WHAT DO NON-HUMAN PRIMATES AND GIFT OFFICERS HAVE IN COMMON?

Our brains limit the relationships we can maintain.

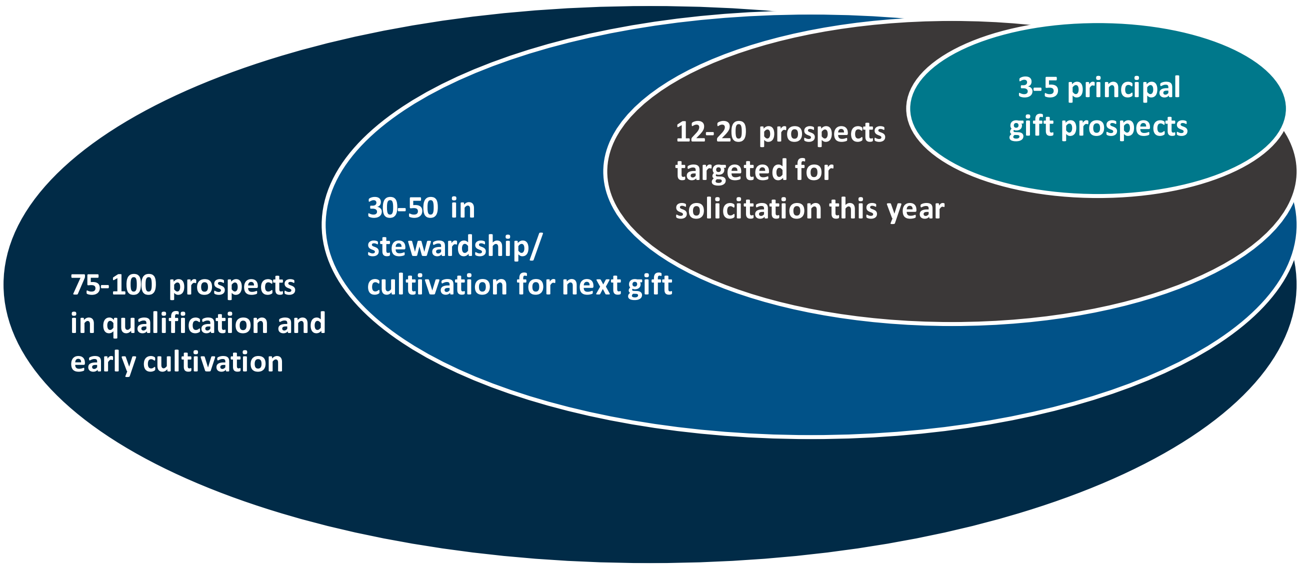
Research suggests that the need to maintain social groups was a contributor to the evolution of the primate brain, and that both human and non-human primates have a limit to the number of relationships they can manage. The social brain hypothesis (Byrne & Whiten 1988; Barton & Dunbar 1997) finds that humans can, cognitively speaking, maintain an average of 150 coherent personal relationships. Further research by anthropologist Dr. Dunbar also recognizes that both human and non-human primate groups are internally highly structured, and there is evidence that human social groups naturally consist of a series of sub-groupings. While this work pertains to social relationships, we do say that major gifts work is about building and maintaining relationships, and, as such, there are elements of Dunbar's theory that help to explain, and guide, our work as fundraisers.

To me, the most fascinating, and instructive, piece of this research surrounds the sub-groupings described below. As taken directly from the paper (Discrete hierarchical organization of social group sizes):

*In this sequence, the core social grouping is **the support clique**, defined as the set of individuals from whom the respondent would seek personal advice or help in times of severe emotional and financial distress; its mean size is typically 3–5 individuals (Dunbar & Spoor 1995). Above this may be discerned a grouping of 12–20 individuals (often referred to as **a sympathy group**) that characteristically consists of all the individuals with whom one has special ties; these individuals are typically contacted at least once per month (Dunbar & Spoor 1995; Hill & Dunbar 2003). The ethnographic data on hunter-gatherer societies (summarized in Dunbar 1993) point to a grouping of 30–50 individuals as the typical size of **overnight camps** (sometimes referred to as bands); these groupings are often unstable, but their membership is always drawn from the same set of individuals, who typically number ca. 150 individuals. This last grouping is often identified in small-scale traditional societies as **the clan or regional group**.*

Just as there are social and cogitative implications, the fact that armies are structured in a similar way suggests that we can use these sub-groups to guide our portfolio construction and management.

Consider repurposing the model above for major gifts portfolio management:



FIRST, consider portfolio revenue generation in these terms. In a portfolio of 150 prospects, your first two categories comprise of 15-25 prospects, or between 10% and 17% of your portfolio. It is likely that these individuals will generate between 80% and 90% of your revenue, which is in line with the Pareto Principle, which we have found now tends towards the 90/10 rule – 90% of revenue comes from 10% of the prospects.

NEXT, consider gift officer focus. In a good year, you would typically have 3-5 prospects who are most likely to fund a top-level proposal and "make or break" your revenue for the year. After that, you could have another 12-20 prospects who you anticipate presenting a proposal to, though you have less confidence in what that proposal will look like exactly and the outcome of the request. These prospects keep the level of proposal activity up even if they are not going to drive most of your revenue. These two categories map well to our major gifts counsel, and as a part of our suite of MG360 services, demonstrate the value of taking a structured approach to major gifts fundraising.

The final two sub-groups leave more open to interpretation. If the gift officer has responsibilities for managing a volunteer body, such as a board or council, often those prospects would fall into this next group of 30-50 prospects. For those without volunteer management responsibilities, and the majority for those that do, should represent prospects in stewardship, or in cultivation for their next gift while paying off a multi-year commitment. As for the remainder of the portfolio, these should be prospects in qualification, or those early in cultivation. These prospects are either up or out – up, as in being engaged for a specific commitment, or out, as in not a major gift prospect at this time.

Does using Dunbar's theory help to explain how you organize and manage your portfolios?

I find that it applies to our work more often than not. Perhaps more importantly, this structure helps to reinforce the importance of pursuing our work in a systematic way. This is true on an organizational level (consider that armies are organized in a similar structure) and on the gift officer level as well. The numbers will change from year to year and portfolio to portfolio, but the idea that groupings can be identified in multiples of three will tend to remain the same.

In a future article, we will begin to explore what is fair to expect of major gift officers and their work, and how structures like Dunbar's theory help us to generate fair conclusions.

Changing Our World, Inc.

To discuss your portfolio management structure and strategies, and **ensure your team is working with the right prospects at the right time**, please contact Michael Hutchinson, Managing Director via email at mhutchinson@changingourworld.com