



GENERAL DATA PROTECTION REGULATION (GDPR) AND DONOR ENGAGEMENT

What should our strategy be?

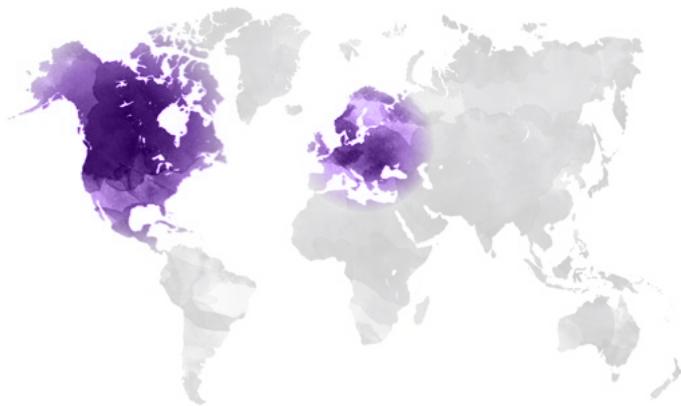
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What should our strategy be?

The General Data Protection Regulation (GDPR), which came into force in May 2018, presents a set of challenges to charities and nonprofits. While GDPR is an initiative of the European Union, its impact is being felt globally, with North American institutions scrambling along with their UK and European counterparts to understand their obligations.

Even with a lengthy lead-up time to enforcement, the demands of GDPR have driven many organizations to prepare by focusing solely on compliance, particularly in traditional fundraising programs that depend on direct marketing and events which rely heavily on targeted marketing materials. The GDPR introduces as well new burdens on traditional prospect research and impacts donor analytics based on reams of data housed in a charity's database as much of this information will need extensive and careful review.

At the same time, the new era of data regulation presents a timely and important moment to drive considerable change in fundraising strategy, moving toward a donor-centric practice that emphasizes major gifts over direct marketing and events. This approach represents a best-practice that will enhance philanthropic programs across the United Kingdom, Europe, and North America.



As a leading global company providing professional education in philanthropy, Advancement Resources has conducted research over nearly 20 years clearly showing donors want to be engaged with institutions in ways that are meaningful to them. Equally, our experience with healthcare and academic organizations indicates that successful fundraising programs prioritize a focus on major gifts as the key driver of philanthropic success.

While a shake-out period will continue as charities adjust to the GDPR, organizations have an immediate opportunity to move forward to build and implement stronger major gifts programs based on a clear and articulated strategy. As the demands on the charitable sector grow to provide many services traditionally underwritten by governments, there is an urgency to identify new major donors and provide the compelling philanthropic investments they are seeking that will have the greatest impact on society.

As development professionals and organizations have prepared for the GDPR regulations, much has been written about the changes impacting direct marketing programs and donor research. The right of access and right of erasure now place significant responsibility on organizations to ensure the integrity of data. Detailed information and guidelines are available from UK organizations such as the Institute of Fundraising and the Information Commissioner's Office to help guide charities in donor research, database integrity, and direct marketing. These are all critical steps to compliance.

What has not changed? In short, the fundamentals of building and maintaining strong donor relationships take on added urgency if healthcare, academic institutions, and others in the sector are to continue to build successful philanthropy programs to meet critical needs.

WHAT STEPS ARE NEEDED TO ACHIEVE THIS?



1. First and foremost is the need to identify philanthropy as a strategic value of the organization. This is not simply a matter of saying fundraising is important, but of undertaking concrete steps to build a robust culture of philanthropy that puts donors at the core. This means taking a purposeful and systematic approach to engage leadership in integrating philanthropy into the overall strategic plan.



2. Advancement leadership must ensure that their team enjoys a strong relationship with C-Suite leaders, boards, and volunteers. This is critical to achieve not only an understanding of the philanthropic process and to ensure effective communication but to build confidence in the advancement program.



3. Organizations must develop and present clearly articulated funding priorities that are compelling, with a range of opportunities available at all funding levels. Part of this process involves listening to donors and conducting conversations that draw out meaningful opportunities that inspire and engage them.



4. As part of a culture of philanthropy, outreach activities should not be driven solely by the advancement staff. There are multiple points of engagement for donors beyond a meeting with a development professional. Receptions, for example, hosted by academic or medical leadership, provide a forum to educate donors about priorities. One-on-one meetings with C-suite leadership provide excellent donor cultivation opportunities. Any event, large or small, should be strategic and purpose-driven.



5. The role of clinicians is becoming increasingly critical to the success of fundraising. Proper engagement and training of clinicians and medical leadership as philanthropy ambassadors is now a major thrust at leading medical institutions around the world.

Research clearly shows that a well-defined program can lead to great success, and that many clinicians not only demonstrate significant skill in this area but also enjoy deeper interaction with grateful patients and families. They become champions for the cause and experience deeply rewarding relationships.

Likewise, in higher education engaging academic leadership and even academicians themselves leads to stronger fundraising success. While this may represent a change-management challenge, neglecting to include these leaders in building a strong culture of philanthropy essentially means leaving potential funding on the table.



6. The institution must have a commitment to invest to build the infrastructure necessary to achieve fundraising success. Professional development opportunities for fundraisers and recruitment and retention strategies must draw on best practice and mirror the approach to talent management found across the organization.

GDPR represents a tremendous opportunity for institutional leaders and fundraising leaders alike to reassess the approach they are taking to philanthropy going forward. It is an opportunity to take a highly intentional, strategic approach centered around referral-based major gift philanthropy. It is an opportunity to build a robust culture of philanthropy in which all associates—C-suite leaders, academic leaders, medical leaders, clinicians, nurses and other caregivers, board members and volunteers, support staff—understand and embrace their respective roles. It is an opportunity to practice philanthropy that will be truly transformative.

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