

Active Constituent Management in Nonprofit Organizations

Application of business-tested technology solutions automates procedures and best practices by discarding passive techniques, enabling charitable groups to optimize relationships with donors, streamline internal processes, and advance their missions.

Abstract

The most important relationship to a nonprofit organization is the one with its constituents. Unfortunately, the *ad hoc* implementation of information technology in nonprofits -- which scatters important information among multiple computer programs on different platforms, none of which are designed to talk with one another -- compromises the ability of the organization and its leaders to actively manage these essential relationships. Although they support an organization's best practices and standard operating procedures, best-of-breed solutions for each part of the organization create silos of information that organizations must manually integrate. Such passive management of data makes it virtually impossible to collect all the information about a constituent in actionable form, guaranteeing that some data will always be out-of-sync, and creating the dangerous likelihood of data duplication or corruption.

The world's largest corporations implement "enterprise resource planning" solutions to overcome similar business challenges. Nonprofit organizations simply have not had the resources to make use of similar solutions and -- even if they did -- none were truly active or tuned to the specific needs of managing the different business model of charitable groups. Until recently, interim efforts to extend such opportunities to nonprofits have been prohibitively expensive, locked organizations and their data into proprietary systems and lengthy contracts, demanded extensive training of current and future staff and volunteers, forced alterations of an organization's best practices, and were notoriously cumbersome to implement.

Today, though, innovative and affordable technology is enabling charitable groups to optimize their constituent management with intelligent, real-time solutions, unlocking the potential of every nonprofit organization and enabling mission success.

The High Expectations of Your Constituents

Nonprofit organizations grow organically and add information technology functionality as necessary and as volunteers, staff, and the organization have ability, time, and resources. Frequently, such technology requires dedicated experts who understand the program well enough to get the full value from the investment in terms of functionality or process automation. And, although the application a nonprofit chooses to manage its accounting or Internet content management probably meets that particular need pretty well, the various systems that support the administrative, fund raising, event and campaign management, and communications needs of the organization do not usually integrate across functions.

Even large nonprofits simply do not have access to the enterprise-wide solutions that actively manage the relationships of customers of global corporations. Unlike a credit card company or an airline, nonprofits depend largely on manual processes to integrate all the information about a constituent. That data typically resides -- passive -- in so many different locations that it is nearly impossible for the staff or volunteers to get a complete perspective on any individual who may visit an office, attend an event, or call with an idea or contribution.

By contrast, a customer visiting the Web site of her bank expects that she will be able to access all the important information about her relationship to the bank; if she phones, she is likely routed to the right department or person in just one transfer, and the service representative with whom she speaks has at his fingertips all the information necessary to make her feel as if she is a valued client, answer all her questions, and even offer ideas about how the bank might provide other services she would consider relevant or valuable. The airline managing the travel itinerary of a busy salesman will automatically promote him from one level of frequent-flier award to the next as soon as he has flown the last mile to qualify and -- from that moment on -- the airline automatically recognizes him as a valued customer across every system he may encounter, whether it's a self-service kiosk, the airline's Web site, or a ticketing agent reached by phone or in person. Even families calling to order a pizza are likely to have their call automatically routed to the nearest delivery location, and will probably discover that the person answering the phone knows which coupons might apply and has predicted, based on previous orders, that the family would be receptive to a suggestion of salad and breadsticks to go with that large supreme.

As constituents grow accustomed to such active management of their relationships with the institutions that manage their finances, travel plans, and meals, they also grow to

expect they will receive the same kind of value from all their relationships -- including those with the charitable causes they support. At the same time these assumptions are growing more common, the proliferation of technology within nonprofit organizations compromises their ability to meet such expectations simply because their technology doesn't work together very well.

Important data sits in multiple proprietary applications and formats, and mission-critical data is frequently duplicated in several data repositories that must be manually resolved on a person-oriented schedule. And, because most organizations rely on manual integration of all that passive data -- running several reports, for example, and comparing and sorting the results -- each organization's business rules -- their standard operating procedures and routines that have evolved into the organization's best practices for constituent management -- exist largely in the institutional memories of individuals rather than in the infrastructure of the organization.

Although there are some passive technology solutions available to address these problems, they are so expensive or complex, or both, that nonprofits must choose between serving their constituents by advancing their mission, or dedicating scarce resources to purchasing solutions that require extensive training on top of time-consuming and costly data integration projects and long, expensive contracts for service, maintenance, and support.

Choosing Between Passive Management and Advancing Your Mission

The inevitable disorganization of technology and data in nonprofit organizations threatens to undermine the organization's most important relationship: the relationship between the constituent and the philanthropic cause he or she supports.

- With the scattering, duplication, and disconnection of essential data, nonprofits miss important opportunities to develop constituent relationships based on mutual interests. They also risk uncoordinated donor outreach that may damage the current relationship.
- Disaggregated data makes it difficult, if not impossible, to consistently maintain relationships between critical data repositories and among important donors. Because the business processes that extract value from such relationships are passive -- that is, dependent on people to accomplish certain tasks on regular schedules -- consistent active management is, at best, intermittent.
- There have been no true active management solutions available to visionary nonprofit leaders. Today's passive solutions are either disconnected best-of-breed applications cobbled together internally, or external solutions that demand nonprofits change their workflows to accommodate what the vendor thinks a "best practice" should be. With high up-front costs and expensive integration, maintenance, and support contracts that lock organizations into proprietary solutions, most nonprofit boards and leaders are extremely weary of technology that has repeatedly required over-investment while under-performing.
- Nonprofits that do make significant investment and implement an enterprise-wide solution frequently discover that, as they grow and evolve, their solution requires expensive and time-intensive upgrades or customizations, which limit their operational agility, constrict their growth, and restrict their ability to take advantage of new opportunities. Worse, future upgrades will often break the customizations, forcing nonprofit leaders to choose between having the most up-to-date functionality or maintaining the processes and procedures everyone has grown accustomed to following.

Today's Challenges: A Typical Example

For most nonprofits, a contribution from a donor may go unnoticed until a report is run manually at the end of the day or week. The contribution collection software may automate the distribution of a brief, generic email to confirm processing of the donation by a credit card company; after that, it requires the generation of another report to transfer the donor's information into a database and perhaps a second report to propagate a more formal written acknowledgement of the contribution. Each new report or transfer of information from one system to another introduces the risk of corrupting the data, electronically or manually.

It's unlikely this new donor will hear from the nonprofit, after some sort of generic form acknowledgement, until she begins receiving a newsletter or a call for volunteers. And, if the donor is a previous supporter, the organization will have to wait on the generation of yet another report to identify her as a donor deserving more personal outreach. In fact, she may not receive any personalized communication until the organization asks her for another contribution.

Worse, a first-time contributor who donates a sum substantial enough to be considered a major donor may not be recognized until the generation of a specific "major donor" report. This is even more concern that a regular contributor whose third or seventh donation categorizes him as a major donor could go unnoticed until a specific report is generated for those situations as the individual gifts were all below a threshold of notice.

In other words, an organization might have to wait on the generation, and sift through the results, of four or five different reports to discover that a generous contributor deserves a hand-written note of thanks from a leader or recipient of the organization's services.

According to Randy McCabe, "Charitable organizations are best served by an adaptable information technology infrastructure that operates in real time and continuously provides an accurate, holistic perspective on every constituent." McCabe is the founder and CEO of Orange Leap, a company of experienced technology and nonprofit professionals who are dedicated to offering innovative, easy-to-use software that strengthens relationships with constituents and other nonprofits. "With that kind of solution," McCabe said, "the organization's leaders, staff, and volunteers can reach every single constituent in the most relevant possible way, and then analyze the results of those interactions."

Envisioning Active Management to Meet Your Constituents' Expectations

McCabe, his team, and nonprofit leaders from across the country dedicated considerable time and energy to imagining what that solution would look like. An active constituent management and donor management solution would allow organizations to create their own user-defined fields, and define the relationships among all that data. Such a system would allow nonprofits to leave behind manual integration and passive management of data by constantly maintaining dynamic, real-time, two-way relationships among the multiple information technology platforms and applications that already exist inside every nonprofit. That way, the organization could keep key applications and solutions it already uses, such as accounting or Web site content management systems, and add best-of-breed programs as necessary in the future, without concern about compatibility.

And, because the hardware necessary to support such systems is expensive and requires significant technical expertise to implement and maintain, McCabe and his colleagues envisioned a Web-based solution. By moving the hardware requirements to a remote host with all the technological sophistication necessary to run it, an active solution would require no technology from nonprofits except the PCs and smartphones they already use. This setup would also permit total access to all the information and functionality necessary to manage constituent relationships through Firefox, Safari, or Internet Explorer from any location and any device with a wired or wireless Internet connection. And, such a system could use the well-understood conventions of Internet user interfaces to maintain each nonprofit's unique terminology and processes, enabling an organization to get up and running with minimal instruction or training.

McCabe and his technical team also believed that it would have to be an open-source solution. Based on some of the world's most widely used technologies and application programming interfaces, such as Java, Spring, MySQL, SOAP, and REST, it would reject proprietary systems and use languages, translators, and interfaces common to all developer communities. Nonprofits could then benefit from the capability of easily enhancing and extending their own IT functionality and, if they choose, share their best practices with others in the nonprofit community.

Because the system they envisioned would be truly open source, it could also be provided with transparent, flat-rate service contracts with zero up-front investment. Such a pricing model would be unique, allowing nonprofit leaders to decide how much or how little they want to spend on a month-to-month basis. It would also allow

nonprofits to update their configurations, change field and relationship customizations, and improve their business rules whenever convenient, at no additional cost.

The result would be a platform dedicated to relieving nonprofit leaders' legitimate concerns about technological infrastructure. It would exist only to optimize their constituent relationships and actively manage the potential of their donor relationships.

Make the Transition from Passive to Active Constituent Management

The result of the visioning process McCabe led is the Orange Leap platform, the only active constituent management solution available to nonprofits, and the only solution that is truly open-source. Until Orange Leap, access by nonprofits to the features and functions of corporate enterprise resource planning solutions was simply not an option. With Orange Leap, nonprofit leaders finally have the opportunity to actively manage their constituent relationships in the same way -- and using the same tools -- as Fortune 50 businesses:

Orange Leap is fully adaptable. Any organization can choose the name of every field and define every relationship between those fields -- even how the data is displayed. And they can do it at no additional cost in just minutes with Orange Leap's service consultants, known as "adaptors," rather than waiting weeks or months for a vendor to re-architect a database.

Although many other hosted solutions limit their client's customization, Orange Leap allows any organization to modify the appearance of end users' screens and manage the data fields that the nonprofit needs or doesn't need. This also defines where Orange Leap thinks control should reside: with the clients' administrators, not the host's.

And, because of the way Orange Leap designed its hosting solution, only Orange Leap can maintain all customizations and modifications through all upgrades. This means that Orange Leap clients are always using the most current version of the application, never need to adapt their processes just because of the whims of a technology vendor, and never need to pay to use the current generation of technology or worry about interfacing with earlier generations.

It also means that nonprofits can keep the terminology and naming conventions they've always used. They won't have to waste any time training staff and volunteers to adapt to the terms a computer programmer thinks they should use. They will also find that

training needs are minimal because Orange Leap is simply transferring to an Internet browser the processes and workflows the organization already follows.

Guaranteeing the flexibility of total customization, Orange Leap's journaling feature maintains a list of communications and notes associated with every constituent. Entries can be automated, triggered by another solution-based occurrence, or entered manually for informal or personal encounters such as a conversation at an event.

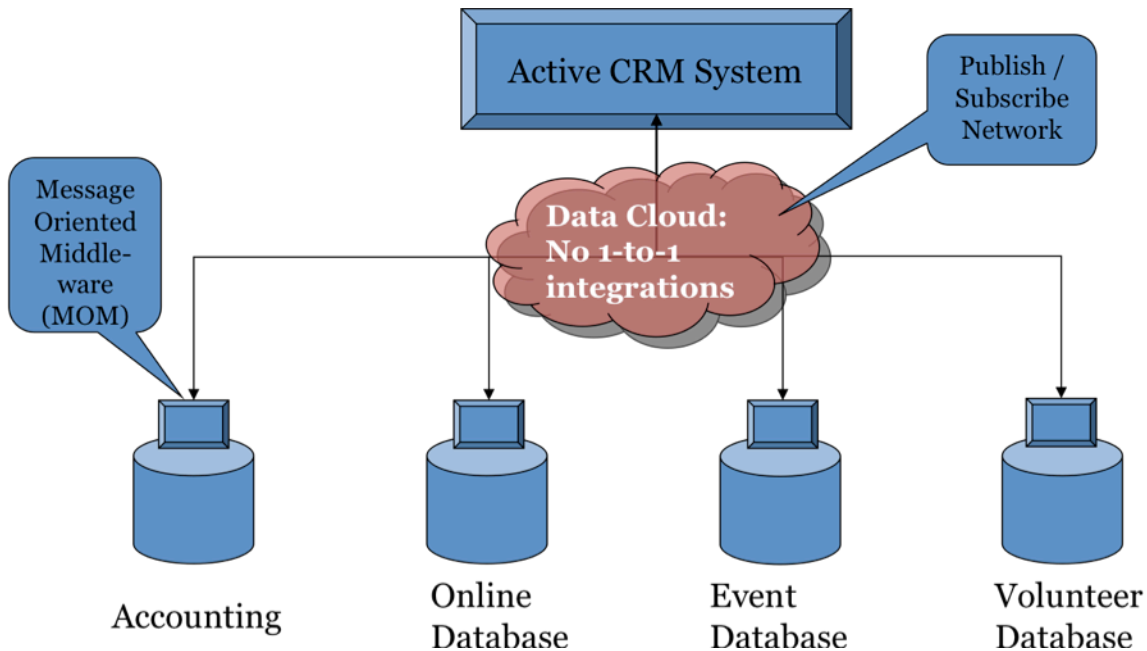
And, because it is truly open source, Orange Leap enables nonprofit leaders to adapt the functionality of their data systems and processes by collaborating with Orange Leap's phone-accessible adaptors or by building their own extensions using any common programming language.

Orange Leap enables any organization to automate its best practices and business rules in plain English -- at no additional cost. Orange Leap allows nonprofit organizations to convert their standard operating procedures and best practices into plain-English business rules. In other words, nonprofits can label their constituents and their constituents' actions at every point the organization interacts with them -- on the Web, by phone or mail, or at an event.

Such rules enable genuine automation of the day-to-day routines and workflows an organization has already developed, including their preferred vocabulary. Business process automation of this type eliminates the risk of losing institutional knowledge. It ensures that all important and routine activities occur without relying on any one person to remember what to do, when to do it, and who needs to approve it. Organizations can collaborate with Orange Leap's adaptors to accomplish this essential and productivity-enhancing task at no additional cost beyond the monthly support contract.

Orange Leap enables the real-time integration of multiple data sources and reporting based on that critical functionality. Using standard Internet protocols known as "message-oriented middleware" or a "publish/subscribe network," Orange Leap constantly monitors all of an organization's data, changes and additions to and subtractions from that data, and allows real-time integration of multiple data sources without a painful data integration process. Compared to the old model of requesting a report or data export, then running and filtering the report or exported file, then manually integrating it, this dramatically decreases the risk of duplicated, out-of-sync, or corrupted data. It also accelerates the organization's ability to extend its best practices to every constituent and maximize the potential of its most important donors.

Bi-Directional Real-Time Data Integration



That kind of integration also allows sophisticated relationship management. Orange Leap's powerful relational capabilities allow organizations to maintain a multitude of relationships among constituents. Regardless of whether Orange Leap is tracking household members and their head of household and family relationships, an organization's internal hierarchy, or an individual's circle of friends, Orange Leap allows users to easily define all such relationships in plain language and maintain those relationships in support of segmentation, communication, and development.

The same technology allows automated and on-demand reporting using Orange Leap's open-source reporting solution, The Guru. Its data collection, analysis, scheduling, and distribution capabilities are extensive and user-friendly, enabling users to create their own reports and schedule when and where to deliver the reports and in what format. Using the same plain-language style of Orange Leap's customization of business processes, The Guru requires no technical expertise, understanding of data schema or platforms or architectures, or programming skills. Therefore, organizations no longer must rely on technical experts just to run reports, which puts reporting and analysis capabilities in the hands of the users who find the data most relevant rather than in the hands of the IT department.

One respected nonprofit organization that recently chose to implement Orange Leap is Mothers Against Drunk Driving (MADD). According to Nick Ellinger, Vice President of Strategic Outreach, “Orange Leap will be our master constituent management system, not only housing master data but also functioning like a ‘traffic cop,’ automatically moving data among the systems based on our needs. Every nonprofit needs that for effective segmenting, targeting and marketing to optimize constituent engagement, participation and fundraising.

“We chose Orange Leap over other solutions because its feature set is second to none, especially for the price,” Ellinger continued. “Also, it’s infinitely extensible -- as we grow and our needs change, we can develop new features and incorporate those developed by other members of the Orange Leap user community in real time and as we need them.”

Meeting Today’s Challenges: Only with Orange Leap

In contrast to the earlier description of generating and analyzing multiple reports simply to find a new major donor, Orange Leap can accomplish the same thing automatically and instantly. Using easy-to-understand plain-language business rules a nonprofit organization can simply tell Orange Leap to monitor the donor page on the Web site for any contribution over a certain value plus all the other databases for a contribution that puts any single donor over that number.

Then, as soon as the donation is received, Orange Leap can direct the automatic generation of an email or a printed letter to the donor, or the automatic notification of the major gifts leader, or the scheduling of a phone call from a board member to that donor -- or all of those events, in addition to any others that optimize the organization’s relationship with its constituents.

And, Orange Leap can apply the same simple, plain-language rules to any data and any relationship that exists anywhere within a nonprofit organization’s computers. From administration to campaign management and communications, Orange Leap allows nonprofit leaders to automatically monitor and act in real time on any specific item of information or relationship among multiple items of information.

And, because it is truly an open-source solution with a robust developer community inside and outside the nonprofit sector, it’s easy to create or find new rules and best practices as organizations change and technology advances, so nonprofits no longer need to risk locking their information in a proprietary program or system.

Active Systems: The Way the World Runs

The current, passive model of managing nonprofit constituent relationships requires costly and time- and labor-intensive manual integration of data from multiple sources to collect, analyze, and report on the information necessary to advance the organization's mission and achieve its goals. By contrast, the current model of managing corporations' customer relationships is active, enabling instantaneous recognition of transactions that create opportunities for the business to serve and retain its best customers.

The transition from passive to active constituent management has, until now, been prohibitively costly and complex for nonprofit organizations. By leveraging industry-standard open-source technologies and a shared vision, Orange Leap is enabling a dramatic departure from the old model, allowing nonprofit leaders to better deploy scarce resources that are currently allocated to tactical activities and passive management. Orange Leap's innovative, affordable, and easy-to-use solution allows nonprofit organizations to attain a holistic, real-time view of their constituents so they can cultivate and constantly increase engagement, working to evolve each from a contact to a donor, then to a repeat donor, a participant in events and campaigns who is recruiting other donors, and eventually to a major donor.

Used by organizations around the world, including some of the most sophisticated direct marketers, Orange Leap is a mature, full-feature, open-source constituent management solution designed specifically for nonprofits. The industry's only truly open-source solution, Orange Leap is available without licensing fees and gives users access to the source code so they can modify the software, develop new features and functionality, integrate with their other mission-critical solutions, and finally -- affordably -- achieve the goal a single platform for running their organizations and actively engaging their constituents.

About Orange Leap

Orange Leap energizes nonprofits, making it easier for them to achieve mission success. The Dallas-based company (formerly known as MPower Open) offers innovative yet simple to use software-based solutions that strengthen relationships with constituents and other nonprofits. Orange Leap's ever-growing community collaborates on advanced technology and smarter practices using Orange Leap's open-source code. Nonprofits big and small, with a wide range of missions and constituencies, choose Orange Leap to move their organizations forward. For more information, please visit www.orangeleap.com.

Contact Information

Mailing Address:

Orange Leap
13800 Montfort Drive
Suite 220
Dallas TX 75240

Phone: 1 (800) 562-5150

Website: <http://www.orangeleap.com>

Email: info@orangeleap.com