Advisory Board | Philanthropy Leadership Council

The Truth About High-Performing Major Gift Officers

Four Surprising Realities Every CDO Should Know

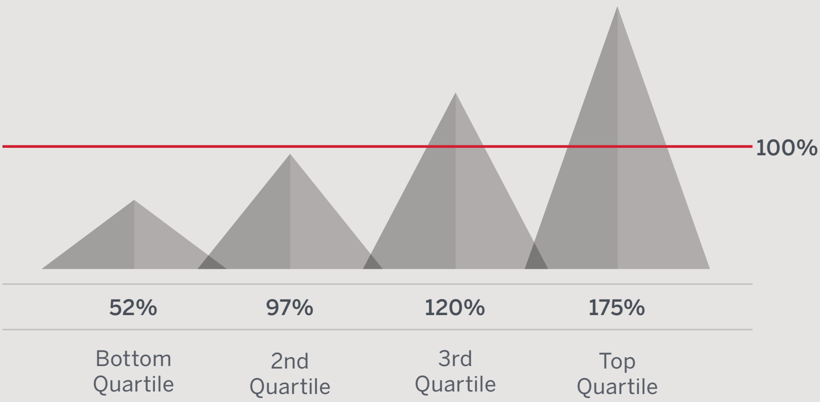
In your evergreen quest to monitor, evaluate, and improve major gift officer performance, chief development officers encounter one simple problem: a lack of industry data.

You have visibility into how your gift officers perform relative to their individual goals and relative to each other. But what about how they perform relative to comparable health systems? Or to the industry at large?

With data from more MGOs at more institutions, CDOs would have real insight into what activities, behaviors, and results best characterize high-performance in health care fundraising. Fortunately, the Philanthropy Leadership Council is in a position to help.

We asked **132 major gift officers** from 40 institutions to tell us about their activities and performance. What we heard should surprise you.

Median percentage of individual revenue goal achieved, by quartile



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Reality 1

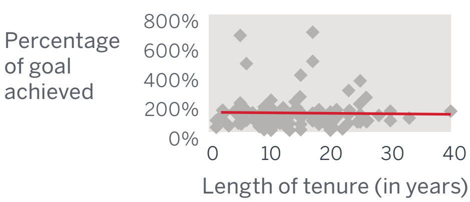
HIGH-PERFORMING MGOs are **not the most tenured** or at the **largest organizations**.

It's easy to assume that the top gift officers in the field are the most tenured, the most senior, or those who have the most resources available.

The reality is that little to no correlation exists between tenure or institutional resources and an MGO's ability to exceed their goal.

Random performance distribution reveals few correlations to tenure or institutional resources

Performance vs. individual tenure in major giving



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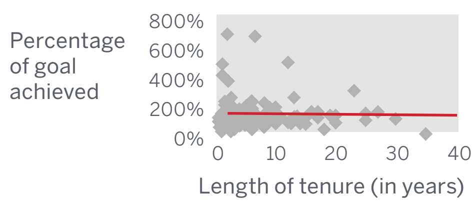
Performance vs. individual tenure at current organization



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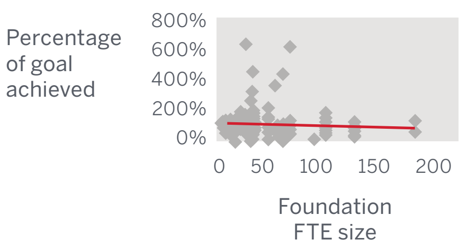
Performance vs. staff size of the foundation



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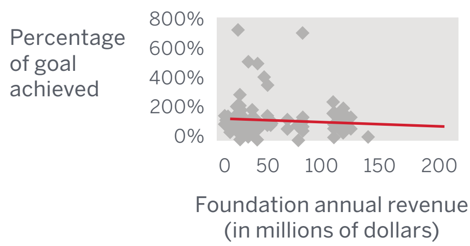
Performance vs. total foundation revenue



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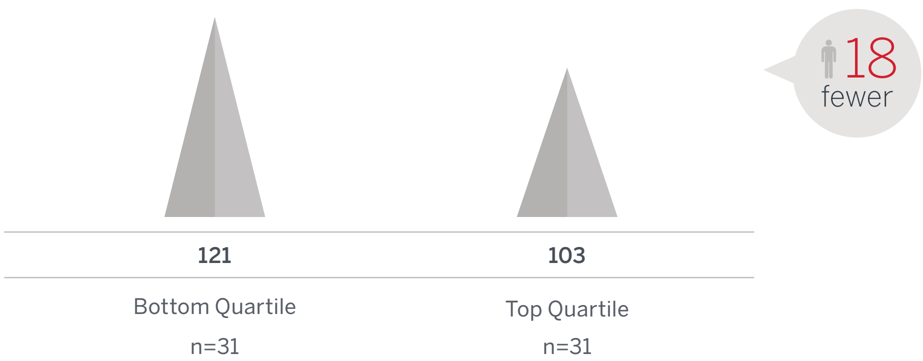
HIGH-PERFORMING MGOs carry **smaller portfolios** yet still manage to **engage with more people**.

There's a clear relationship between performance level and portfolio size, and it's not what you might expect. Gift officers who significantly outperform their goals do so with fewer prospects assigned to them than their lower-performing peers.

Median portfolio size

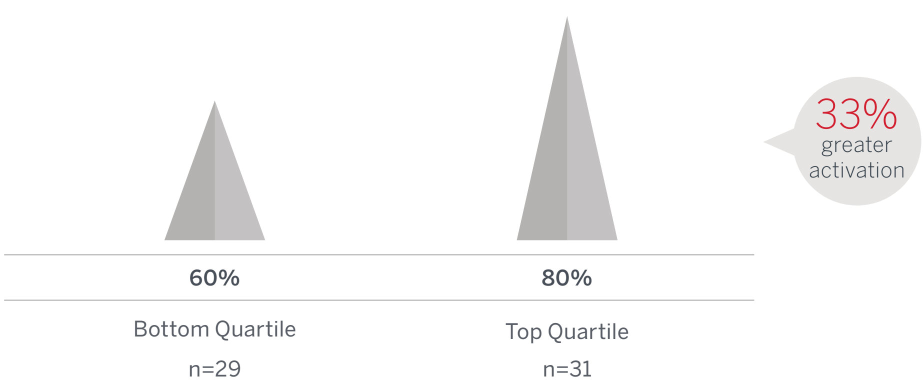
Number of prospects assigned



How? Top MGOs activate a considerably larger percentage of their portfolios. Even with smaller pools of names to work with, high-performers are interacting with more prospects across the year.

Median portfolio activation rate

Percentage of prospects engaged with personally in the last year



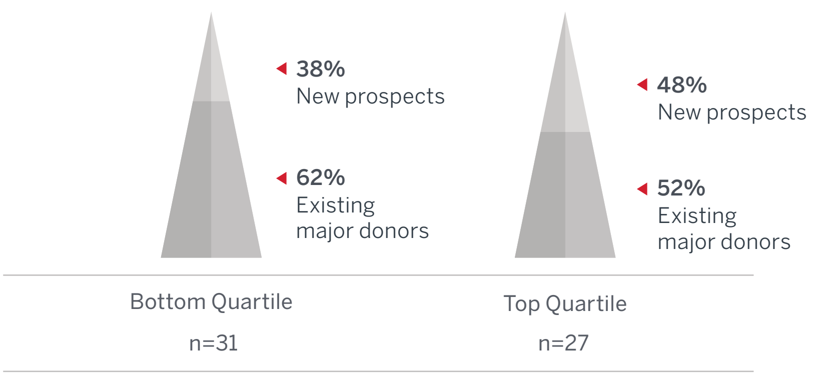
Reality 3

HIGH-PERFORMING MGOs focus more on **new relationships** and less on **existing major donors**.

Conventional wisdom holds that a gift officer's time spent managing existing major donors generates a more consistent return. This rationale is logical. If a donor has made a large investment in the past, they're more likely to do so in the future.

Given this generally accepted rule, it is surprising that high-performing health care MGOs spend less time interacting with existing major donors than their peers, instead focusing more on building new relationships.

Average breakdown of time spent managing new prospects vs. existing major donors



The bottom line

A good MGO understands the short- and long-term value of introducing new prospects into the pipeline.

Reality 4

HIGH-PERFORMING MGOs spend **as much time** in the office as their peers but are **far more efficient** when in the field.

CDOs are at ease when their gift officers are away from the office. It means that they're doing their jobs. But while that may be true, it's not that simple.

In fact, top MGOs don't spend any more time "out the door" than their lower performing peers.

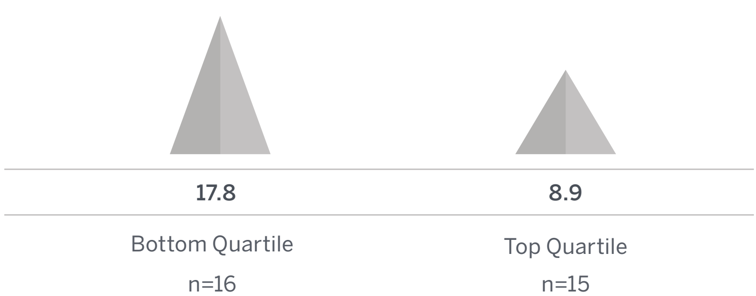
Average hours per week spent interacting with prospects and donors

The differentiator is that high performers use their time out of the office to much greater effect. In the same number of hours, they secure more visits...

Median visits conducted per year

...and they require fewer visits to get to an investment.

Average number of visits per gift closed



It's time for CDOs to think and act differently.

These four surprising realities about high-performing MGOs are valuable only if they create change. To drive toward the highly efficient, outcomes-oriented behaviors that top MGOs manifest, chief development officers must:

1. Hire gift officers based on innate competencies
2. Build learned skills through targeted, practical training
3. Use data and analytics to inflect performance
4. Reduce common barriers to productive activity
5. Prescribe smarter techniques for moves management
6. Retain talent through thoughtful engagement and career pathing

About the Philanthropy Leadership Council

The Philanthropy Leadership Council helps leaders like you diagnose emerging challenges, identify proven solutions, and apply the latest developments in health care fundraising strategy. Through our dedicated research team's rigorous study of leading organizations, we isolate the most valuable, actionable, and original insights for you and your team.

For help developing a best-in-class major gifts team at your organization, visit us at **advisory.com/plc**.

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