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Nonprofit CRM Checklist

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The Responsive Nonprofit's Growth Partner

outline

“It’s not about giving a sales pitch every time we have a discussion, it’s ‘How can we help? What are some innovative ideas and ways to add value to this community?’ It’s genuine, it’s sincere. I’m forever a Virtuous cheerleader, even if I get out of nonprofit one day and don’t have any use for a platform anymore. Virtuous has done a really good job in supporting us as a new organization.”

– Lisa Evans Johnson, CFRE

Nonprofit CRM Checklist

Part 1

It's Time to Make a Change

Thinking about making a technology change at your nonprofit?

There are a lot of good reasons to consider it.

Maybe you're approaching the end of a contract and looking around.
Maybe you've reached peak frustration with your current system.
Maybe you have specific goals your current technology can't help you with.

Whatever your reason, new technology can bring new opportunities to grow your organization, build better relationships with your supporters, and achieve your fundraising goals.

When you're watching product demos and dreaming of the bright future of using a new platform, it can be exciting to imagine what you could accomplish with the right tools.

But looking for new software? Making a big technology change at your organization? That's not as exciting to contemplate. Changing your nonprofit's technology is no small decision. There's a lot to consider and a lot to learn.

When you approach the process in a thoughtful and organized way, it's much less of a headache. This guide is intended to help you as you go through the process. As you use the checklist, you'll identify your highest priorities and needs and figure out how to evaluate the systems you're considering.

Why Change CRMs?

Before you start checking boxes and listing features, it's helpful to get clear about what's motivating you to change your technology in the first place. What could you do with a responsive nonprofit CRM that you can't do well now? What are your fundraising goals and how could technology help you reach them?

Your donor software is more than just a way to organize contact records and receipts for your organization. The right CRM supports fundraising, marketing, and operations teams so they can be more effective at their jobs and ultimately raise more money.

While for-profit CRMs are designed for sales and focus on deals and transactions, nonprofit CRMs should be designed to build deep, long-term relationships. The steps necessary to earn donor trust are incredibly personal. A great nonprofit CRM should be hyper-focused on fostering that personal connection beyond the first gift. Your CRM is a proactive resource for growing generosity.

Nonprofit CRMs must also be powerful enough to eliminate extra hours of work to help your team do more with less. As a nonprofit, you can't afford to waste time focusing on inefficient processes or redundant tasks that could be automated with the right tool.

Modern cloud software has changed the way nonprofits fundraise, and modern donors expect personal connections with their favorite organizations. A responsive nonprofit CRM can help your organization reduce back-office costs, increase data transparency, and drive exponential increases in giving.

The Rise of Donor-Centric Responsive Fundraising

The world that nonprofits fundraise in has dramatically changed in the last 20 years. We're now hyper-connected. Our favorite brands from Amazon to Apple, Disney to Domino's Pizza, are all able to deliver personalized experiences in real-time based on our preferences or behavior.

There's been a seismic shift. Gone are the mass marketing strategies of flooding inboxes with generic messages.

Now, we see more personal, dynamic experiences.

Most of your for-profit brand experiences are tailored to you based on your passions and interests. These communications are also connected to your community, with a consideration for what your friends are doing.

Most importantly, the communication we receive is two-way and based on our behavior. Every website click, engagement, or in-store visit helps for-profit brands drive the best next relevant message and increase affinity.

This is the world that your donors live in. Your donors now expect this kind of personal connection to your cause.

And we believe that growing generosity requires using technology and tactics that build a more personal connection to your donors.

Unfortunately, nonprofits have been slow to adopt these strategies, creating a disconnect with the donors they serve. The result is decreased giving from individual donors for the last 10 years. The consequences have been ignored largely because major gifts continue to cover the gap. However, ignoring the needs of individual donors is unsustainable and your mission will eventually suffer because of it.

Research from Adrian Sargeant gives us insight into why donors stop giving. We know donors opt out because of:

- **Inappropriate asks & impersonal messages**
- **Lack of acknowledgment & transparency**
- **Poor & unhelpful communication**

What's the common theme of all of these problems? A lack of true connection with donors. More specifically, the inability to leverage technology and tactics to communicate with donors in a more personal way.

This cycle is amplified by legacy CRMs that are known for:

- **Hard-to-use software that makes it difficult to get things done**
- **High costs in both money and time spent**
- **Lack of shared donor knowledge caused by siloed systems**
- **Systems that prioritize transactions instead of donor relationships**

As a result, donors feel more like they're paying bills than engaging in a selfless act to bring more good to the world.

For nonprofits to survive in our modern world and build authentic relationships with the modern donor, they need software platforms that can collect data from a variety of donor signals, connect those behaviors with meaningful engagements, and provide suggestions for the next best action for each individual donor. And they need to be able to perform all of this automatically in order to build relationships at scale.

Who Should Choose Your Nonprofit CRM?

Choosing a nonprofit CRM is a big decision. It takes time and careful consideration to find the right solution for your organization's size and goals. However, the timeline for adopting the right nonprofit CRM can be unnecessarily prolonged because the wrong people are included in the process.

To successfully implement new technology the right people need to influence the final decision.

We find that the following principles are helpful in understanding who should make the decision on your nonprofit CRM:

- **Your fundraising and marketing teams are the people who will use your new software the most, so the leadership of those teams should lead the decision-making process.**
- **Executives, finance, volunteer, and technology teams may need input as well.**

It's important to consider how this change will impact your team, however the final decision to adopt the right donor management software shouldn't be everyone's to make. Prioritizing the needs of too many different people with separate goals will only dilute the power of any software choice and extend the disconnect with your donors.

Before you start vetting software, decide who the final decision-makers are.

How to Choose a Nonprofit CRM

Now that you're clear on the value of a powerful nonprofit CRM and who should be part of the decision, it's time to talk about how to navigate the evaluation process. Here is the basic framework for successfully choosing and implementing a new platform:

1. **Outline Your Fundraising and Marketing Goals**
2. **Research Nonprofit CRM Options Based on Your Goals**
3. **Set a Go-Live Date for Implementation**
4. **Map Out Key Milestones Necessary to Start Proving Value**

These four steps will help you stay focused on increasing generosity and fighting against inertia at your nonprofit. Don't settle for simply doing what's always been done. Connect your tools to the results you want to achieve, and allow your resource and budget decisions to be driven by desired results.

CRM Features Checklist

The remainder of this guide outlines common features you should expect when evaluating a new nonprofit CRM. Not every feature is necessary for every organization right now. You may need more features as you scale or find that you never need other features. This list is helpful to establish a baseline for required features for most nonprofits, along with more modern features designed to grow giving.

We divided this guide into three sections to help narrow your focus as you evaluate different systems.

1. **Core Donor Management Features:** This section includes many of the traditional CRM features you expect, with an emphasis on how they serve the modern donor.
2. **Nonprofit CRM 2.0:** This section includes features designed to help nonprofits get the most out of their data.
3. **Beyond Traditional CRM:** This section will give you insight into additional tools that can help build a robust, automated and results-driven donor engagement strategy.

Let's get started.

Core Donor Management Features

This checklist includes the non-negotiable features that your nonprofit CRM must have. Compare the features included in your current system against what is possible with a more modern solution. Make sure to include notes and any ideas that come to you while you're researaching platforms in the sections provided.

Contact Management

The most critical part of your nonprofit CRM is the way in which you can use the contact view to improve donor relationships, fundraising and community aspects of your organization.

Ask yourself, does this CRM:

- ◯ Provide user-friendly contact management features?
- ◯ Provide a variety of contact methods for each donor, including phone, email, social media channels, and seasonal addresses, plus other essential metadata like birthdays, children, location, etc.?
- ◯ Create networks of givers by connecting individuals based on relational connections?
- ◯ Allow for custom fields at the household or individual level in order to personalize your view of each individual to fit your specific needs?
- ◯ Allow for flexible account types (e.g. households, corporations, foundations, etc.) that are customizable based on your goals?
- ◯ Have real-time address verification and validation, plus NCOA cleanup?

Gift Management

Gift management is essential for understanding how each donor gives to your organization. Foundation gifts, pledges and planned gifts all add complexity to gift processing and receipting. Your CRM must make gift management easy and flexible for your donors and team.

When evaluating nonprofit CRMs, ask if you can:

- [ ] Create and manage custom fields at the gift level?
- [ ] Easily align gift types, including designated gifts, project-based giving, premiums, gift channel/source attribution, etc.?
- [ ] Split gift functionality in order to subtract the market value of each premium for IRS purposes?
- [ ] Split a single gift between multiple projects or designations?
- [ ] Attribute "soft credits" that relate a gift to multiple givers (e.g. foundations or pass-through gifts)?
- [ ] Manage pledges and recurring gifts, including reporting on aging pledges to facilitate fulfilment?
- [ ] Track of "In Honor Of" or "In Memory" gifts?
- [ ] Indicate non-cash gift entries including stock, cars, jewelry, etc.?
- [ ] Manage planned giving including wills, bequests, annuities, etc.?
- [ ] Enter "Gift Asks" or solicitations and monitor the effectiveness of major donor proposals?
- [ ] Generate year-end receipts?
- [ ] Create and manage custom, segmented receipt templates?

Personas, Tagging & Segmentation

Segmenting your donors is the foundation of responsive fundraising. Persona and tagging features are essential for grouping your donors and then easily personalizing communication to each group.

Ask yourself, can you:

- ○ Identify givers by their passions, donor persona, membership, group affiliation, or communication preferences?
- ○ Identify constituents by their role at their organization (staff, volunteer, etc.)?
- ○ View related givers based on shared passions or communities?
- ○ Use segments or tags based on giving patterns or memberships to identify donor groups for campaigns?
- ○ Customize available tags based on the needs of each organization?

Notes & Communication Logging

In order to create meaningful experiences for the modern donor you must know what they've already heard from your organization and what they've signaled is important to them in terms of topics or programs.

When you're evaluating what you need from a nonprofit CRM, ask if you can:

- [ ] Document donor notes and add attachments?
- [ ] View direct marketing activity and other engagements?
- [ ] Tie notes to completed tasks as well as see the future and past actions associated with each giver?
- [ ] Integrate notes with Gmail or Outlook for easy logging?
- [ ] Log notes using a mobile app after donor meetings?
- [ ] Auto-create notes based on donor milestones?
- [ ] Monitor donor-related tasks that are assigned to each team member?
- [ ] See tasks and notifications at the user level to help orchestrate an effective stream of communication with your donors at scale?

Email & Push Notifications

The best way for your nonprofit CRM to aid in your fundraising efforts is by taking care of tasks for you. For those tasks that can't be automated, your CRM should work as a personal assistant, reminding you of important tasks and eliminating the need to keep track of them yourself.

Ask if your nonprofit CRM can:

- ○ Create reminders and associate reminders with any giver? Can the emails generated by your CRM drive action outside of it?
- ○ Generate emails or mobile push notifications automatically to alert you when something is due?

Grant Management

Grants are fundamentally different than gifts and cannot be treated the same way in your CRM. Grant application and foundation communication are essential for many nonprofits. Here is the minimum you should expect from your nonprofit CRM for grant management.

Do you have a way to:

- Manage grant proposals year-over-year?
- Upload grant related documents and proposals in an organized way?
- Manage and assign key milestones and tasks to members of your team?
- Keep an ongoing log of notes and activity related to the grant?
- Create a copy of the grant proposal for use in other applications?
- Tie incoming grant payments to individual foundations or proposals?

Robust Search Capabilities

Your CRM won't be effective unless you can find the data you need. Your CRM should allow anyone on the team to easily query data to answer key questions or take action.

In addition, search features should allow you to easily take action on search results to segment, save, export or customize data.

Do you have a way to:

- Easily search data including summarized giving metrics?
- Save searches for custom reporting, share searches or duplicate popular searches?
- Build marketing segmentations for direct marketing and then attach segmentation data to donors?
- Export query results with a full set of data to CSV?
- Design custom receipts and generate receipts based on customer searches or segments?

Chapter & Major Donor Rep Groups & Permissions

Major donor portfolios and chapter affiliations can create organizational confusion if your aren't able to easily group data. Chapters and major donors reps need have access to a full-featured CRM but ONLY see the donors and reporting that are most relevant to them. Here are a few things to look for.

Can you:

- [ ] Assign a group of donors to a specific staff member?
- [ ] Restrict permissions so that staff can only see contacts in their assigned donor group?
- [ ] Restrict access to private data, gift importing and administration features?
- [ ] Turn off all access to financial data for volunteers?

Campaign Management

With robust campaign management features, your nonprofit CRM can help optimize and iterate on all your marketing, communication and fundraising campaigns. Here's a high-level look into what you need to succeed.

Can you:

- ○ Create and monitor fundraising and marketing campaigns?
- ○ Manage channels (radio, mail, web, email, etc.) for each campaign?
- ○ Manage source codes and segmentation for your various channels in order to accurately report gift attribution?
- ○ Project manage each campaign by assigning tasks and key milestones for each campaign to members of your team?
- ○ Tie campaigns to individual projects/funds to enable fund accounting and impact reporting?
- ○ Tie campaigns and segments to giving forms or links within emails to track gift attribution and donor intent on digital channels?

Project & Fund Management

Modern donors require your organization to close the loop as often as possible. They want information to share with their friends, they want to trust that you're doing the work, and they want to connect with the good they are contributing to in the world. In order to do that, your nonprofit needs comprehensive visibility into the projects you are funding, the impact those projects are creating, and accounting features to accurately track fund giving.

Ask if your nonprofit CRM allows you to:

- [ ] Create and monitor your projects and funds?
- [ ] Create sub-projects that roll up to each bigger project (e.g. staff members in a country, children in a center, wells in a region, etc.)?
- [ ] Monitor key giving metrics for projects (e.g. ongoing need, one-time need, validate gift amounts, inventory status, etc.)?
- [ ] Attach GL information to projects for easy integration with accounting systems?

Administrative & Ops Features

On a practical level, your nonprofit needs a tool that will help you be more efficient. By focusing on fast gift processing and data hygiene, the right nonprofit CRM will save your team hours of manual work and provide better data for your fundraisers. Here are a few things to look for in your nonprofit CRM choice.

Can you:

- [ ] Add custom fields to contacts, gifts and events to configure the data to your needs?
- [ ] View duplicate donor accounts and merge all data into a single record?
- [ ] Execute fast gift batching, import and reconciliation?
- [ ] Batch gift receipts?
- [ ] Use flexible fundraising campaign and source code configurations?
- [ ] Control your giving data with open data import and export tools?
- [ ] Support chapter and staff and giver assignments?
- [ ] Create a donor queueing system to easily group donors and work on various segments of donors at the same time?
- [ ] Assign groups and read, write, and view permissions for different users based on role within the organization?

Volunteer Management

Generosity comes in many forms. In order to provide custom, personalized experiences for each individual, your nonprofit CRM must be able to indicate when one of your donors gives their time instead of a financial donation.

Can you:

- [ ] Create and manage volunteer opportunities?
- [ ] Track volunteer commitments and hours engaged at the constituent level?
- [ ] Manage volunteer reports?
- [ ] Create participant summaries including chapter, volunteer, participant and hours details?

Reports & Dashboards

Accurate reporting can be the lifeblood of decision-making at your nonprofit. You need a complete view of the metrics that are most important to your team. Every member of your team needs access to data insights without having to contact IT or an outside vendor. Here are some features that you should be looking for before you make the decision to buy a nonprofit CRM.

Can you:

- Give each user access to an assigned set of canned reports as part of their user profile, role or dashboard?
- See reports like giving by segment, giving by campaign, giving by type, giving by solicitor or rep, giving by batch, giving by tag or persona, giving by project or fund, prospects, lapsed donors, major donors, donors by rep or solicitor, donor activity reports, and file health reports?
- Get access to dashboards with key metrics at the user level?
- Personalize your dashboard based on your role or preferences?
- Restrict giving information to just the donors each user has access to or is interested in?
- Build a dashboard with features like interactive widgets, assigned tasks, and activities from donors?
- Easily create custom queries and reports on the fly?

Nonprofit CRM 2.0

Part 2

Nonprofit CRM 2.0

Modern cloud-based, "software as a service" offers several advantages over traditional software. In our connected world there are several modern technology features that you should expect from your CRM. These features help you stay connected, avoid a tangled mess of spreadsheets and make the most of your donor data.

Integrations & Free API

Modern nonprofit CRM software should integrate out-of-the-box with your favorite cloud tools. You should have the option to choose the tools that work best for your organization and integrate them together.

Common integrations include:

- **Email:** MailChimp, Constant Contact, SendGrid or Hubspot
- **Giving:** iDonate, GivingFuel, Paperless, Stripe or RaiseDonors
- **Events:** Eventbrite, iDonate or Cvent
- **Missions:** SiteStacker
- **Wealth Data:** WealthEngine or Donor Search
- **Social Media:** Facebook, Twitter, LinkedIn
- Google Analytics and Google Maps
- SmartyStreets or NCOA
- WordPress and other CMS
- A mature, free, open RESTful API available to all in order to make custom outside integrations as simple as possible.
- Accounting system integration

Mobile Apps

If your CRM doesn't allow you to easily leverage mobile apps to connect with your donors, you're going to miss important fundraising opportunities. Fundraising and program staff are often separated from their computers but it's essential that they can respond to donors in real-time no matter where they are. Here are a few questions to ask while you're evaluating your options.

Can you:

- Use native mobile apps designed to meet the needs of fundraisers?
- See GPS services to identify givers near you?
- Send reminders, tasks and push notifications to your phone in real-time?
- View and edit giver notes, contact information and make calls or send emails?
- View giving information, maps and social profiles to build relationships on-the-go?
- View social media profiles, including recent activity and posts?
- See integrated maps with nearby givers to build local connections?

Expanded Data Access & Analytics

Some larger or more complex organizations and nonprofit agencies require direct access to their raw database for complex modeling and business intelligence. In these cases, you should have access to a reporting database for complex analytics through third-party tools like Tableau or Power BI.

Beyond Traditional CRM

Part 3

Beyond Traditional CRM

To build donor loyalty it's not enough to simply store and manage donor data. Growing nonprofits are able to leverage their data to proactively connect with donors. Nonprofits who want to dramatically increase giving will move beyond traditional CRM and seek out tools that use automation, big data, and artificial intelligence to build deeper, sustained relationships with donors.

The following list outlines features with the highest impact that will soon be essential for leading nonprofits. Some larger or more complex organizations and nonprofit agencies require direct access to their raw database for complex modeling and business intelligence. In these cases, you should have access to a reporting database for complex analytics through third-party tools like Tableau or Power BI.

Marketing Automation

Marketing automation allows nonprofits to automate and measure marketing activities and workflows. Using automation you can create sequences of emails, calls, postcards, thank you notes, direct mail, and more that automatically trigger based on real-time donor behavior. Automation helps ensure that your donors always get the right engagement at the right time. The end result is increased donor retention, loyalty and average gift size.

Key marketing automation features include:

- [ ] Multi-channel workflows including email, phone calls, SMS, direct mail, and more
- [ ] Donor journey mapping
- [ ] Automatically updated data
- [ ] Best practices for new donor onboarding, donor acknowledgement, donor retention, lapsed reactivation, etc.
- [ ] Workflow branching based on donor behavior
- [ ] Full integration with donor and giving data

Integrated Email Marketing

Email remains the most cost-effective means of donor engagement. But to truly segment and personalize your emails your email platform has to be fully integrated with your donor data. Having an easy-to-use, integrated email system helps you avoid messy data syncing with outside email marketing systems. It also ensures that your segmentation and analytics connect directly to your donor data.

Key marketing automation features for email include:

- [ ] Easy-to-build marketing emails using a drag and drop tool
- [ ] Reporting on email clicks and opens at the individual donor level
- [ ] Reporting on email opens and clicks related to giving and ROI.
- [ ] Merge capabilities in all fields from donor records (LTD giving, last gift, projects given to, etc.)
- [ ] Split test capabilities to improve messaging
- [ ] Connectability between email events and marketing automation
- [ ] Ability to connect emails to a donor's web browser activity and sync data directly to their donor record in your CRM

Contact Scoring & Relationship Intelligence

Lead scoring allows nonprofits to rank donors and prospects based on their relational or financial value to the organization. The lead score is used to determine how and when to engage with each individual. When you understand exactly where to spend your fundraising efforts and why, you can improve your fundraising results exponentially.

Lead scoring for nonprofits should include:

- [ ] Financial scoring based on recency of last gift, gift frequency, amount of giving, propensity of lapsing, and more.
- [ ] Social or relational scoring based on social media data points, geographic proximity to other givers, relationships with other givers in your database, interest in community events, and more.
- [ ] Suggested gift asks that update based on donor behavior.
- [ ] Wealth data that provides analytics from providers like WealthEngine or Donor Search.

Web Tracking & Dynamic Arrays

Tracking pixels (or web listeners) track visitor activity on your website (think Google Analytics). When a tracking pixel is fully integrated with your CRM, you are able to see web behavior for each donor.

When a donor visits your site for a second or third time you are able to change their experience based what you know about them. One of the most powerful ways to use web tracking is the ability to change the suggested Gift Array on your giving form dynamically for each donor. The result of these AI-driven suggestions is dramatically increased average gift.

Tracking pixels should:

- ○ Allow you to view web visits directly on a donor’s account.
- ○ Provide insight into which topics or programs a donor is most interested in.
- ○ Drive automated emails, calls, etc. based on web behavior
- ○ Allow you to modify giving asks and giving arrays based on the giving history of each donors

Geo-Location Analytics & Social Media Insights

Social media scraping provides immediate, data-rich views of your donors. Scraping allows your team members to pull public and social media data for donors using their email addresses. The top scraping solutions provide more than 2 billion names and span 200 social networks to provide you the most comprehensive view of your donors, far beyond what you can learn from your website and communication campaigns.

In addition a donor's location can help determine their likelihood to give to a particular project, connect with other donors or attend an event.

Look for ways to:

- ○ Suggest relational next steps based on geolocation.
- ○ Suggest donor visits and events based on proximity of donors.
- ○ Automatically grab social media handles, images and feeds.
- ○ Integrate social media apps to uncover the passions of your donors and create personalized relationships based on the signals you receive.

Project Impact Tracking & Reporting

The truth is many modern donors are distrustful of institutions. The lack of transparency and personalized connections erodes trust (and willingness to give again) slowly over time. Creating clear communication about your projects and programs, and then closing the loop with donors, is the first step to improving engagement. Here are the features that will help you track your projects and communicate impact.

Can you:

- Set and track impact goals for each project (e.g. school desks purchased, scholarships, etc.)?
- Collect stories and videos at the project level?
- Track donor communications to the fields?
- Provide donors with impact updates specific to their gifts?
- Track project expenses, funding goals and ROI?
- Assign project ownership and accountability?

The Responsive Nonprofit's Growth Partner

Giving is deeply personal. Donors give their hard-earned money, time, talent, and social capital to further your cause because it means something to them. Finding new ways to connect with supporters and inspire generosity can be a challenge. Your nonprofit CRM should make it easier for you to build the authentic, personalized relationships donors expect. At its core, great nonprofit technology should help you treat all your donors like major donors.

A system that's built from the ground up to maximize generosity by focusing on the whole donor can provide you with the information you need to maximize the full potential of your donor list. A donor-centric system can also inspire loyalty and retention by providing a more tailored experience, with more care and attention to a donor's unique needs.

The best nonprofit CRMs not only help you keep up with your data needs, but they also expose best practices and tools to help you raise more money and expand impact.

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We're Here to Help

If you'd like to learn more about how Virtuous is helping nonprofits grow giving,
you can learn more at virtuous.org.

Schedule a demo to let us show you how our customers are increasing their impact
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