

Abstract

Nonprofit organizations pursuing exciting opportunities for growth and mission expansion are at a critical junction in their life cycle. This junction should be considered critical in the sense that decisions made today will likely provide the foundation and infrastructure on which the expanded organization will build in the future. In the past, nonprofit organizations with urgent needs to support growth or coordinate business processes were forced to choose multiple solutions from separate vendors for each of the various divisions or operating units of the organization. These disparate, segregated solutions (which often use distinct technologies and user interfaces) are referred to as “point” solutions. Today, nonprofits have an alternative.

Nonprofit CRM: The Constituent-Centric Technology Platform Why nonprofits are better served by a single, strategic software platform

Introduction

Increasingly, integrated software, systems, and technology are being offered by world-class software companies to provide development platforms with the key enabling capabilities on which modern service organizations are built. This eliminates the need to cobble together a series of unrelated point solutions in an attempt to meet the growing needs of the organization. StratusLIVE® provides comprehensive nonprofit fundraising and donor management software solutions developed on the Microsoft Dynamics™ CRM platform. StratusLIVE is changing the game by offering a Constituent-Centric Relationship Management (CRM) solution for nonprofits. This paper outlines how nonprofit CRM can be a Constituent-Centric Technology platform, how it differs from point solutions, and the benefits it offers nonprofits in the future.

Constituent-Centric Business Processes

Like most service organizations, a nonprofit’s internal and external business processes are very “people-centric.” The mission is delivered to people. The mission is delivered by people. And the mission is funded by people. Let’s change the generic people terminology to something more relevant – constituents. The system or systems that support these business processes should therefore have strong core capabilities to do three primary tasks:

- Manage profile information about constituents
- Manage interactions or communications with constituents
- Manage transactions with constituents

The Failure of Point Solutions

As a nonprofit organization expands, it can be tempting to identify point solutions for each of the various divisions or operating units of the organization in response to urgent needs to support growth or coordinate business processes.

However, four problems plague such solutions:

1. Point solutions rarely have any consistency or standardization in their architecture for “platform” technology.
2. Point solutions almost always lead to separate databases that contain similar or overlapping information about common constituents.
3. Point solutions generally lead to poor integration, constituent service, and replicated data or business processes.
4. Ultimately, though initially appearing less expensive, point solutions result in a long-term cost increase. Key drivers for such increases:

- The constant technical integration efforts required for synchronization
- Additional training efforts for dissimilar user interfaces and products
- Inefficiencies created by unconnected but overlapping systems. Concepts of dysfunction that often characterize such organizations are “unconnected silos,” “slow-moving,” and “right hand doesn’t know left hand”

Organizations pursuing exciting opportunities for growth and mission expansion are at a critical junction in their life cycle. This junction is critical because decisions made today will likely provide the foundation and infrastructure on which the expanded organization will build. Increasingly, integrated software systems and technology form the key enabling capabilities on which modern service organizations are built.

A Constituent-Centric Technology Platform: The Future for Nonprofits

Nonprofit organizations should consider a more forward-looking strategy that both

1. Places the constituent in the center of its business processes, and
2. Places the constituent in a single database surrounded by a set of core software capabilities.

This “Constituent-Centric Technology Platform” represents the future of nonprofit software. As previously mentioned, these core capabilities are threefold: managing profile information, managing interactions or communications, and managing transactions.

Today’s software application category most uniquely suited for such processes and capabilities is “CRM” or Customer Relationship Management. Although “C” has traditionally represented the Customer in commercial organizations, the definition and use is expanding to include other “Cs” such as “Constituents” for nonprofits and “Citizens” for government or NGO organizations. In fact, recent improvements in some CRM platforms have led observers to name the category “xRM” where x signifies the potential fit across numerous vertical industry segments that require these capabilities.

StratusLIVE® is changing the game by offering a Constituent-Centric Relationship Management (CRM) solution for nonprofit organizations.

CRM as the Constituent-Centric Platform

By adopting a CRM technology platform strategy, the organization can centralize all constituents into a single database environment, a single user interface environment, and a single programming and development environment. This then provides a robust, scalable, and widely utilized software foundation and infrastructure environment upon which the organization can build its future. StratusLIVE believes that Microsoft's CRM platform and architecture make an excellent choice that offers world-class capabilities at a reasonable price.

Fortunately for the large majority of an organization's users, the user interface environment is already widely utilized: Microsoft Outlook and the Microsoft Office suite of productivity tools maintain over 90% market share with more than 500 million users worldwide. The programming and development environment (".net") encapsulated in the development tools, application programming interface (API), and web services architecture is now the most widely used framework in the world, with nearly 70% adoption for web-centric application development. Further, the worldwide network of Microsoft technical partner organizations totals many thousands, providing a great network of domestic and international support organizations. Finally, the product suite is available in 41 languages and over 160 supported currencies and has over 2.7 million users from 36,000 organizations.



The Benefits of the Strategy

- 1. Achieve significant leverage on investments in technology and people.**

Rather than train users on three, four, or five different "point" solutions using different interfaces and products, the organization can leverage its training and user education around one common interface and approach. With respect to the technical resources such as programmers, database administrators, or technicians, these resources can focus on one common set of tools, languages, and services rather than diffusing their efforts into three or four disparate technologies, tools, or languages. Many nonprofits have extensive investments in Microsoft Windows, Office, Outlook, SQL Server, Active Directory, Exchange, and related technologies, all of which are leveraged in the StratusLIVE nonprofit CRM platform based on Microsoft technologies.
- 2. Achieve a single view of the constituent.**

A constituent is often frustrated and discouraged when different voices of the organization communicate without the knowledge and context of previous interactions. Knowing that a volunteer is also a significant donor should be self-evident; however, with separate volunteer management and donor management systems, such knowledge is often elusive. Fundamentally, the organization should achieve higher levels of satisfaction among its constituents and a more integrated communication outcome.
- 3. Achieve measurable gains in efficiencies and productivity.**

Standardizing on a robust toolset supported by good training is the most direct path to measurable increases in productivity. For example, recruiting volunteers through prospect marketing is very similar to recruiting new donors through prospect marketing. The basic processes, communication strategies, and system functions are nearly identical. Why should the organization select two different databases and toolsets to execute these similar tasks? With the right standard set of tools, the organization has the option and capability to consolidate its resources around common business processes instead of replicating resources within functional operating groups or departments.

Summary

Organizations faced with growing demands of a constituent population spread across several business processes need not surrender to unconnected and uncoordinated software decisions that require constant integration. A Constituent-Centric Technology Platform on CRM is a compelling, cost-effective alternative to the problem of integrating disparate puzzle pieces into a unified solution. Any organization that finds itself at this critical junction may wish to consider this alternative before authorizing additional systems or purchases.

StratusLIVE for Fundraisers

Product Features

Hosted Platform with Microsoft CRM

Leverage the power of the commercial Dynamics CRM Platform; applications and data are accessible anywhere, anytime, and real-time with the most recent features and Microsoft-driven enhancements

Constituent & Donor Profile Database

StratusLIVE for Fundraisers' Constituent and Donor Profile Database gives you greater visibility into the latest donor information and activity

Online Fundraising

Engage constituents online through StratusLIVE Portals; Workplace and Agency Portals are now available with the Constituent Portal coming soon

Constituent Relationship Management

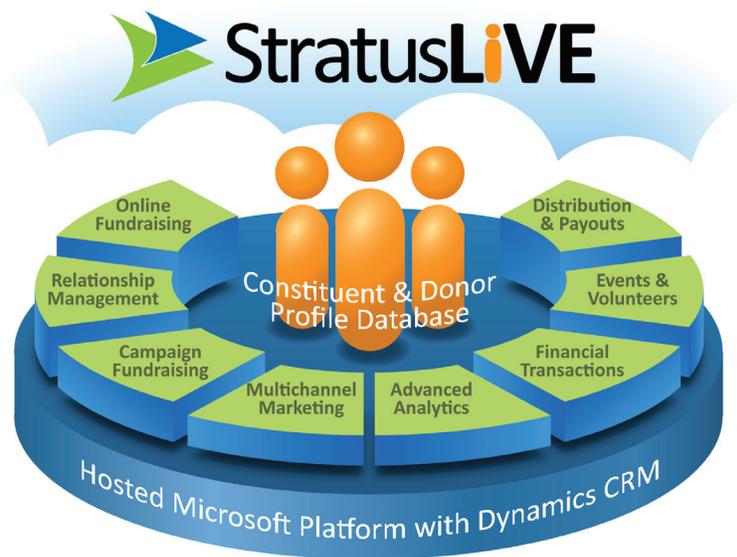
Build rich, long-lasting relationships; engage your donors like never before

Campaign Management

Create and manage successful campaigns; ideal for financial or non-financial campaigns

Multichannel Marketing

Connect over multiple channels in real time; traditional, direct mail, or online through mobile or social channels



Advanced Analytics

Dashboards, charts, and graphs help you understand and act on your information; insight was never so accessible and decisions were never so clear

Financial Transaction Processing

Faster, accurate donation processing; everything you need for every aspect of rapid and accurate financial processing

Volunteers, Events, & Committees

Engage your community; successfully build stronger relationships for greater support over time

Distribution & Payouts

Robust designation and payout management; fast, accurate payouts and distributions

About Jim Funari

As CEO of StratusLIVE, Jim Funari has a long history of innovation in nonprofit, transportation, financial services, and technical services industries. Prior to founding StratusLIVE, he was president and CEO of Compass Technology, a leading provider of integrated CRM solutions for global-scale nonprofits focused on multi-channel marketing, transaction processing, and business analytics. His work has been recognized by *PC Week*, *Forbes*, *ComputerWorld*, *Communications Week*, and *PCWorld* magazine. Jim has served on a number of boards and public-sector technology initiatives and his public appearance experience includes featured speaker slots at industry conferences sponsored by DCI and Microsoft.