

CASE STUDY
for philanthropy leaders

How Sanford Health Foundation boosts portfolio productivity

Rightsizing portfolios, choosing appropriate goals, and creating live dashboards

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Overview

The challenge

The average health care fundraiser interacts with only 61% of their portfolio—but top performing fundraisers interact with 80% of their portfolios. Fundraisers who let prospects go without contact are more likely to miss revenue goals and stall the relationship building process. Portfolio stagnation is often the result of suboptimal portfolio sizes, limited visibility into performance, and a lack of goals.

The organization

Sanford Health is a large nonprofit health system located in South Dakota, North Dakota, and Minnesota. Sanford Health Foundation consists of 43 FTEs with 8.5 FTEs dedicated to raising major and principal gifts. In FY2020, Sanford Health Foundation raised \$21M from nearly 7,000 donors.

The approach

Sanford Health Foundation downsized major gift portfolios from 150 prospects to 75 prospects—and made these new portfolios “primary portfolios”. They also set a new goal for major gift officers (MGOs) to interact with 80% of their portfolio each quarter. Finally, to support MGOs’ visibility into their performance and foster accountability, data analysts created daily dashboards for MGOs.

The result

Sanford Health’s Foundation’s new strategy is boosting productivity. In H1 2021, MGOs increased their number of solicitations by 40% compared to H1 2020 and by 35% compared to H1 2019. They also increased phone calls and meetings by 33% in H1 2021 compared to H1 2020. In addition, MGOs asked for higher dollar amounts in 2021 compared to previous years.

Approach

How Sanford Health Foundation boosts interactions using optimal portfolios, new goals, and live tracking

In FY2020, major gift officers (MGOs) at Sanford Health Foundation were only interacting with 47% of their portfolios and consistently missing revenue goals.

Leaders sought to increase MGOs' portfolio interactions in 2021 by making portfolios smaller and tiered; they also developed a more metric driven culture by adding new goals and creating a live dashboard.

The three steps

Development leadership and fundraisers at Sanford Health Foundation restructured portfolio sizes and boosted productivity by following these three steps.

01 Tier and right-size prospect portfolios

02 Deploy action-oriented goals each quarter and year

03 Create a daily performance dashboard

01 Tier and right-size prospect portfolios

Portfolio sizes vary widely across health care organizations. In a 2017 [survey](#), the median number of prospects per portfolio was 102 prospects, with a difference of 85 prospects between the 25th percentile and the 75th percentile¹. Prior to 2021, portfolios at Sanford Health Foundation averaged ~150 prospects.

To help MGOs prioritize prospects, leaders created a primary portfolio—smaller than their previous portfolio—and a secondary portfolio. Primary portfolios consist of <75 prospects and secondary portfolios consist of <100 individuals. MGOs are assessed based on their performance within only their primary portfolio.

Leaders considered two factors when deciding on primary portfolio sizes:

1. **Historical performance.** For the past two fiscal years, MGOs were connecting with 75 prospects per year on average.
2. **Interconnected goals.** MGOs have a goal of 72 asks per year. Having a similar number of prospects in their portfolio helps them connect their actions to potential future asks and prioritize important prospects.

Restructuring portfolio sizes requires a prospect prioritization process. MGOs worked with leaders to choose 75 prospects for their primary portfolio based on donor scores and relationship knowledge. After finalizing a portfolio, all leftover prospects are opened-up to up to all other primary portfolios or placed in a secondary portfolio.

1. The difference between the 25th and 75th percentile range is often referred to as the interquartile range. The 2017 MGO survey's 25th percentile was 65 prospects and the 75th percentile was 150 prospects.

1. TIER AND RIGHT-SIZE PROSPECT PORTFOLIOS

Prioritize prospects based on donor scoring

Data analysts helped MGOs prioritize donors by providing them with a score, from 0 to 100, for everyone in their previous portfolio:

- 1. Positive indicators add to a score.** Includes giving history (i.e., frequency, gift size, etc.), institutional engagement (i.e., event attendance, volunteer participation, etc.), and high wealth screenings.
- 2. Negative indicators subtract from a score.** Includes current participation in an existing pledge, written off gifts, poor wealth screenings, and having selected “do not contact” in recent communications.

Sample donor scoring example

High wealth indicator	+30	<div style="border: 1px solid #ccc; padding: 10px; display: inline-block;"> Total score: 80 </div>
Previous gift > \$1,000	+20	
Ten+ years of loyalty	+15	
Volunteer participation	+10	
Philanthropic past	+5	

Most donors required an 80+ score to be considered for a primary portfolio.

Supplement scores with relationship knowledge

Scores acted as a prioritization tool for pruning efforts, but it wasn’t the only input fundraisers used to create their primary portfolios.

Fundraisers would ultimately utilize their relationship knowledge to finalize their portfolio list. For example, if a donor had multiple children in college or other financial constraints, fundraisers made the case for the donor to be put in a secondary portfolio or removed. Alternatively, fundraisers who had special connections to donors (e.g., same alumni association) could advocate for keeping those donors in their primary portfolio, even if their score was slightly below 80.

02 Deploy action-oriented goals each quarter and year

Previously, MGOs at Sanford Health Foundation received goals mostly focused on revenue. In 2021, leaders added a quarterly and annual saturation goal along with a weighted performance goal.

Saturation goals

MGOs are goaled on their primary portfolio saturation rate¹ each quarter and year. Saturation goals are intended help MGOs develop stronger relationships. All interactions count towards their goal.

- **Quarterly saturation rate:** MGOs aim to interact with 80% of their portfolio per quarter. Saturation rates reset each quarter—encouraging MGOs to have multiple interactions with prospects throughout the year.
- **Annual saturation rate:** MGOs aim to interact with 100% of their portfolio by the end of the year.

Overall weighted performance

MGO performance is evaluated based on 1) number of asks, 2) saturation rate, and 3) total revenue². Number of asks weighs 50%, saturation rate weighs 25%, and revenue weighs 25%.

Having three areas of measurement helps MGOs balance their activities together. A MGO can't hit their overall goal by only having a large saturation rate; they also need to make asks and close gifts.

80%

Each quarter, MGOs aim to interact with 80% of their donor portfolios. The goal resets each quarter.

1. Saturation rate is the number of interactions divided by the number of individuals in a portfolio.

2. Total revenue is measured by the full team, not the individual.

03 Create a daily performance dashboard

Sanford Health Foundation's operations and data analytics team built¹ a daily performance dashboard to track the following metrics by fundraiser: primary saturation rates, asks, and dollars raised.

The dashboard provides the following capabilities to leaders and fundraisers:

1. **View snapshot of current performance.** Each night, reports are updated with the latest logged information from Raiser's Edge NXT.
2. **Arrange data by multiple views.** Managers view performance by market region, individual fundraiser, time, active vs. inactive MGO status, and goal.
3. **Drill down into interaction type.** The dashboard reports on the specific types of interactions, like email, in-person visits, or text messages.
4. **Sort by performance and recency.** Managers can monitor performance and set up action plans for specific fundraisers by sorting the data.
5. **Display data to all staff.** Dashboard views are accessible to all staff which creates transparency and accountability. This function motivates fundraisers to enter interactions regularly and gives leaders intel on performance.

1. Data analysts used Microsoft BI to design the dashboards.

Results

How we know it's working

In the first half of 2021, MGOs at Sanford Health Foundation interacted with more individuals in their portfolios, increased solicitations, and asked for larger gifts compared to H1 2020 and H1 2019.

33%

Increase in number of phone calls and meetings by fundraisers from H1 2020 to H1 2021

40%

Increase in number of major gift asks¹ by major gift officers from H1 2020 to H1 2021

\$5.5M

Total funds raised in H1 2021. \$3.4M was raised in major gifts a 2% increase over H1 2020

76%

Increase in total dollar amount asks by major gift officers from H1 2020 to H1 2021

1. Sanford Health Foundation categorizes major gift asks as asks of \$10,000 or greater.

2. Not including pending asks which make up \$12M

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