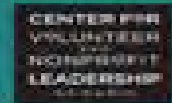


2009 Marin Nonprofit Conference

# RETHINKING CONVENTIONAL WISDOM

Thursday, October 29, 2009

Presented by  
Center for Volunteer and Nonprofit Leadership  
In partnership with the Marin Community Foundation



## “DECONSTRUCTING THE DEVELOPMENT SYSTEM”

# Session Overview

- ▶ **A New Context for Fundraising**
  - ▶ **The Giving Landscape - 2009**
    - ▶ **Primary Elements a FR Program**
    - ▶ **Models That Work (or not)**
      - ▶ **Auditing Your Assets**
        - ▶ **Case Studies**
        - ▶ **Your Turn**

# A PRIMARY ASSUMPTION...

**Contributions are an Exchange of Money,  
Made By People and Organizations  
AS AN EXCHANGE OF VALUES,  
BUILT ON RELATIONSHIPS.**

**THEREFORE:**

***FUNDRAISING IS THE ART AND  
SCIENCE OF BUILDING AND  
MAINTAINING RELATIONSHIPS.***

# The Giving Landscape

2008 was a big year:

(\* Source: Giving USA Foundation 2009)

**\$307,650,000,000 donated to charity from:**

- **\$41.21 billion, Foundations (13.3%) ↑**
- **\$14.50 billion, Corporations (4.7%) ↓**
- **\$22.66 billion, Bequests (7.3%) ↓**
- ***\$229.3 billion, Individuals (74.5%) ↔***

**That's an average of \$29,000,000 PER DAY  
just in the Bay Area**

# Where Did The \$ Go?

- Religion - \$102.89B ↑ 5.5%
- Grantmaking Foundations - \$32.65B ↓ 19.2%
- Education - \$40.9B ↓ 5.5%
- Human Services - \$25.8B ↓ 12.7%
- Health - \$21.6B ↓ 6.5%
- Public Society Benefit - \$23.8B ↑ 5.4%
- Arts & Culture - \$12.8B ↓ 6.4%
- International Affairs - \$13.3B ↑ 1%
- Environment & Animals - \$6.6B ↓ 5.5%
- Grants to Individuals - \$3.7B (new category)

# And, In Case You're Wondering.....

**ONLINE GIVING REACHED \$15.5  
BILLION IN 2008.**

**THAT'S A 44% INCREASE OVER  
2007.**

**&**

**Increased 68% in 1<sup>st</sup> Quarter of 2009**

# SEVEN ELEMENTS OF A \$ DEVELOPMENT PROGRAM

## FUNDING DIVERSITY IS A KEY TO SURVIVAL IN THE NEW ECONOMY

- “Major” Gifts Program;
- Giving Circles;
- Foundation Grants;
- Corporate Gifts;
- Mass Market Appeals – Mail/Phone/Online;
- Events;
- Sales & Affinity Marketing Program;

# Fundraising Organization Models

**THERE  
IS  
A RIGHT  
ONE FOR  
YOUR AGENCY**

# TRADITIONAL: 1920's-1950's

- Fundraising “Season”
- Volunteer-Driven
- Executive Director
- Support Staff
- Board & (Lots of) Committees



# “DEVELOPMENT” MODEL 1970’s

- “Professionalization”
- Development Officer
- Executive Director/CEO
- Board and Committees
- Volunteers



# “ADVANCEMENT” Model 1990’s

- “Diversification”
- Development Departments
- Communications/Marketing
- Executive Director/CEO
- Board & Committees
- Some Volunteers



# TRENDS in the Economic Shift

- **Institutional Giving Decline Projected for 36-48 mos.**
- **Emergence of the Social Network**
- **Local Loyalty**
- **Single-Minded Ethics**
- **Less Experimentation with New Giving**

# “INTEGRATIVE” Model:

*Today* i m in ur internet

- Across the Organization
- Fundraising *Teams*
- Development Pro/Staff
- Program & Mktg. Staff
- Digital Info. Captain(s)
- Volunteers, Board & Committees
- ED/CEO
- Content Experts on Call



# FORCES THAT COUNTER INTEGRATION

- TIME
- SPECIALIZATION/FRAGMENTATION
- NO INCENTIVES
- “I DON’T DO WINDOWS”
- FEAR
- GENERATION GAPS
- AMBIVILENCE AT THE TOP

# FORCES THAT FACILITATE INTEGRATION

- ORGANIZATIONAL SURVIVAL
- INCENTIVES
- NEW SKILLS
- GETTING OUT OF THE BUNKER
- SUPPORT AND PARTICIPATION AT THE TOP

# AUDITING YOUR ASSETS

What attributes do your people have that can work to the benefit of fundraising?

- ✓ Passion
- ✓ Digital Knowledge
- ✓ A Network of Their Own
- ✓ Your “Internal Brand?”

# TESTING THIS IN THE REAL WORLD

# The Larger Organization

## Marin Community Clinics

- Budget = \$12 million
- Ended “Development Department” in 2007
- Teams of Management, Finance & Medical Staff Do Grants
- Mail/Online Appeals by Admin. Asst.
- Events by Volunteers w/Admin. Support
- Augmentation by Content Experts

# MEDIUM-SIZE ORGANIZATION

## Cottage Housing, Inc. – Sacramento

- Budget = \$2.2 million
- Created Support Organization (SO) as fundraising “Auxiliary”
- Staff Supports to SO by CFO – also serves as “Digital Officer”  
(he’s 26)
- *Clients* trained as Primary Solicitors

# SMALLER ORGANIZATION

## San Geronimo Valley Community Center

- Budget = < \$1 million
- Abandoned Dev. Dir. in favor of Agency-wide Development Team
- Led by ED, includes all FT staff
- All grants, events, mail/online appeals, Major Gifts coordinated through Team

# YOUR TURN

**BUT FIRST:**

- **Audit**
- **Demystify**
- **Build Digital Capacity**
- **Create Incentives**
- **See What Happens....**