



Nonprofit Fundraising Trends 2010

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Executive Summary

There is much positive news from 2009 and a demonstrated willingness to creatively tackle the challenges of the current fundraising environment.

Overall, 45% of respondent groups experienced higher fundraising results, 19% reported results that were the same as 2008, and 37% reported lower results in 2009. There was no group size that “lucked out” with fundraising last year. The only group size that demonstrated an overall decrease in fundraising for 2009 was in the \$3,000,001 – \$5 million budget range, as 67% of these groups reported lower fundraising results.

90% of survey respondents commented on changes they had made to their development strategies. Trends in these changes include: relationship building, events, board and volunteer involvement, funds diversification, and staffing. Given anecdotal evidence in the sector, it was surprising that more staff cuts were not reported.

Factors in Greater Fundraising Results in 2009

- Greater numbers and sizes of both major gifts and bequests/planned gifts reported by groups that saw higher fundraising results
- Years of working towards major gifts, bequest/planned gifts, and foundation grants paid off this year
- Regardless of the size of the organization, the primary reasons for greater fundraising results were more communication, greater contact with donors, and more effort spent. **Simply put, those who spent more got more.**
- Whether they were reaching out to new donors, getting back in touch with lapsed donors, or following up with current donors, organizations expanded their fundraising efforts for both annual and major gifts.
- Some launched new campaigns or programs that attracted funding
- **“We asked more. A lot more.”**

A Stressful Year for Staff

Morale has decreased from last year. 47% of respondents said that current circumstances have decreased morale in their organization, compared to 30% from last year. Only 28% report that circumstances have had no effect and 24% said that there has been increased unity, compared to 37% and 33%, respectively, from last year.

The group that reported the highest incidence of low morale (78%) was respondents whose organizations were in the \$3,000,001 - \$5 million budget range. Respondents who reported lower confidence in their leaders, boards, or fundraising and development leadership also reported a greater incidence of decreased morale than respondents who were more confident in their organization's leadership. Respondents are also slightly more concerned about losing their jobs in the next year: 36% report some level of concern, up from 30% last year.

Leaders Rising to the Challenge

Compared to the 2009 survey, respondents' confidence grew for leaders, boards, and fundraising/development leadership, given the marked increase in "strongly agree" answers; this suggests that leadership has generally stepped up to the challenges of the past year and is ready to move forward.

Of respondents who reported that there was increased unity in their organizations, 71% also said that they strongly agreed that the leader of their organization was prepared to deal with the challenges ahead. 41% of respondents identified relationship building, outreach to donors and the community, and donor cultivation as beneficial actions for fundraising. Other key actions identified were: investing resources into fundraising (21%); board recruitment, development, and participation (18%); focusing on communications/marketing/messaging (17%); and strategic planning (9%).

2010 Fundraising Goals

For 2010, most organizational fundraising goals are projected to increase (59%) or not change (25%); relatively small numbers said that their goals would decrease (8%) or that they didn't know (8%). The average range of projected increases is 5-15%; deviations from this include two respondents who projected increases of 20% and two who projected modest decreases of 5-7%.

Messages to Leadership from Survey Responses

Leaders:

Get out of the office to interact with donors, to build relationships, partnerships and strategic alliances, and to be the public, visible face and voice of the organization. Communicate confidently and with greater transparency to staff to increase organizational morale.

Boards:

“Be more proactive with relationship building and lead by their own high level of giving.” Everyone on the board needs to be actively involved in their organizations, primarily through participating in fundraising, cultivating relationships, recruiting new board members, and being organizational ambassadors. Not only is this message identical to the message for boards from the 2009 survey, but it has become a stronger message, issued by 74% of this year’s respondents, compared to 62% of last year’s.

Fundraising and Development Leadership:

Get out of the office to spend time with donors and to build relationships. In order to achieve this, groups may need to leverage the organization’s human resources better by delegating non-development duties/activities to others, training other program staff and/or developing the board and volunteers to help with development activities.

Survey Background: This survey of the impact of the current economic climate on nonprofits in our region is a collaboration of the Association of Fundraising Professionals, Oregon Chapter, the Willamette Valley Development Officers, Meyer Memorial Trust, The Oregon Community Foundation, Grantmakers of Oregon and SW Washington, and Retriever Development Counsel, LLC . The purpose of the survey was to better understand how nonprofits are managing within their organizations. The survey was conducted at the end of January 2010.

Demographics: There were 132 completed surveys. 38% of organizations that completed the 2009 survey also completed this year’s. Participating organizations were located almost entirely in Oregon (95%). There was cross-sector participation, with the highest numbers in social services (22%), education (21%), and health (16%). Respondents were in positions of fundraising accountability; development directors (45%) or executive directors (29%) accounted for the majority of responses.

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Copies of the summary and full report are available online at { HYPERLINK
"http://www.retrieverdevelopment.com/resources.php" }.

(Copies of the full report are \$19 for those who did not respond to the survey.)