for federations to learn from each other and track progress
- FBP exemplifies The Jewish Federation's of North America's highest priority:

Strengthening federations through convening, sharing best practices, building federation capacity, and leading in roles where centralized continental capacity provides value to individual federations in ways they cannot achieve separately

FBP: a brief history



Goals of 2008 mid-level donor stakeholder survey:

- Identify federation interactions with mid-level donors associated with larger increases
- Quantify perceptions of federation performance and establish benchmarking comparisons and baseline data
- Uncover target donor segments where performance lags
- Provide opportunity to improve relationship and communications

Note: analyses in report based on work of Measuring Success

Participating federations

Large Federations:

- Atlanta (2004, 2007 and 2008)
- Baltimore (2004, 2007 and 2008)
- Boston (2004 and 2007)
- Chicago (2007)
- Cleveland (2004, 2007 and 2008)
- Detroit (2004 and 2007)
- Los Angeles (2004 and 2007)
- MetroWest (2004, 2007 and 2008)
- Miami (2004, 2007 and 2008)
- Montreal (2004 and 2007)
- New York City (2004 and 2007)
- Northern New Jersey (2007 and 2008)
- Palm Beach County (2004, 2007 and 2008)
- Philadelphia (2004 and 2008)
- Pittsburgh (2004, 2007 and 2008)
- South Palm Beach (2004)
- St Louis (2004, 2007 and 2008)
- Toronto (2004, 2007 and 2008)
- Washington DC (2004, 2007 and 2008)

Large Intermediate Federations:

- Broward County (2008)
- Central New Jersey (2008)
- Cincinnati (2008)
- Colorado (2004 and 2007)
- Columbus (2004 and 2007)
- Dallas (2004, 2007 and 2008)
- East Bay (2007 and 2008)

- Hartford (2004, 2007 and 2008)
- Houston (2004, 2007 and 2008)
- Kansas City (2004, 2007 and 2008)
- Milwaukee (2004 and 2008)
- Minneapolis (2004 and 2008)
- Phoenix (2004, 2007 and 2008)
- Rhode Island (2004 and 2007)
- Rochester (2004, 2007 and 2008)
- San Diego (2004, 2007 and 2008)
- Seattle (2004 and 2007)
- Vancouver (2004, 2007 and 2008)
- Winnipeg (2007 and 2008)

Intermediate and Small Federations

- Ann Arbor (2009)
- Berkshire County (2009)
- Central Massachusetts (2009)
- Champaign-Urbana (2009)
- Charlotte (2009)
- Long Beach (2004 & 2009)
- Louisville (2009)
- Memphis (2009)
- North Shore, MA (2004)
- Richmond (2009)
- Santa Barbara (2004)
- Southern Arizona (2004 & 2009)
- Toledo (2009)
- Tulsa (2009)

Mid-level donor survey methodology

- Mid-level donor: those making an unrestricted campaign gift between \$1,000 and \$10,000 in any year from 2005-2008 for whom federation had a valid email address
- Link to on-line surveys sent via e-mail to 23,333 mid-level donors from 26 federations (11 large and 15 large intermediate)
 - Received 6,850 responses (30%); largest survey ever of federation donors
- Donor outcome variable: increase in unrestricted campaign dollars (data provided by federations)
 - Average gift change for respondents was +\$486; median was +\$200
- Areas explored in survey included the following:

Demographics	Personal relationships
Federation involvement	Federation impact
Jewish charitable values	Federation operations
Donor contact	Performance relative to other charities

Benefits of this approach to surveying stakeholders

Confidentiality: respondents comfortable giving honest answers

Non-political: The Jewish Federations of North America serves as impartial arbiter, balancing input on questions from all constituencies

Consistency: all federations use same high-quality survey instrument

Comparability: benchmark and analyze data across federations

Efficiency: focus limited federation time on implementation instead of design, analysis, and reporting

Reliability: large sample size allows more rigorous statistical analysis of results

Finding #1: high federation loyalty seen in charitable giving distribution

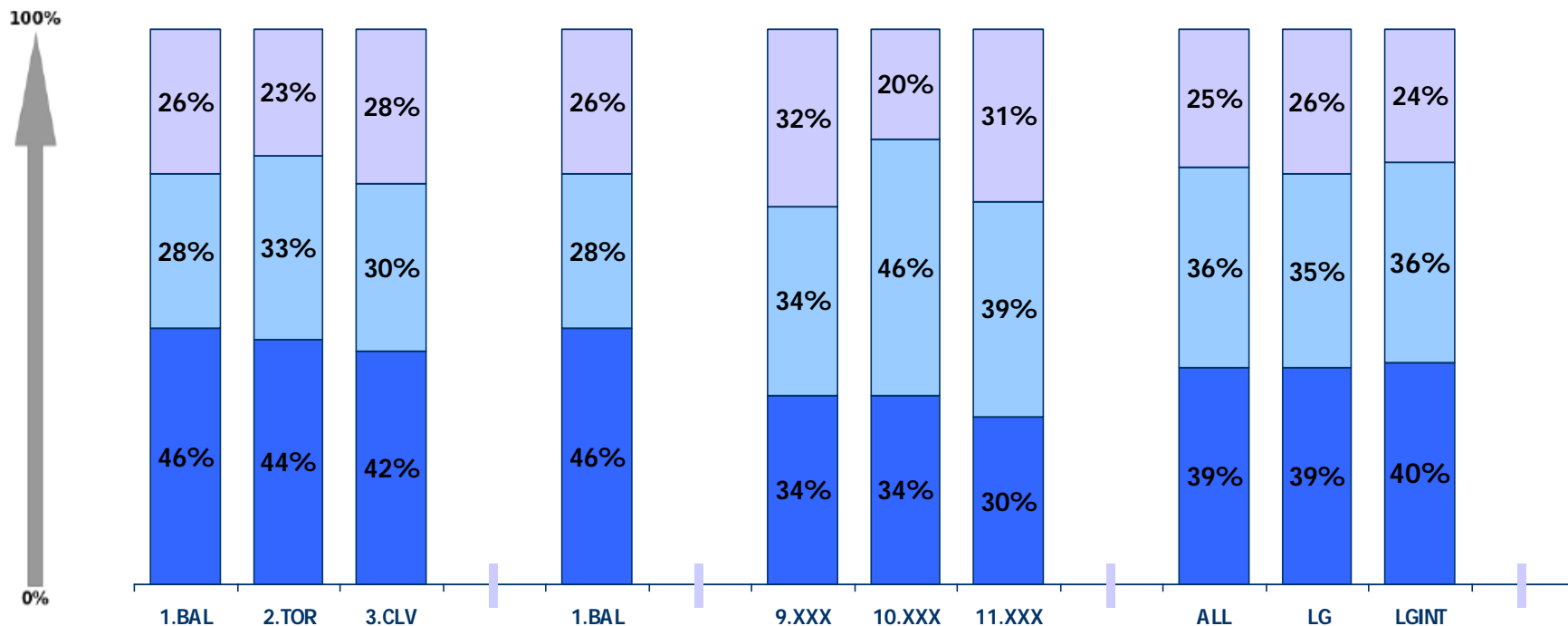
Mid-level donors give a higher percentage of their charitable donations to federation than to the other Jewish or non-Jewish charities

Findings:

- Gifts to federation averaged 39% of total mid-level donor charitable giving
 - Generally higher % than sum of all other Jewish giving, or sum of all non-Jewish giving
- Higher percentages of charitable giving to federation are linking to larger gift increases
- Important to leverage or increase donor loyalty

Federation's share of respondents' total charitable giving = 39%

Distribution of Charitable Giving (Q28)
by Percent, Ranked by % "Federation"



28) Approximately what percentage of your 2007 annual charitable giving went to each of the following categories: Federation, Other Jewish causes, Non-Jewish causes?

Finding #2: events, used strategically, yield strong results

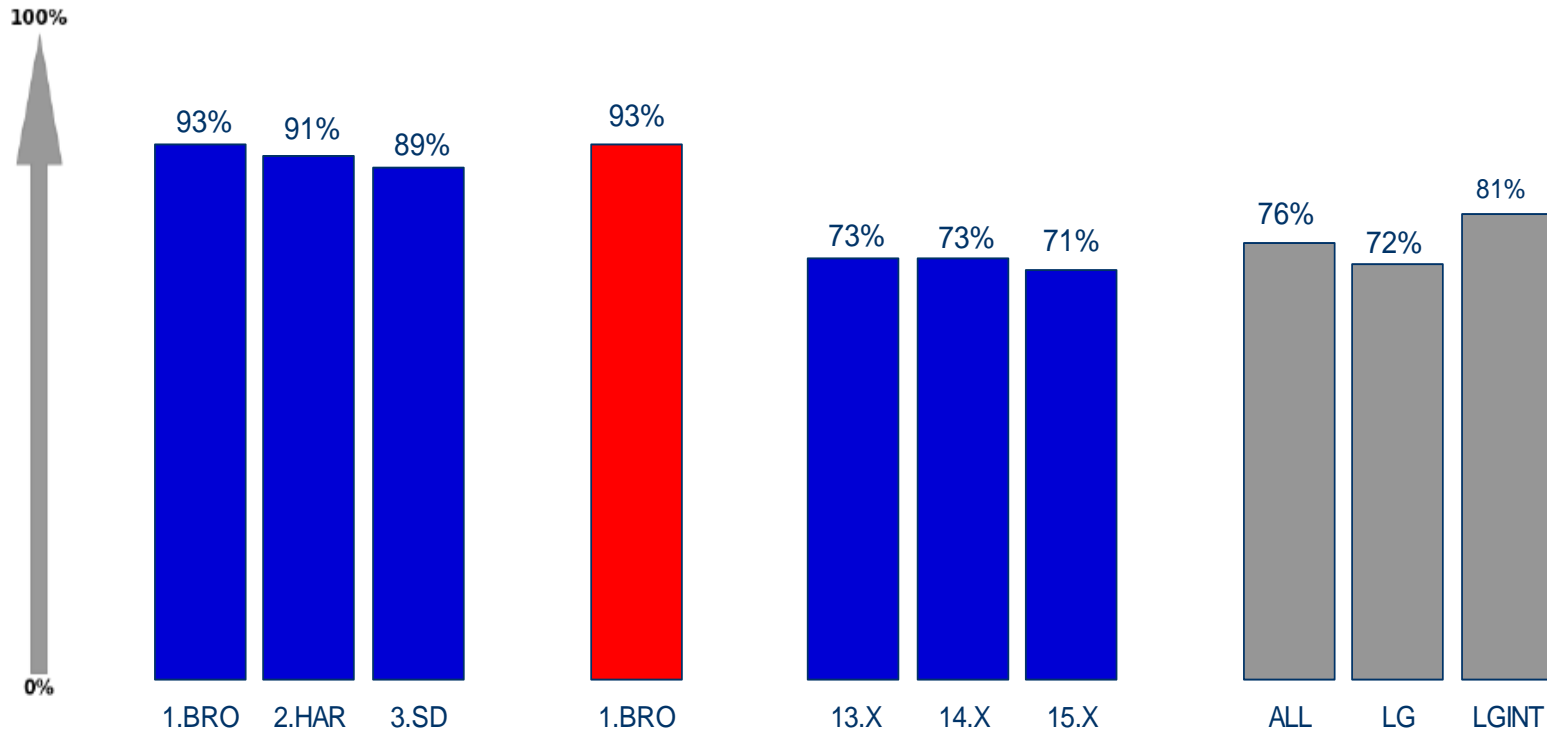
Events remain an effective tool for generating larger campaign increases, with big impact from attendance at even one event

Findings:

- Donors who attended at least one event in past two years increased gift by \$150 more (over two years) than those who did not (all other factors equal)
- Average mid-level donor who participated in events (but was not on a committee) attended ~2.5 events a year
- Effective event strategies will balance reaching donors not currently engaged and evaluating costs and benefits of additional events for current attendees

Attendance at federation events was linked to a ~33% larger increase in giving

Attended Federation Events over Past 2 Years (Q2a)
by Percent "Yes"



2a) Please indicate if you have attended federation events over the past two years

Finding #3: importance of Jewish charitable values in mission/message

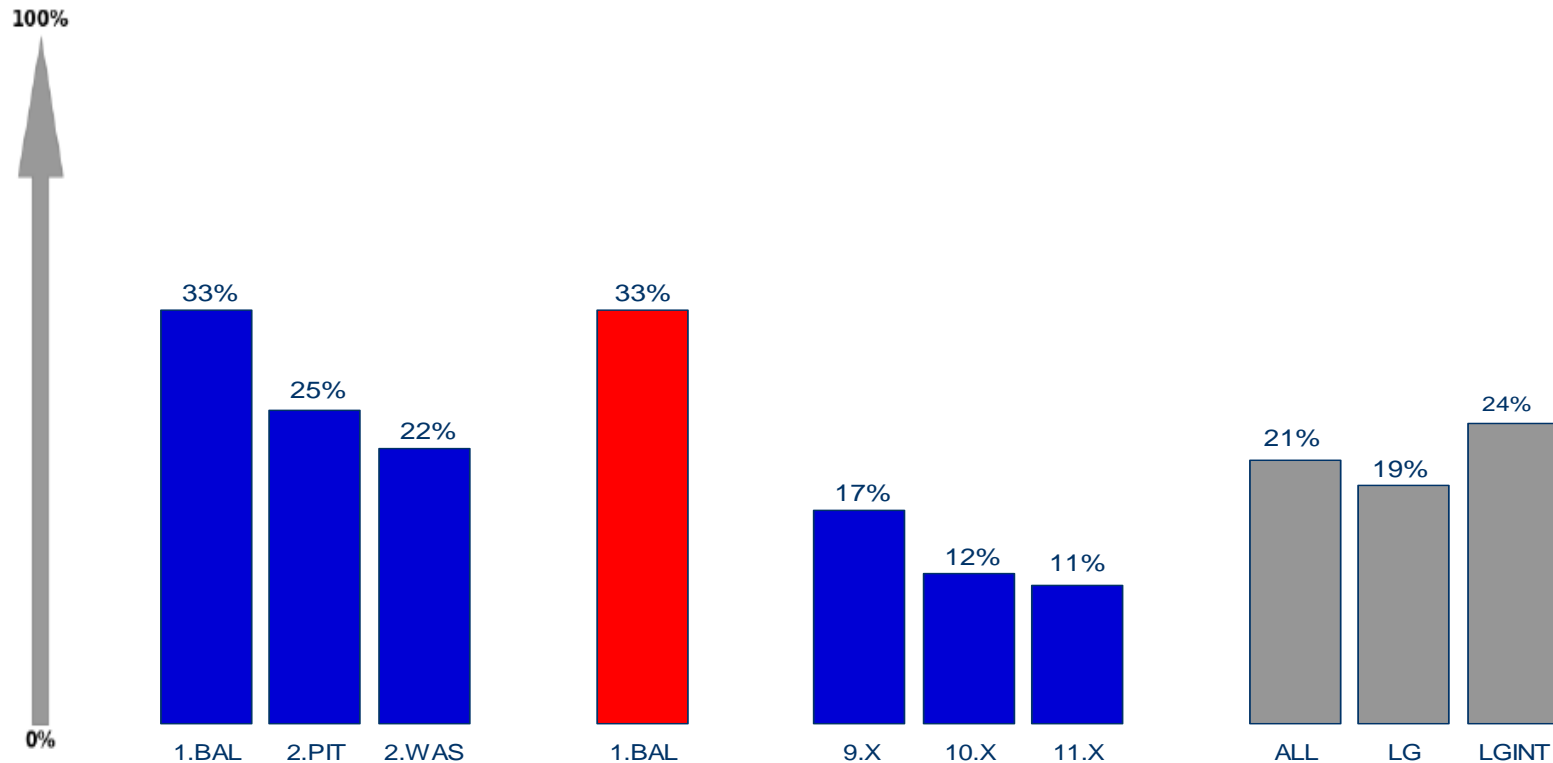
Jewish charitable values are one of the most important motivators among mid-level donors

Findings:

- Jewish charitable values had the second greatest impact on giving increases – after donor involvement
- Survey findings suggest two important areas for federation communications and messaging:
 - Alignment between federation’s mission and donor’s values
 - Increasing donor knowledge about charitable giving (tzedakah) and repairing the world (tikkun olam)

Improved mission-values alignment associated with larger gift increases

Trend Over Past 3 Years: Alignment of Fed Mission and Donor Values (Q10e)
by Percent "Somewhat Improved" or "Greatly Improved"



10e) Over the past 3 years how has the alignment between Federation's mission and my personal values changed (Greatly Weaker, Somewhat Weaker, Unchanged, Somewhat Improved, Greatly Improved, Do Not Know)

Finding #4: donors' perceptions of how they are treated are key

Mid-level donor survey results confirm that much of fundraising is about relationships and how people perceive they are treated

Findings:

- Personal contact is highly correlated with larger campaign increases, including:
 - Perceptions of how donors feel they are treated throughout the year and
 - How they are solicited for their annual campaign gift
- Aggregate donor contact scores were associated with greater gift increases

Finding #5: build admiration and respect for federation professional staff

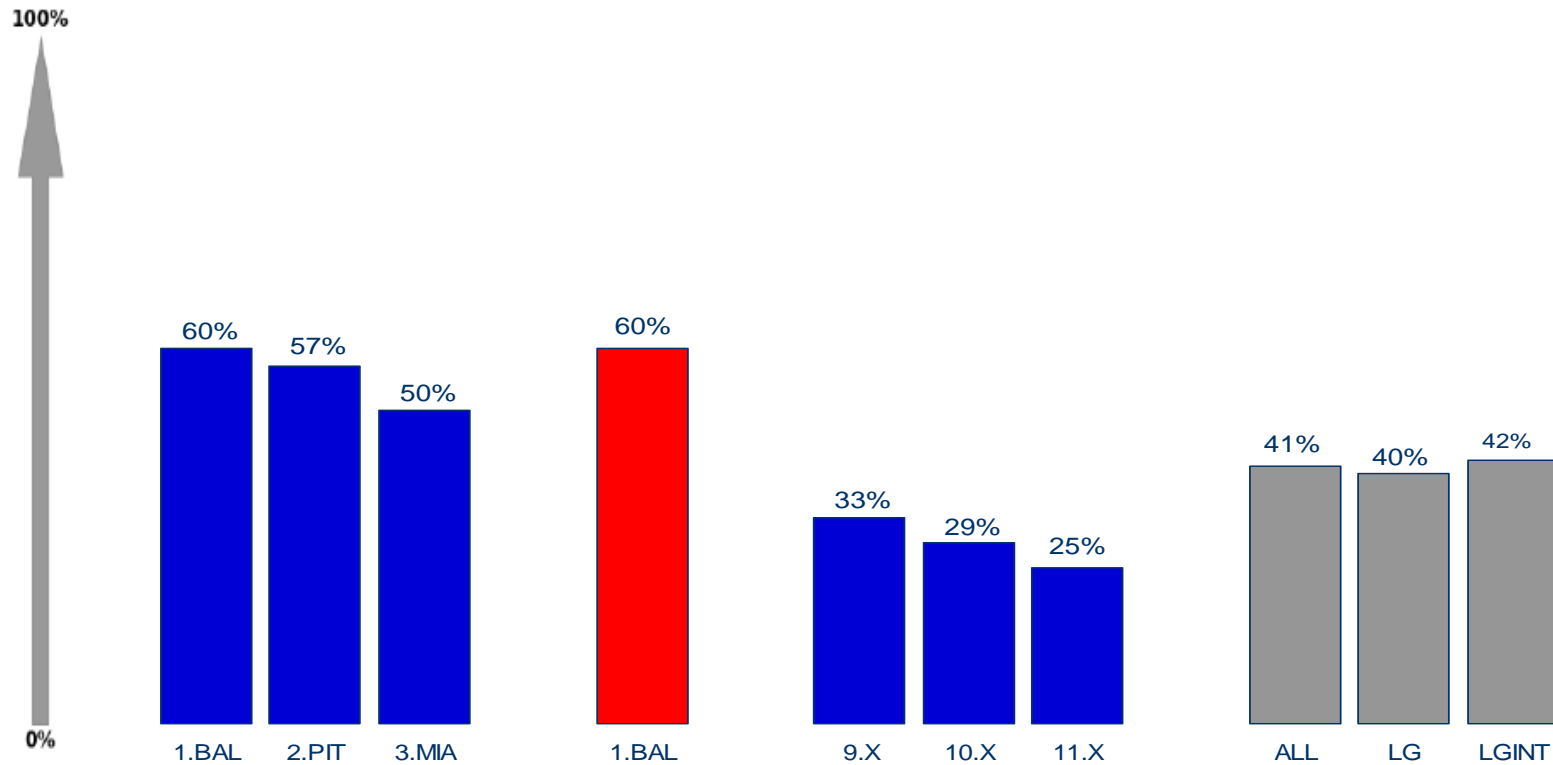
Investment in quality staff, who are admired and respected by mid-level donors, pays off

Findings:

- Donors who more strongly admire federation professional staff had larger campaign gift increases
- Major differences among federations in % of respondents who **strongly agreed** respect and admire staff
 - % strongly agreeing ranged from 64% to 25% and averaged 41%
 - Only 8% of respondents said they did not respect or admire their federation's staff
- Mid-level donors under age 45 were twice as likely to agree that they admired federation staff as those 65+

Donors' positive opinions of staff linked to larger gift increases

Admires and Respects Federation's Staff (Q6a) *by Percent "Strongly Agree"*



6a) I admire and respect Federation's professional staff (taken as a whole) (Strongly Disagree, Disagree, Agree, Strongly Agree, Do Not Know)

Finding #6: personal relationships with staff and volunteers remain important

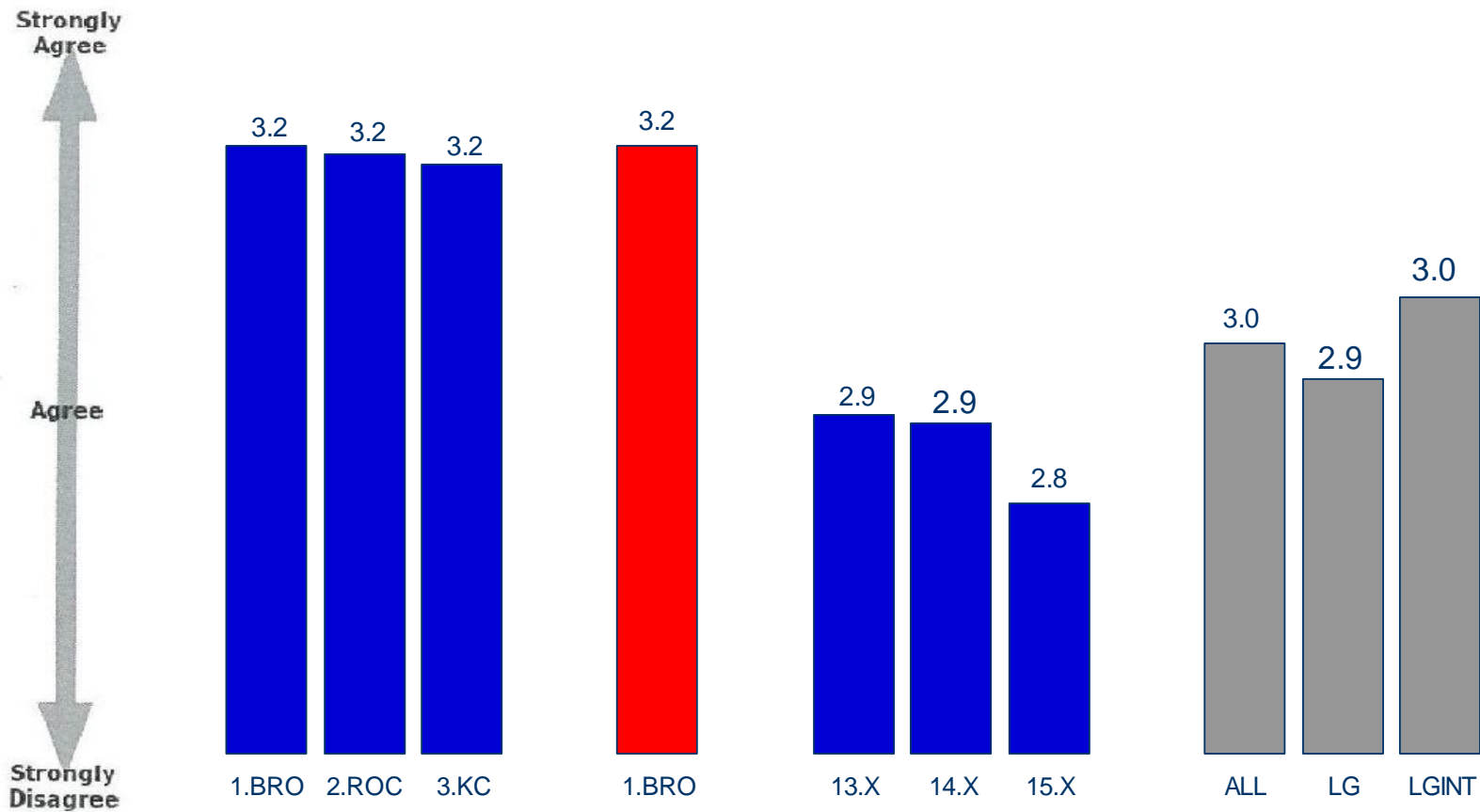
Strong personal relationships – as well as improved relationships – are important factors in mid-level gift increases

Findings:

- Donors who report stronger personal relationships with federation staff and volunteers increased their gifts by greater amounts
- Donors who had a strong relationship were two times more likely to report being solicited in person
- Donors who reported **improved relationships over the past 3 years** with federation professionals and volunteers also made larger gift increases

Effective campaigns build strong personal donor relationships with federation staff and volunteers

Personal Relationship with Staff and Volunteers (Q6 c and d) by Average Score (1=Strongly Disagree – 4=Strongly Agree)



6c & d) I have personal relationships with Federation's professional staff/Federation volunteers and lay leaders

Finding #7: federations under-perform other charities in contact and relationships

Half of donors said they made an annual gift to another charity at or above the level of the federation gift, and many say the competition does a better job in key areas

Findings:

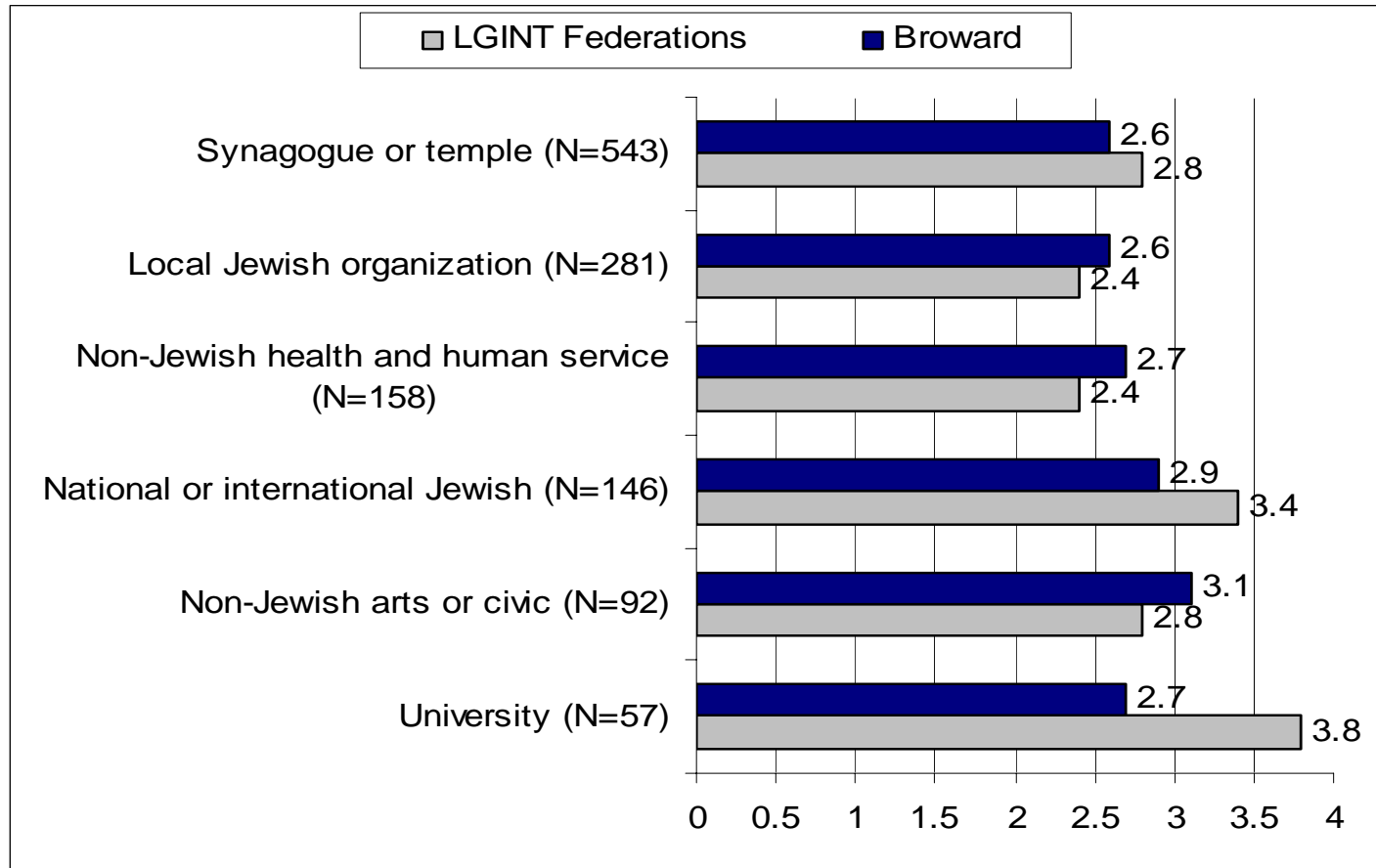
- Federation performance relative to a donor's other significant charities is uneven, with gift increase implications in areas of donor contact and personal relationships
 - Federations generally ranked weaker in donor contact and appreciation compared to these other charities
 - Federations scored even worse in the area of personal relationships, with the largest gaps relative to synagogues and other local Jewish organizations

Federations had weaker relationships with their donors compared to other charities

Federation Relative Personal Relationships (Q13b)

Average (1="Much Weaker" to 5="Much Stronger" with 3="About the same")

By "Other Charitable Giving Organization Type", N=Peer Sample Size



13b) Please indicate if Federation's performance is stronger or weaker than this other charitable organization in the area of my personal relationships (with professionals and volunteers)

Finding #8: face-to-face solicitation generates largest increases

Most mid-level donors are solicited by phone, although the data support effectiveness of face-to-face interactions

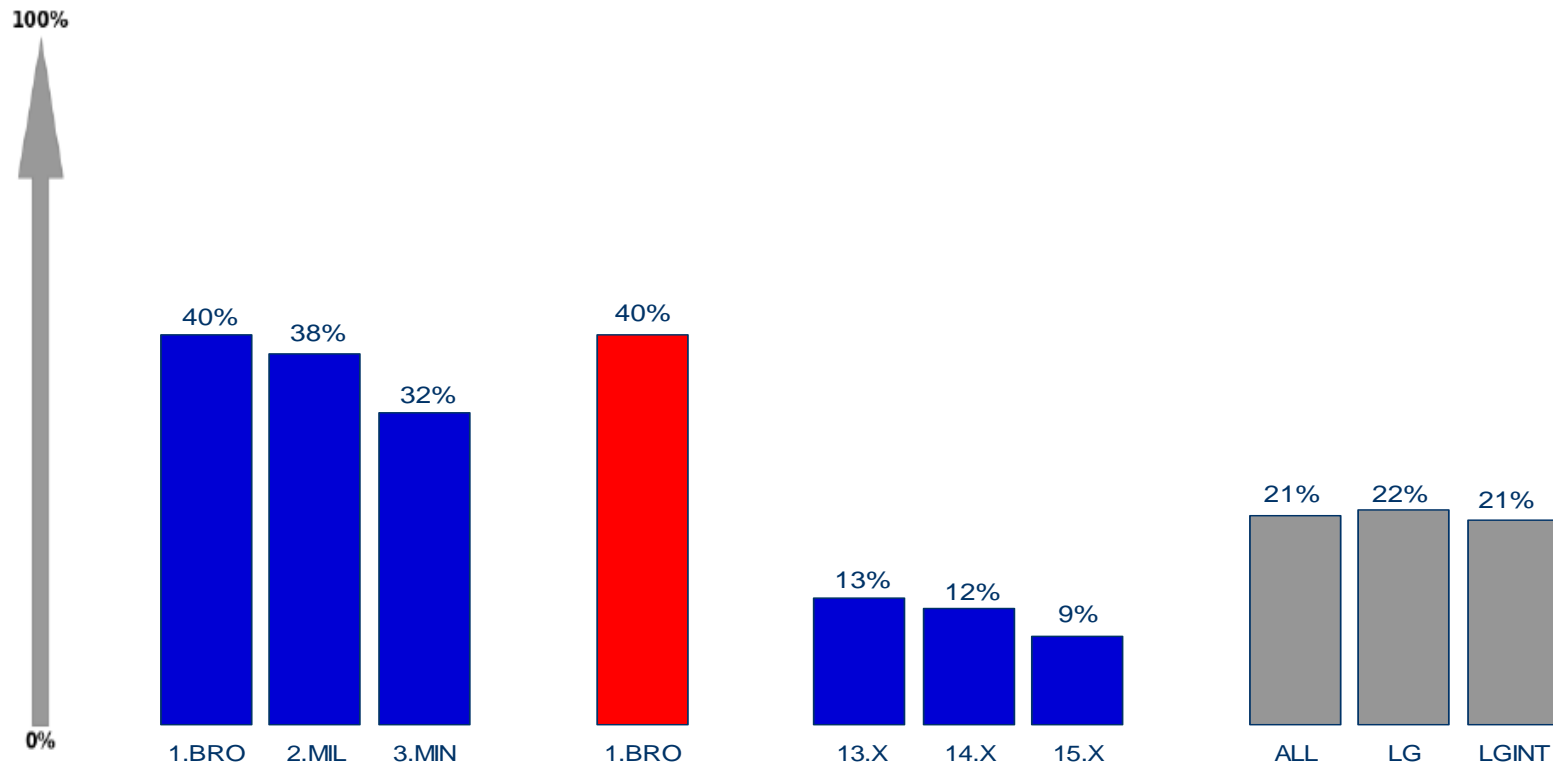
Findings:

- In-person solicitation was linked to a \$180 larger increase compared to other forms of solicitation, yet occurs infrequently
- In best-performing federations, 30-40% of mid-level donors reported being solicited in person
- Overall, almost half of mid-level donor solicitations report they were solicited over the phone.

In-person solicitations increase donor contact and generate largest gift increases

Solicitation Method (Q25)

by Percent "In Person Locally" or "In Person on Mission / Conference"



25) Which category best describes how you were solicited for your most recent Federation annual gift

Finding #9: Impact is about funding most important local Jewish community needs

Among measures of federation impact, one of few associated with larger gift increases was funding the most important needs in the local Jewish community

Findings:

- Donors who felt federation funds the most important needs in the local Jewish community made larger gift increases
 - Overall, 31% of respondents strongly agreed, 56% agreed and 13% disagreed or strongly disagreed
- Similar association found for donors with a more positive view of federation's efforts in their highest service priority area

Finding #10: Having an opinion is better than not knowing

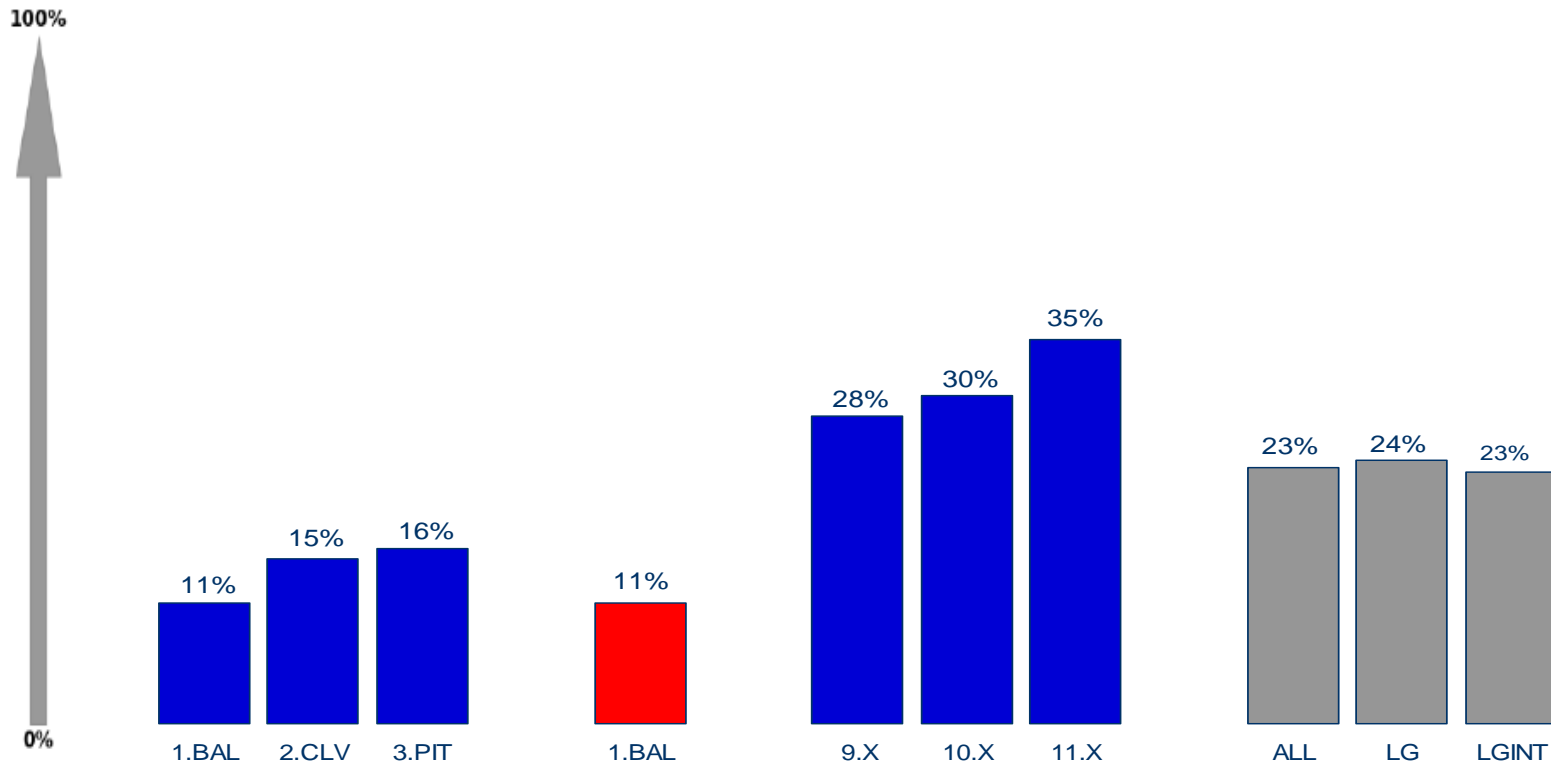
Information about federation efficiency and overhead is useful – up to a point

Findings:

- Donors who “did not know” if federation is an efficient fundraiser made smaller increases than other donors
 - Even donors with negative opinions made larger gift increases, on average, than those who did not know
- Finding reinforces need for transparency and for communications using a variety of approaches
- Donors without an opinion tended to not participate in federation events or had been giving for fewer than 10 years

Donors who did not know if federation was efficient in overhead expenditures made smaller gift increases

Perceived Efficiency in Fundraising and Administration (Q8b)
by Percent "Do Not Know"



8b) My perception is that Federation is efficient in its spending on fundraising and administrative overhead

Discussion

- Community experiences in Baltimore and Broward County
- Challenges and opportunities
- Questions and reactions

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Thank you