

Your Nonprofit's Guide to Data Analytics and Data Management



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Your Nonprofit's Guide to Data and Data Management

Collecting donor analytics is an essential part of understanding your donors' behavior and more effectively building relationships with them. However, that data is no good to you if it's poorly organized and managed. Learning to edit your data to maintain good data is just as important to your data management as the actual data collection. To ensure that you're following best practices for data management, we're sharing four steps to take today to improve your organization's data:

1. Audit your current database
2. Remove bad data
3. Standardize your data entry
4. Use the right data management tools

When managed correctly, data can be the key to empowering your organization to do more and exceed your goals. Follow the steps in this guide to make sure that your organization is practicing good data hygiene and are using your data effectively. Let's get started.

1. Audit your current database

Chances are that you are collecting many different types of data, potentially in different systems. For nonprofits, managing donor data is essential to many of your daily operations, but managing financial data is just as important. Whether you're creating a new data-informed stewardship strategy or preparing to send

your financial statements to your [nonprofit accountant](#), you want a clean and organized database. The first step is to audit your existing data collection:

1. **Make sure you're collecting the kind of data you want.** Are there crucial types of data and insights that aren't currently being captured in your database? Identify what they are and make a plan for how to begin collecting that type of data.
2. **Identify what data you're collecting that's not useful.** Just because it's possible to record information or engagement, doesn't always mean you should. Make sure you're only recording data that you gain insights from and use to improve your strategy or take further action.
3. **Weed out your "bad" data.** As you're auditing your database, you might be finding incomplete, duplicate, or otherwise ineffective data entries. Mark these entries and set aside time to clear them out.
4. **Determine if and how your databases or systems can be streamlined.** If you're using a separate system to organize different types of data when there's a tool that can do it all, it is likely not time or cost effective to continue using separate systems.

Once you've identified what is and isn't working in your current data collection system, you can take next steps to improve your process. This will help you more effectively use your data in the future as well as make better use of your team's time and resources.

2. Remove bad data

Bad data can be many types of inaccurate information, including missing data, wrong information, inappropriate data, non-conforming data, duplicate data and poor entries like misspellings, typos, and variations in spellings. Making sure that your database is not filled with bad data that could negatively impact your organization or donor experience is basic data that all nonprofits should be following.

While a duplicate entry of a donor might just mean they accidentally receive two of the same email, a mistake in your financial data could throw off your entire nonprofit budget. No matter the severity of the potential consequences, it's always best practice to regularly remove any bad data that could be negatively impacting your strategy, finances, or other parts of your organization.

3. Standardize your data entry

Now that you've identified some of the issues with previous data entry, you can set up a system to avoid them in the future. It's important to have a standard method for entering and managing data in your system so that everyone is using the same method. Without this, you can end up with bad data that's simply a result of someone putting in the correct information in the wrong format.

Some adjustments you may want to make to standardize future data entry include:

- Define the format of each type of data point.
- Create rules or instructions for handling data errors
- Edit and streamline your external forms, like the ones that donors fill out

Depending on your organization's structure, it may be best to assign different people responsibility over certain data sets. For example, one team member might be responsible for managing all donor data. From

entering new members contact information to updating member profiles when they change their preferences or take an action that's not automatically recorded, they would be the primary person handling that data to avoid confusion.

However, it's not always feasible to have only one person doing data entry and management. It's always a good idea to standardize and write out your data entry approach, but it's especially important if more than one person is handling your data. With clear instructions, anyone on your team can ensure that they enter data in an accurate and useful manner.

4. Use the right data management tools

Once you're working with only clean and useful data, it's time to make sure that the tools you're using meet your data management needs.

Simply storing your data is not enough. Your data management tools need to provide you with the capacity you need to store data, as well as functionality for entering, organizing, analyzing, and even visualizing your data. Not all organizations will have the same needs, especially if you're a very small organization, but it's important to look for tools that can scale with your organization as you grow.

In addition to using the right tool to manage and store your data, it can be extremely helpful to work with an expert to go through this process of auditing, cleaning, standardizing, and then managing your data on a day-to-day basis. A data expert will be able to help you organize your data in a much more robust and efficient way to make future data usage simpler.

With the right tools and an understanding of data management best practices, you can rest assured that your data is well organized. After all, data is only useful when you can understand it and make use of it to inform your broader strategy. With this guide, your data will be sure to serve you well!