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ARTICLE - *Prospect Research: I've Got the Software!*
by Jennifer J. Filla, Principal of FillaResearch

I was talking with a development staff person the other day and I asked her if they used prospect research. "Yes, of course," she replied. "We've got the software." It took me a minute to understand her response. Software vendors have done a wonderful job of educating the nonprofit marketplace about the value of screening your entire database for wealth or for tossing in one prospect name at a time. The message that seems to be getting overshadowed by the marketing hype is that although found in the public domain, the information is personal to the prospect and must be verified and interpreted.

I am a strong proponent for using technology to create a more efficient and effective environment, but prospect research is not software. As the recent H&R Block commercials so humorously illustrate, do you want a box to prepare your taxes, or do you "have people"? Even with the seemingly straightforward prospect, perhaps someone who owns multiple properties with a spouse and is a public company executive, relying simply on the results of a software product might be misleading at best. The software may not tell you that the local paper ran an obituary on the spouse a few months ago, that the properties are heavily mortgaged, or that the stock is not owned directly.

Most mature development offices with full-time research staff are fully aware of the gaps in data found by software. They use prospect research software as a powerful tool and ally in the daily routine of identifying, qualifying, and detailing prospects for their gift officers. But what about a community college fundraising $600,000 a year? Or a grassroots organization that has worked so hard to nurture and grow a pool of donor prospects and is finally ready to approach its donors for a first-ever capital campaign? A development office without a full-time researcher on staff might not be fully aware of the implications of such data discrepancies.

If you are an organization that's "got the software" but does not have a prospect researcher on staff, remembering the following three tips can help ensure that you don't find yourself with a bundle of software and no gift.

1. Consider the information gained from a software screening as preliminary. No matter how closely a vendor matches the information to your prospect, it cannot be 100% accurate every time and is not intended to be a complete picture.

2. Use the software to make your initial decision to cultivate a prospect. Make an effort to use conversation with your prospect to confirm the data and discover new information that cannot be found through research.

3. Investigate more thoroughly before asking for a gift. As you approach the time to ask for the donation, take the time to compile what you know and search for missing information. If you expect to ask for $25,000 or more, seriously consider contracting with a professional for a comprehensive profile.

Performing prospect research, especially as your organization pursues larger contributions, is an integral part of respectful engagement with your prospect. The software helps you narrow down the pool, one-on-

one cultivation helps you understand the prospect's interests and needs, and a comprehensive prospect profile helps you define the gift proposal. We all want to find out that our prospects have extraordinary wealth, and sometimes that is exactly what is discovered with research. However, I recently prepared a profile for a colleague who was surprised to find out her prospect did not have the family wealth everyone had assumed. It was not the most exciting news, but the organization can now ask for a respectful and appropriate amount that will bring the prospect, and his wealthy social circle, closer to its mission.

Purchasing prospect research software is a cost-effective and efficient step in growing your major gifts program. Wealth screenings uncover new prospects, confirm your intuition, and provide you with the knowledge you need to make the first discovery visit with your prospect. As you get to know your prospect better, you must still rely on a person to review the data for accuracy and dig deeper. Go ahead and buy the software, but make sure you've "got people" too.

FillaResearch provides academic institutions and local and national nonprofits with in-depth prospect research, research training, and advice on using research throughout the development program to grow donor support. Visit www.FillaResearch.com for more information or email Jen Filla at jen@fillaresearch.com. **©2008 Jennifer J. Filla, Principal of FillaResearch**

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