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# Fund Raising Matters<sup>SM</sup>

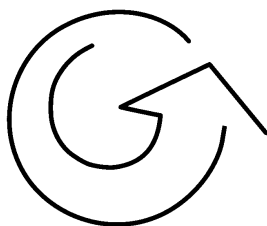
The Road Ahead: Outlook 2013 Survey



## Outlook 2013: The Road Ahead Survey Report & Findings

April, 2013

presented by:



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## **OUTLOOK 2013: The Road Ahead**

### **I. Introduction**

This report explores the results of our fourth on-line survey of the nonprofit marketplace. Our first two surveys were conducted in 2006 and 2007, prompted by high-profile national events, and a sense that there was a disconnect between media reports and what we, as fund raisers, were experiencing in the philanthropic marketplace.

Our third report was conducted in 2009, and confirmed that the state of the philanthropic marketplace was dramatically impacted by the great recession of 2008.

Today, despite the fact that Washington seems to be in a perpetual state of crisis deadlines, we felt that it was time to again ask our colleagues to participate in another survey about their outlook, and how their view of our industry might give all of us a few clues about The Road Ahead.

We made a few small updates to the questionnaire we used in previous surveys, and again administered the survey through the SurveyMonkey web service.

Over a period of about three weeks, we collected a total of 269 survey responses. Not all participants responded to all possible questions, but nearly 90 percent worked through the entire survey document; more than enough to compare this year's results to previous years.

We sent e-mail invitations to our contact database of nonprofit organizations, former clients, friends, and associates. After accounting for undeliverable (bounced) and old e-mail accounts, the survey invitation was presented to more than 4,400 individuals. The distribution program used did not track the number of emails opened, so it is difficult to calculate the true response rate. Some industry research estimates that about 16% of emails of this nature are actually opened. Using this yardstick we attained a 38% response rate, which is excellent. If all the email invitations were opened, which is not reasonable, then we received a 6 percent response to all possible invitations.

We sent a total of three e-mail invitations on January 15<sup>th</sup>, 22<sup>nd</sup>, and February 12<sup>th</sup>; and closed the survey on February 14<sup>th</sup> to begin our analysis. As in years past, there were four or five initial organizational survey questions that allowed us to sort the responses in many different ways to identify significant findings and conclusions. In fact, we looked at more than 2,500 variations of the survey response data.

We are pleased to share that many more organizations are achieving success, especially when compared to 2009. As in years past, we were fascinated and sometimes surprised at what we found, but most often the data pointed us to fund-raising facts that all development professionals should know, but too often must be reminded.

We at Goettler Associates want to thank all of our survey participants. We hope that this report helps to make you and your organization more successful.



John Goettler  
President



David Goettler  
Chief Executive Officer

## II. Findings and Observations

Certainly the most encouraging change in survey results for this year (Outlook 2013) is the survey respondent's report of more favorable fund-raising results for last year, 2012. While it does not appear that as many organizations have reached the reported success levels of 2006 survey respondents, things are clearly improving . . . **a lot!**

The adjoining table compares the past four survey responses. Forty-seven percent say they raised more than last year, and the number who reported raising less than last year has dropped by about the same margin.

**Question:** *Comparing fund-raising results in the current year (calendar or fiscal) with the last, did your organization raise more or less?*

<b>Survey Year:</b>	<b>2013</b>	<b>2009</b>	<b>2007</b>	<b>2006</b>
A Lot More	10.6%	4.2%	10.2%	8.9%
More	36.6%	20.5%	47.5%	50.1%
<i>subtotal more</i>	<i>47.2%</i>	<i>24.7%</i>	<b><i>57.7%</i></b>	<i>59%</i>
About the Same	29.8%	29.7%	28.7%	26.4%
Less	20.8%	38.2%	12.1%	11.7%
A Lot Less	2.3%	7.4%	1.6%	2.9%
<i>subtotal less</i>	<i>23.1%</i>	<b><i>45.6%</i></b>	<i>13.7%</i>	<i>14.6%</i>

Analyzing the results of our last survey in 2009 was rather simple, as most everyone recognized that “it was the economy stupid.” But, what has lead to the philanthropic sector's rebound this year? And, how have the successful organizations reached improved results?

In reviewing the results of our Outlook 2013 Survey, we have attempted a rather in-depth review of the responses in search of a little insight to the marketplace, and what our colleagues are thinking and doing.

Survey participants offered some basic organizational profile information that we have used to further analyze the response data, including:

- type of organization (focus of mission),
- total annual operating budget,
- number of development (fund-raising) personnel employed,
- portion of annual budget derived from voluntary contributions;
- and, fund-raising results.

We have considered each of these distinct organizational characteristics in reviewing the survey data. Quickly, the 24 questions generated thousands and thousands of variations to consider.

We also worked to compare results between Outlook 2013 and the three previous surveys that we've conducted and that our friends have been kind enough to complete. We were able to identify 12 questions with comparable data.

### **Summary of the Outlook 2013 Survey Respondents**

#### **What is the focus of your organization's mission?**

The proportional mix of organizational types in the Outlook Survey is consistent over each of the four surveys that Goettler Associates has conducted. The two most frequently responding organizational types are health care and education.

#### **What is your organization's total annual operating budget?**

One third of the survey respondents had annual budgets of \$20 million or more, and this is very consistent to the percentage response of the three previous Fund-Raising Matters Outlook Surveys. A second third of respondent organization's have mid-ranged total annual budgets of between \$2.5 million and up to \$20 million. The final third of respondents have the smallest total annual budgets of \$2.5 million or less.

#### **How many full-time professional development (fund-raising) personnel are employed by your organization?**

The number of professional development staff is changing.

The highest percentage response in 2013 is one professional development staff member for nearly 30 percent (28.3%) of respondents, which is a six-point increase from 2009, and is almost three points over the four survey average.

The largest variation in staffing is found with the organizations reporting between two to 10 personnel, and it **decreased** by nearly five points from the four survey average.

<p><b>What portion of your organization’s total annual operating budget is derived from voluntary contributions?</b></p>	<p>Nearly one-half (47.9%) of survey respondents raise less than 10 percent of their total annual operating budget, and this percentage or response has remained consistent over each of the last four surveys.</p> <p>The organization’s with 10 or more development professionals are also most likely to raise less than 10 percent of their budgets, and those budgets are most likely to be more than \$20 million per year. The opposite is also true – the organizations with no professional development personnel are more likely to raise more than 75 percent of their annual budgets, and those organizations are more likely to have the smallest annual budgets.</p> <p>The smaller organizations are clearly more dependent on private philanthropic support to fund their organizations. Further, it appears that these same organizations are most likely to not employ a professional development staff.</p>
<p><b>Did your organization raise more? Or less?</b></p>	<p>A large portion of our survey analysis considered this very question. We found that:</p> <ul style="list-style-type: none"> <li>• Human &amp; Social Service organizations were more likely to have raised more (51.5%).</li> <li>• Arts/Culture organizations were more likely to have raised about the same (44.4%).</li> <li>• The largest organizations in terms of total annual operating budgets are raising more money at a higher frequency than the smaller organizations.</li> <li>• The organizations with fewer dedicated professional development staff members did not perform as well as organizations with more staff. Or, in other words, more staff equaled better fund-raising performance.</li> <li>• The organizations that raised 26 percent to 75 percent of their annual budgets (typically the mid-sized organizations) were the most stable development programs, raising about the same more often than all other organizations.</li> </ul>
<p><b>What factors cause total contributions to decrease?</b></p>	<p>In a word: <b>Individuals</b>. Sixty percent of the organizations that raised less attributed the overall decrease to individuals making smaller gifts. Fifty percent of these organizations also indicated that fewer individuals gave.</p>

These two factors were also identified as the main cause of organizations raising less in the 2009 survey.

These two factors, individuals giving less and fewer individuals giving, held true for health care and education organizations. The same factors in reverse order were the two main reasons for human & social service organizations raising less. But, organizations focused on the arts and culture most often identified that fewer corporations gave.

None of the organizations grouped as “other” made mention of foundations at all.

**Which trends are organizations that raised less currently experiencing?**

The organizations that raised less, are reporting fewer donors and that donors are giving less. This is especially true for human and social service organizations with much greater frequency than other types of organizations.

Mid-sized organizations are reporting a more significant impact from a decrease in the support of events, and less support of direct appeals than both smaller and larger entities. And, most all of the organizations reporting an impact from a decline in the support of events, had development staff of one to five personnel.

The economy is still a factor for decreased giving, amongst those that raised less, but the economy was mentioned less frequently than in the 2009 survey.

**Other Factors Leading to the Decrease:**

Survey participants were asked to include a brief text response, and 25 did so. Several commented on either the lack of a major gifts (or capital) campaign this year, that they had just completed a campaign, or that they had received unusually large gifts in a previous year. One is left with the reminder that capital campaigns and large gifts are beneficial events, but can't always be replicated each and every year.

**What factors cause total contributions to increase?**

Seventy-one percent of those that raised more, did so because *Individual* donors are giving more. This is a 13-point increase from the 2009 results. Not surprisingly, the effect of individual donors has consistently been identified by our Outlook surveys as the single most important factor, not only for those that raise more, but also for those that did not.



Fifty-eight percent of the 2013 survey participants indicated that more individuals gave.

There were some variations based on the size of organizations determined by their total annual operating budgets. The mid-ranged organizations (with budgets of \$2.5 million up to \$20 million) reported a disproportionately higher positive impact from corporate donors, and none of the largest organizations reported that corporate giving was a factor in their success.

The same mid-ranged organizations reported that foundation giving affected their success at a much higher frequency than did the smallest or the largest organizations.

*The almost laser focus of the largest organizations on individual giving clearly suggests that it takes greater resources and effort to raise money from individuals, but when you do . . . you raise more!*

**Is this year's result part of a discernable upward trend?**

Organizations focused on arts/culture are the least optimistic subgroup of respondents. None of these organizations that raised more believe their success is part of an upward trend. Further, the smallest organizations anticipate a continued upward trend in fund-raising totals much less than the average, and much less than the largest organizations. Sixty percent of the organizations with six to 10 professionals believe they are on a clearly upward trend.

**Which trends are organizations that raised more currently experiencing?**

Sixty-three percent of the organizations that raised more experienced an increase in the number of donors. Fifty-five percent also reported receiving more from their existing donors.

These two factors also had the most significant negative impact on the organizations that raised less.

Education organizations are succeeding with larger donations from existing donors, while human & social service organizations are improving their totals by receiving gifts from a larger number of donors.

The organizations with the largest number of professional development staff identified the same donors giving more as the most significant trend. This is contrasted by the groups with less

than one (full-time) development professional that point to more donors as the reason for their success.

The smaller development offices also pointed to an increase in the support of events as contributing to their improving totals. Both trends also exist based on the size of the organization's total annual operating budget.

### **Operating Conditions**

Fifty percent of all organizations report that demand for their programs and services increased, which is a slight decrease from the 2009 survey.

Sixty percent of the organizations that raised less, reported an increase in demand.

Health care and human & social service organizations more frequently reported an increased demand for their services than did all other types of institutions.

The state of the economy is still a factor, and is identified more often as a negative influence on organizations, than it is a positive influence.

### **Expectations for future revenue**

There has been a dramatic shift toward a more optimistic outlook for the future. Seventy-four percent of organizations anticipate an increase in gift revenue from individuals. And, as the survey data reminds us . . . increased individual giving is the surest way to raise more money.

The current outlook on future individual gifts represents a 38-point increase from the 35 percent 2009 survey response.

Twenty percent of organizations anticipate a decrease in government grants and program funding, the highest expectation for any source of future funding.

Eighty-four percent of survey participants believe corporate funding will either stay the same or increase.

Seventy-six percent of survey participants anticipate that foundation funding will stay the same or increase.

<p><b>Expectations for future Appeals</b></p>	<p>Sixty-four percent of organizations expect the total number of donors to increase in the year ahead.</p> <p>Fifty-three percent believe the dollar amount of gift transactions will increase.</p> <p>Fifty-three percent believe that major/capital gift appeals will increase.</p> <p>Again, the current outlook for the future has turned dramatically more optimistic, when comparing the 2013 survey response to the 2009 data. More organizations anticipate the response to fund-raising appeals to increase. The 2013 survey response included the following increases in response:</p> <ul style="list-style-type: none"><li>• Thirty-six point increase in those anticipating an increase in the dollar amount of gifts</li><li>• Thirty point increase in those anticipating the number of donors to increase</li><li>• Twenty-four point increase in those anticipating attendance at special events to increase</li></ul> <p>The least optimistic appeal was for an increase in telemarketing, up 1 percent to 8 percent overall.</p> <p>Forty-six percent believe direct mail appeals will stay the same.</p>
<p><b>What are organizations planning for the year ahead?</b></p>	<p>Will expand:</p> <ul style="list-style-type: none"><li>• Seventy-six percent will expand fund-raising and development initiatives.</li><li>• Sixty-nine percent will expand marketing and communications.</li><li>• Sixty-one percent will expand volunteer and board engagement.</li><li>• Fifty-one percent will expand programs and services.</li></ul>

<p><b>What have organizations ALREADY done?</b></p>	<p>Already increased:</p> <ul style="list-style-type: none"><li>• Eighty-two percent have increased overall strategy and methods.</li><li>• Sixty-three percent have already increased the use of social media.</li><li>• Sixty-two percent have increased major gift programs.</li></ul> <p>Decreased:</p> <ul style="list-style-type: none"><li>• Ten percent have decreased direct mail.</li></ul> <p>New program:</p> <ul style="list-style-type: none"><li>• Ten percent began a new program for use of social media, and on-line web-based giving.</li></ul> <p>Eliminated:</p> <ul style="list-style-type: none"><li>• Six percent eliminated their telemarketing.</li></ul>
<p><b>What are the PLANNED changes for the year ahead?</b></p>	<p>Increase:</p> <ul style="list-style-type: none"><li>• Eighty-three percent will increase overall strategy and planning.</li><li>• Seventy-three percent plan increases to their major gifts program.</li><li>• Sixty-nine percent plan the increased use of Social Media.</li></ul> <p>New program:</p> <ul style="list-style-type: none"><li>• Nine percent will begin a new planned and deferred gift program.</li></ul> <p>Decrease:</p> <ul style="list-style-type: none"><li>• Nine percent will decrease direct mail.</li></ul> <p>Eliminate:</p> <ul style="list-style-type: none"><li>• Five percent will eliminate their telemarketing efforts.</li></ul>
<p><b>Changing Plans for New Initiatives</b></p>	<p>Comparing the response to the last four Outlook Surveys there are some changes in what organizations are planning.</p> <ul style="list-style-type: none"><li>• Plans to strengthen the organization’s branding and positioning have risen by 10 points over the last half-dozen years.</li><li>• Forty-six percent of organizations are planning a Capital (major gifts) Campaign, a five-point increase from 2009.</li><li>• Interest in organization-wide strategic planning has dipped below the four survey averages.</li></ul>

- The focus on new and redesigned web-sites has dropped back down below the four survey average.

### **Institutional Board and Leadership Structure**

New for the Outlook 2013 Survey, we added several questions related to the involvement of the organization's board and CEO in development activities.

We were surprised to learn that 25 percent of the survey respondents still do not have a board committee that is specifically focused on fund raising. But, we were even more surprised to learn that the existence of this committee did not seem to correlate to whether organizations raised more or less.

We also asked if the organization's board understood its role in fund raising. Only 30 percent believe that they do. And, again we were surprised that this fact had little correlation to which organizations raised more or less.

Whether or not the development office participated and/or regularly reported to the organization's governing board **did** have a strong relationship to those organizations that raised more money.

Fifty-two percent of those organizations that involve the development office with their board raised more money, while only 34 percent of those that do not have this regular interaction raised more. The opposite is also true, those that do not have board and development office interaction raise less with a greater frequency.

A committed board with an engaged development staff clearly appears to be the winning combination.

Finally, the involvement of the organization's CEO also has a strong correlation to those organizations that raise more money.

### **Does the organization have a development plan?**

There is also a strong correlation between those organizations that have a current and updated development plan and those that raise more money. We might have thought the correlation would be stronger and more pronounced, but more than 50 percent of the organizations with a current plan raised more money.

**Conclusion**

As in previous years, if you want to raise more money, focus on individuals.

How does one best focus on individuals?

- Maintain a full-time staff of development professionals (the more the better),
- develop an annual development plan,
- ensure the development staff interacts with the governing board; and,
- work to get the CEO actively engaged in fund raising.

### III. Interpretation of Outlook 2013 Survey Data

#### 1. What is the focus of your organization's mission?

Answer Options	2013 Response	2013 %	2009 %	2007 %	2006 %
Health Care	85	31.6%	28.6%	27.1%	30.8%
Education	78	29.0%	33.1%	22.7%	34.6%
Human & Social Service	33	12.3%	14.6%	14.3%	11.1%
arts/culture	36	13.4%	8.3%	8.7%	8.1%
<i>Recreation</i>	5	1.9%	2.1%	2.2%	1.8%
<i>Fund-Raising</i>	11	4.1%	6.5%	3.7%	3.0%
<i>Other</i>	21	7.8%	6.8%	10.0%	10.6%
<i>Subtotal all others</i>	37	13.8%	15.4%	15.9%	15.4%

The total number of respondents is down a bit from previous years, but the proportional mix of organizational types (the focus of the organization's mission) over the past four surveys has remained quite similar. The top two most frequently responding organizational types are Health care and education focused entities, and the type with the most respondents flip flops between the two over the past four surveys.

## 2. What is your organization's total annual operating budget?

Answer Options	Response Count	2013 %	2009 %	2007 %	2006 %
less than \$500,000	37	13.8	15.4	14.3	16.9
between \$500,000 and \$1.0 million	28	10.4	10.9	7.8	9.1
\$1.1 million - \$2.5 million	38	14.1	15.7	11.2	8.3
\$2.6 million - \$5.0 million	18	6.7	8.5	7.5	4.8
\$5.1 million - \$7.5 million	19	7.1	6.6	6.9	7.3
\$7.6 million - \$10 million	14	5.2	3.7	10.6	12.1
\$10 million - \$20 million	26	9.7	10.1	10.6	10.4
More than \$20 million	89	33.1	29.0	31.2	31.1

The largest organizations by terms of total annual operating budgets have consistently been the largest subgroup of survey respondents. Roughly one-third of all respondents to each survey have had annual operating budgets in excess of \$20 million, and the average over the four surveys is 31 percent. The middle range of organizations with annual operating budgets of between \$2.5 million and up to \$20 million per year represents an average of 32 percent of all survey respondents. Finally, the smallest organizations with annual operating budgets of \$2.5 million or less represents an average of 37 percent of all respondents over the four surveys.

One can logically justify these results in view of the comparative number of organizations focused on health care and education, as these institutions will have significant sources of earned revenue from billed services and tuition. Considering the three groupings of annual budgets — small — medium — large, the larger institutions are in fact principally health care and education organizations. Arts/Culture and the All Other grouping of organization types are the least likely to have annual budgets in excess of \$20 million. And, these (arts/culture and All Others) institutions are also more likely to have the smallest budgets. The human & social service organizations have a higher proportionate designation as having annual operating budgets in the midrange.

The following table illustrates the difference or variation from overall percentage of response. So that overall 31.8 percent of organizations were focused on health care, but 48.3 percent of those with a budget of \$20 million or more were health care. Thus, the positive variation from the overall response was plus 16.7 percent. If fewer organizations were identified in a selected budget range, a negative variation is shown.

Answer Options	Overall Response %	Variation from Overall Response		
		Less than \$2.5 Mil	\$2.5 Mil to \$20 Mil	> \$20 Million
Health Care	31.6%	-7.3%	-9.5%	16.7%
Education	29.0%	-12.5%	3.5%	11.5%
Human & Social Service	12.3%	-3.5%	8.5%	-3.3%
Arts/Culture	13.4%	11.9%	-0.4%	-13.4%
<i>Recreation</i>	1.9%	1.1%	0.7%	-1.9%
<i>Fund-Raising</i>	4.1%	4.6%	-1.5%	-4.1%
<i>Other</i>	7.8%	5.8%	-1.3%	-5.6%
<i>Subtotal all others</i>	13.8%	11.5%	-2.1%	-11.5%



### 3. How many full-time professional development (fund-raising) personnel are employed by your organization?

The Outlook 2013 Survey responses have resulted in some changes in the size of development offices staffing. The number of respondents reporting no staff has increased, as well as the number of organizations reporting more than ten development staff members.

When the number of organizations reporting either none, or less than one (part-time) fund-raising staff are combined, the trend line is much more stable, and the 2013 survey has only increase by ½ of 1 percent from the four-year average.

The highest percentage response in 2013, and over each of the four surveys is one professional, and the number reporting one professional staff member is increasing in 2013 over the four-year average. The largest variation in 2013 is found with the organizations reporting two; 3 to 5; and 6 to 10 combined. This year the staffing of 2 to 10 personnel has decreased by nearly five points over the four survey average.

Answer Options	2013 Inc/Dec	Average	2013 %	2009 %	2007 %	2006 %
None	2.42	11.4%	13.8%	8.4%	11.2%	12.1%
Part-time (less than one)	-1.93	7.5%	5.6%	9.2%	7.5%	7.8%
One	2.71	25.6%	28.3%	22.4%	27.4%	24.2%
Two	-0.01	15.2%	15.2%	16.4%	14.3%	14.9%
3 to 5	-3.46	21.0%	17.5%	24.0%	20.9%	21.5%
6 to 10	-1.29	9.9%	8.6%	10.3%	9.0%	11.6%
More than 10	1.73	9.5%	11.2%	9.2%	9.7%	7.8%

#### 4. What portion of your organization's total annual operating budget is derived from voluntary contributions (a.k.a. charitable giving)?

Nearly 48 percent of all respondents raise less than 10 percent of their total annual operating budgets from voluntary contributions. This rate has remained level over each of the four Outlook Surveys. The first two surveys asked this same question in a little different manner. Despite the slight variation in how participants responded, it does not appear as though there is any shift in the percentage of voluntary support that is provided by the total population of survey participants.

When tabulating the responses to this question by the number of professional development (fund-raising) staff, we see that out of the 128 respondents that raises less than 10 percent, there is a higher frequency of organizations with more than 10 professional staff, and lower frequency of organizations with no development staff. Eleven of the 37 organizations that have no development staff raise more than 75 percent of their annual budget through voluntary contributions, compared to none of the 30 organizations that have 10 or more staff. The following table illustrates the variance from the overall percentage response as to the portion of annual budget covered by contributions to the size of the professional staff.

	Total Response	Less than 10%	10% to 25%	26% to 50%	51% to 75%	More than 75%
	267	128	66	22	21	30
Response Percent	100%	47.9%	24.7%	8.2%	7.9%	11.2%
	# of staff	Variation from Response Percentage				
None	37	-12.8%	-8.5%	5.3%	-2.5%	18.5%
Part-time (less than one	15	-14.6%	15.3%	5.1%	-1.2%	-4.6%
One	75	10.7%	-10.1%	-4.2%	4.1%	-0.6%
Two	41	3.3%	-0.3%	6.4%	-0.5%	-8.8%
3 to 5	47	-9.6%	13.6%	-4.0%	-1.5%	1.5%
6 to 10	22	-7.0%	2.6%	0.9%	1.2%	2.4%
More than 10	30	12.1%	5.3%	-1.6%	-4.5%	-11.2%

As one might assume, the organizations that are raising 75 percent or more of their total annual budgets are more often the smaller organizations. Similarly, nearly three-quarters of the organizations with total annual operating budgets of \$20 million or more, raise less than 10 percent of their budgets from private philanthropic support. The following table demonstrates that the smaller organization's are more likely to raise more than 10 percent of their budgets, and thus are more dependent on private philanthropic support than are the larger organizations.

Answer Options	<i>Total Response %</i>	Less than \$2.5 Million	\$2.5 Million to \$20 Million	More than \$20 Million
less than 10%	<b>47.9%</b>	22.5%	<b>51.3%</b>	<b>74.2%</b>
between 10% and 25%	<b>24.7%</b>	23.5%	31.6%	20.2%
between 26% and 50%	<b>8.2%</b>	<b>12.7%</b>	7.9%	3.4%
between 51% and 75%	<b>7.9%</b>	<b>15.7%</b>	3.9%	2.2%
more than 75%	<b>11.2%</b>	<b>25.5%</b>	5.3%	--

**5. Are you the Chief Development Officer?**

**6. How long have you been employed in your current position (with this organization)?**

Sixty percent of the survey respondents indicated that they are the Chief Development Officer for their organizations. A follow-up question was also asked to determine how long each individual was currently employed in this position. Unfortunately, more than 40 percent of the respondents skipped the follow-up question, making it difficult to consider the longevity of the Chief Development Officers.

We will consider how these two questions may be revised in the future, and how an inquiry to staff position and longevity may be added to future Outlook Surveys.

**Optional Respondent Comments:**

- *Employed with the organization: three years; current position: two months*
- *Twenty years*
- *Twenty years this August*
- *I am also Executive Director and Curator*
- *As the Director, I am the Chief Development Officer. We have no staff that has exclusive responsibility for development but several positions have part of this role.*
- *Volunteer*
- *I am the Museum Director, and, defacto Chief of Fund Raising.*
- *Here 23 years, retiring in 18 months*

**7. Comparing fund-raising results in the current year (calendar or fiscal) with the last, did your organization raise more or less?**

We already saw that more organizations reported raising more than in our previous survey, and fewer people reported raising less than in previous years. All of this is encouraging news indeed. Now, we are drilling deeper into the data to look at what more we may learn.

There appear to be some further trends related to staff size, organization budgets, and organization type that are of interest.

**Focus of Organizational Mission**

	Total Response	Health Care	Education	Human or Soc Ser	Arts/ Culture	ALL OTHERS
	265	85	77	33	36	34
	Response %	Variation from Response Percentage				
Raised A Lot More	10.6%	1.2%	1.15	1.6%	-5.0%	-1.7%
Raised More	36.6%	3.4%	-5.4%	14.9%	-6.0%	-4.3%
About the Same	29.8%	-7.5%	5.3%	-14.7%	14.6%	5.5%
Raised Less	20.8%	0.4%	-	-2.6%	-1.3%	2.8%
Raised A Lot Less	2.3%	2.4%	-1.0%	0.8%	-2.3%	-2.3%

Overall 36.6 percent of organizations reported raising more than the year before, but 51.5 percent of the human & social service organizations reported raising more, a positive variation of 14.9 percent from all respondents. We can infer that the human & social service survey participants are now performing better than the rest of the philanthropic sector, or doing better with greater frequency than the rest of the marketplace. This finding does not change when combining both those that raised more and those that said a lot more. The arts/culture organizations similarly reported raising about the same more frequently than other organization types.

**Total Annual Operating Budgets**

	<b>Total Response</b>	<b>Less than \$2.5 Million</b>	<b>\$2.5 Million to \$20 Million</b>	<b>Greater than \$20 Million</b>
		100	76	89
	<b>Response %</b>	<b>Variation from Response Percentage</b>		
Raised A Lot More	<b>10.6%</b>	-2.6%	1.3%	1.8%
Raised More	<b>36.6%</b>	-4.6%	-6.3%	10.6%
		-7.2%	-5.1%	12.4%
About the Same	<b>29.8%</b>	3.2%	9.7%	-11.8%
Raised Less	<b>20.8%</b>	5.2%	-5.0%	-1.7%
Raised A Lot Less	<b>2.3%</b>	-1.3%	0.4%	1.1%
		4.0%	-4.6%	-0.5%

The largest organizations in terms of total annual operating budget appear to be raising more money at a higher frequency than the smaller organizations. Those with total annual operating budgets of between \$2.5 million and \$20 million are more often reporting stable performance from year to year as they are raising about the same. And, the smallest organizations, those with total annual operating budgets of \$2.5 million or less, are reporting they raised less on a more frequent basis than larger organizations.

**Number of full-time professional personnel**

	Total Response	None	Part-time	One	Two	3 - 5	6-10	more than 10
	<b>265</b>	35	15	75	41	46	23	30
	Response %	Variation from Total Response Percentage						
Raised A Lot More	<b>10.6%</b>	-4.9%	-10.6%	2.8%	-3.2%	2.5%	6.8%	-0.6%
Raised More	<b>36.6%</b>	-19.5%	-3.3%	3.4%	2.4%	-6.2%	11.2%	13.4%
		-24.3%	-13.8%	6.2%	-0.8%	-3.7%	18.0%	12.8%
About the Same	<b>29.8%</b>	18.8%	3.5%	-3.1%	-3.0%	0.6%	-8.1%	-6.5%
Raised Less	<b>20.8%</b>	7.8%	12.6%	-3.4%	1.2%	1.0%	-7.7%	-4.1%
Raised A Lot Less	<b>2.3%</b>	-2.3%	-2.3%	0.4%	2.6%	2.1%	-2.3%	-2.3%
		5.6%	10.3%	-3.0%	3.8%	3.1%	-10.0%	-6.4%

In this analysis we can clearly see that the organizations with fewer dedicated professional development staff members less frequently performed better (*raised more*) than the overall survey response rate. Furthermore, 50 percent of the organizations reporting more than 10 professional development staff members indicated that they raised more last year, and these same organizations were less likely to indicate they raised less. The organizations with no staff, or part-time staff were most likely to report stable performance and that they raised about the same amount as the previous year.

**Percentage of Operations derived from contributions**

	Total Response	Less than 10%	10% to 25%	26% to 50%	51% to 75%	More than 75%
	265	100	76			89
	Response %	Variation from Response Percentage				
Raised A Lot More	10.6%	2.0%	-1.37%	-6.05%	-1.08%	-0.26%
Raised More	36.6%	-0.48%	0.22%	4.21%	-3.37%	1.23%
		1.52%	-1.15%	-1.85%	-4.44%	0.98%
About the Same	29.8%	-4.7%	2.41%	15.55%	12.96%	-5.76%
Raised Less	20.8%	1.55%	-0.5%	-11.41%	-6.21%	7.09%
Raised A Lot Less	2.3%	1.64%	-0.76%	-2.30%	-2.30%	-2.30%
		3.18%	-1.26%	-13.71%	-8.51%	4.79%

The organizations that raised less than 10 percent of their annual budget, or more than 75 percent of their budgets, raised less with greater frequency than other organizations. And, the mid-ranged organizations, raising 26 percent to 75 percent of their annual budgets seem to be the most stable development programs, raising about the same amount from year to year. As far as which organizations raised more, there does not seem to be a clear trend linked to how much is raised toward the institution's operating budgets.

**8. What factors caused total contributions to decrease? (select all that apply)****9. Do you believe this year's fund-raising results are part of a discernable trend?**

A total of 61 survey respondents indicated that they raised less, or significantly less in the current year, compared to their last year. Fifty-six of these survey participants answered additional questions related to the factors contributing to this performance.

Overall, 60 percent of the organizations that raised less this year attributed their results to individuals making smaller gifts. And 50 percent of all respondents indicated that fewer individuals gave. Our 2009 Survey also resulted in the same finding that individuals giving less and fewer individuals giving were the most frequent attributes for decreases in overall funds raised.

**Focus of Organizational Mission**

When looking at how the organization's type (focus of their mission) affected their response, we see that human & social service organizations responded that the number of individual donors contributing to their organization's decrease in funding most often, and with greater frequency than all other organization types. The arts/culture organizations most often indicated that fewer

corporations gave, and at a higher frequency than all other organization types. We combined the responses of Recreation, Fund-Raising, and Other in the following table as All Others.

These organizations report that individuals giving smaller gifts, and fewer individuals giving attributed to their decrease in total funds raised this year. Further, none of the Other organizations mentioned foundation giving as a contributing factor. Education mentioned foundation giving more frequently than other organization types, followed by health care.

	Total Response	Health Care	Education	Human or Soc Ser	Arts/ Culture	ALL OTHERS
	56	22	17	7	7	8
Fewer individuals gave	50.0%	40.9%	52.9%	57.1%	28.6%	50.0%
Individuals made smaller gifts	60.7%	59.1%	70.6%	42.9%	28.6%	50.0%
Fewer corporations gave	30.4%	18.2%	23.5%	42.9%	57.1%	25.0%
Corps made smaller gifts	30.4%	18.2%	35.3%	14.3%	42.9%	37.5%
Fewer Foundations gave	23.2%	22.7%	29.4%	14.3%	28.6%	-
Fndns made smaller grants	16.1%	13.6%	29.4%	-	14.3%	-

Respondents were asked if they believe this year's results were part of a discernable trend. Sixteen responded with "yes," 18 responded with "maybe," and 18 responded "no." Based on this tabulation, we'd have to agree with the eight respondents who simply indicated "I don't know."

### Total Annual Operating Budgets

When considering the size of the organization's annual operating budgets, we find that the mid-ranged organizations, budgets of \$2.5 million to \$20 million, were most negatively affected by fewer individual donors, while the smallest and largest organizations were most affected by individuals giving less. The mid-range organizations also commented more frequently about corporate giving than either the smaller or larger organizations. And, the smallest organizations (less than \$2.5 million annual budget) were least likely to make any mention of foundation giving.

### Number of full-time professional personnel

Again, the overall emphasis continues to focus on individual giving when tabulating responses based on the number of full-time professional personnel. There are some variations in tabulated responses, most significantly, 66.7 percent of organizations with three to five staff members reported corporate donors making smaller gifts. This same group would mention individual giving as a factor for their decline in funds raised less frequently by more than 25 points than the overall response of all respondents.

The organizations with the largest staff (6 to 10, and more than 10) rarely mentioned corporate nor foundation giving as a contributing factor, and certainly at a less frequent rate than all other organizations.



**10. In your experience, which trends are you CURRENTLY experiencing? (please select all that apply)**

Survey participants were asked to report on several specific trends that they may be experiencing, including whether or not they had seen a decrease in the number of gifts, a decrease in the size of donor gifts (dollar amounts, without regard to type of donor). Also, if there is a decrease in the support of events, less support of direct appeals, or whether they are receiving greater restrictions on the use of contributed funds.

For the organizations that raised less, almost 60 percent reported that donors are still giving, but they are giving less. The 2009 Outlook Survey respondents also identified donors as giving less, but at the rate of 77 percent. The second choice of survey participants in both 2013 and 2009 was the identification of fewer donors as the cause for a decline in the organization's giving totals. There appears to be some leveling off in the negative impact of events for survey respondents this year, however organizations may be experiencing greater levels of gift restrictions and conditions on giving.

Answer Options	2013 rank	Outlook 2013	2009 rank	Outlook 2009
Fewer donors	2nd	42.9%	2nd	53.0%
Donors are giving less	1st	58.9%	1st	77.1%
Decrease in support of Events		23.2%	3rd	48.8%
Less support of Direct Appeals		28.6%		28.3%
More restrictions & conditions on giving	3rd	35.7%		20.5%

### Focus of Organizational Mission

Organizations focused on the arts/culture reported increased donor restrictions and conditions on giving twice as frequently as the overall response. The All Other grouping of organizations reported less support of Direct Appeals with greater frequency than all other organization types. Eighty-five percent of the human & social services organizations reported that donors are giving less, a variation of more than 25 points from the overall survey response.

	Total Response	Health Care	Education	Human or Soc Ser	Arts/ Culture	ALL OTHERS
	56	22	17	7	7	8
Fewer donors	42.9%	40.9%	47.1%	28.6%	42.9%	25.0%
Donors made smaller gifts	58.9%	68.2%	35.3%	85.7%	28.6%	50.0%
Decrease in support of Events	23.2%	18.2%	29.4%	14.3%	14.3%	25.0%
Less support of Direct Appeals	28.6%	22.7%	29.4%	-	28.65	50.0%
More restrictions/conditions on giving	35.7%	18.2%	47.1%	28.6%	71.4%	12.5%

### Total Annual Operating Budgets

	Total Response	Less than \$2.5 Million	\$2.5 Million to \$20 Million	Greater than \$20 Million
		27	14	20
	Response %	Variation from Response Percentage		
Fewer Donors	42.9%	-9.5%	-	2.1%
Donors are giving less	58.9%	-14.5%	-1.8%	6.1%
Decrease in Support of Events	23.2%	-4.7%	12.5%	-8.2%
Less support of Direct Appeals	28.6%	-10.1%	14.3%	-3.6%
More restrictions/conditions on giving	35.7%	-9.8%	7.1%	-0.7%

The organizations with the smallest annual budgets were less likely than larger organizations to indicate that their donors were giving less. Fifty-eight percent of all respondents indicated that donors were giving less, but 44.4 percent of the smallest organizations reported the same. Each category of organizational budgets indicated that donors are giving less more often than any other response. The mid-range organizations also indicated a decrease in events and direct appeals more often than their smaller and larger peer institutions.

**Number of full-time professional personnel**

	Total Response	None	Part-time	One	Two	3 - 5	6-10	more than 10
	56	10	5	15	11	12	3	5
Fewer Donors	42.9%	50%	40%	40%	55%	17%	67%	20%
Donors are giving less	58.9%	60%	60%	53%	73%	33%	33%	60%
Decrease in Support of Events	23.2%	10%	-	33%	18%	33%	-	20%
Less support of Direct Appeals	28.6%	10%	20%	33%	27%	33%	-	40%
More restrictions / conditions on giving	35.7%	30%	-	26%	18%	58%	33%	60%

When tabulating responses by the number of professional development staff members, there do seem to be some variations from the overall response percentages. Most all of the indications of a decrease in the support of events, came from the organizations with one to five professional development staff members. Nearly 60 percent of all respondents indicated that donors are giving less, except for the organizations with three to 10 staff members. The three to five category most often indicated that there were more restrictions and conditions on gifts, while the 6 to 10 subgroup indicated that there were fewer donors. There were only three organizations that raised less this year and had 6 to 10 development staff, so perhaps this is not a large enough response to make any broad pronouncement of cause and effect.

**Optional Respondent Comments:**

- *The Capital Campaign is completed. The Foundation is shifting away from events and we are restructuring.*
- *Just finished a campaign and are transitioning to some smaller major gifts efforts.*
- *Our most active and influential givers are aging out of the picture.*
- *Economic uncertainty is still a factor causing major donors to "hold cards."*
- *End of Capital campaign in 2011 reduced 2012 gifts*
- *Uncertainty about the future has slowed donor decisions, a trend that appears to be continuing with the current political landscape.*
- *Horrendous national news has had an impact on giving. However, scandal aside, we still raised over \$200 million.*
- *Donors are hesitant to make large outright gifts because of economy and uncertainty, not because of lack of assets.*
- *Government funding was a significant hit to our giving.*

### 11. In your opinion, which of these factors contributed most to the organization's decrease in fund raising?

This multiple choice question, allowed only a single response. Forty-seven percent of respondents indicated that general economic conditions contributed most significantly to their organizations decrease in funds raised. This was followed closely by a specific organizational issue/condition (planning, resources, personnel, strategy) for 43 percent of respondents. Two of the health care organizations (out of 22 respondents) believe that changes in federal and state regulations affected their decrease in funds raised.

Only the smallest organizations, with annual budgets of less than \$2.5 million indicated that a specific industry related or regional market condition changes affected their decrease in funding. Three of the four organizations that indicated changes in federal and state regulations affected their results, were the smaller organizations with annual budgets of less than \$2.5 million.

#### Number of full-time professional personnel

	Total Response	None	Part-time	One	Two	3 - 5	6-10	more than 10
	56	10	5	15	11	12	3	5
A specific organizational issue/condition	42.9%	-	40%	46.7%	54.5%	41.7%	66.7%	40%
Specific industry related or regional market condition	5.4%	-	40%	6.7%	-	-	-	-
General economic conditions	44.6%	80%	20%	26.7%	36.4%	50%	-	40%
Changes in federal, state, or local regulations	7.1%	10%		13.3%	9.1%	-	-	-

Fifty-six of the 61 organizations that raised less responded to this question, thus not all subgroup tabulated total 100 percent. While the general economic conditions were the most frequently selected cause of an organization's decrease in funds raised, 80 percent of the organizations with no professional development staff indicated that this was a cause for their decline. Specific industry or regional market conditions only impacted the organizations with part-time, or one professional development staff, and changes in regulations only affected those organizations with two or less development staff members.

#### Optional Respondent Comments:

- Annual Fund giving grew by 12 percent, but capital funding is down.
- Our independent community hospital merged with a 10 hospital system, and we received three major gifts (non-repeatable) in 2011 that accounted for 80 percent of our giving.
- Large estate gift from prior year skewed results.
- We had received some larger, one-time gifts the year before, and they were not renewed.
- Our new DD is more oriented toward communications rather than fund raising.

- *Capital campaign ended.*
- *Lack of leadership by elected officials in fiscal responsibility*
- *As healthcare costs rises for individuals, I think they'll be less likely to make charitable gifts to the sector.*
- *CEO transition*

**12. Are there any other factors that contributed to the decrease in funding? (Optional Text Response)**

- *Merger with larger system and some think we don't need the donations anymore, or that their gifts will benefit the system and not the local hospital.*
- *Not that we have been able to determine.*
- *In 2011, we received a significant estate gift. All other giving was higher than the previous year.*
- *Capital fund raising for completed project to pay off debt; VERY difficult.*
- *Lack of outreach program*
- *It took longer than expected to identify top giving priorities which will drive our major gift activity.*
- *Finished a large campaign, which created a lull afterward.*
- *Merger with another hospital*
- *More demand on a single manned department to raise significant funds for general operating dollars. Additionally, programs are being funded at a significantly lower rate with no inclusion of general operating support – only direct client services.*
- *The return on investment is smaller than previously, that reduces the amount of money our donors have to give.*
- *We received several large bequest distributions in 2011, but not in 2012.*
- *Not really*
- *Aging (deaths) within our key donor group*
- *We had a very large donation last year (bequest), so our regular giving levels have only dropped slightly.*
- *None worth mentioning.*
- *End of capital campaign*
- *Capital campaign pledges were made in previous year resulting in fewer new contributions in 2012.*
- *Too many other non profits conducting campaigns. Our mission is not perceived as a popular cause...alcohol and drug addiction treatment.*
- *Difficult local economy; extensive public debate about state budget and taxes*
- *Rising costs leave Boomers and older wondering if they'll have enough to live on, especially if Social Security and Medicare are cut.*
- *One very large gift the year before that did not repeat in current year.*
- *Combination of economic conditions, resulting in cutting budgets, resulting in cutting staff and resources needed to raise funds from donors who are also reducing their charitable gifts*
- *No active campaign in 2012*
- *Major parallel campaign for targeted project previous year*
- *We had several multi-year gifts the previous year.*

**13. (8-b) What factors caused total contributions to increase? (select all that apply)**

Seventy-one percent of all respondents indicated that individuals making larger gifts was the greatest impact on their organizations raising more funds. This was followed by 58 percent of respondents indicating that they experienced an increase in the number of individual donors.

Answer Options	2013 rank	Outlook 2013	2009 rank	Outlook 2009
More Individual donors	2nd	57.9%	1st	61.8%
Individual donors are giving more	1st	71.1%	2nd	58.4%
More Corporations gave	3rd	17.4%	3rd	21.3%
Corporations made larger gifts		7.4%		18.0%
More Foundations gave		14.0%		14.6%
Foundations made larger grants		15.7%		19.1%

There was only a slight variation in the rank order of survey responses from 2009 to the 2013 survey data. As in previous years, individual donors are the primary factor affecting how organizations raised more money. In 2009, slightly more organizations relied on more individual donors, and in 2013 it appears that the amount of gifts from individuals had a greater positive affect.

Individual giving was also the primary factor affecting those organizations that raised less. (See question #8.)

**Focus of Organizational Mission**

	Total Response	Health Care	Education	Human or Soc Ser	Arts/ Culture	ALL OTHERS
	125	44	33	21	13	14
More Individual donors	57.9%	50.0%	51.5%	57.1%	69.2%	71.4%
Individual donors are giving more	71.1%	63.6%	72.7%	76.2%	61.5%	71.4%
More Corporations gave	17.4%	15.9%	9.1%	23.8%	30.8%	14.3%
Corporations made larger gifts	7.4%	2.3%	3.0%	19.0%	-	21.4%
More Foundations gave	14.0%	18.2%	9.1%	14.3%	23.1%	-
Foundations made larger grants	15.7%	13.6%	15.2%	23.8%	15.4%	7.1%

When tabulating responses by the type of organizations, the principal effect of individual giving remains dominant, yet we observed some slight variations in the possible effect of corporate and foundation giving. arts/culture organizations appear to have experienced a more significantly

positive response from more corporate donors, while human & social service and the All Other subgroup of organizations may well have received larger corporate gifts. The human & social service organizations may have also been disproportionately and positively impacted by larger foundation grants. Fewer education organizations indicated that they experienced an increase of corporate donors, than all other organization types.

### Total Annual Operating Budgets

	Total Response	Less than \$2.5 Million	\$2.5 Million to \$20 Million	Greater than \$20 Million
	125	27	14	20
More Individual donors	57.9%	55.0%	75.0%	45.3%
Individual donors are giving more	71.1%	67.5%	56.3%	77.4%
More Corporations gave	17.4%	30.0%	18.8%	5.7%
Corporations made larger gifts	7.4%	12.5%	6.3%	3.8%
More Foundations gave	14.0%	15.0%	21.9%	7.5%
Foundations made larger grants	15.7%	17.5%	12.5%	15.1%

Tabulating responses based on the survey respondents' total annual operating budget also reveals some insights to how these organizations affected their increase in total funds raised. The smallest organizations, with budgets of \$2.5 million or less, reported a greater positive impact from corporate donors than the overall percentage response and more than the other subgroup. (The smallest organizations that reported raising less, did not identify a decrease in corporate funding as a factor). The largest organizations reported less of a positive impact from corporate donations. (This held true for those large organizations that raised less as well; corporate funding was not mentioned as a factor.)

Further, the mid-ranged organizations, with total annual budgets of \$2.5 million to \$20 million reported a disproportionately positive impact from the number of individual donors as the factor for their increase in total funds raised. These same organizations were also more positively impacted by an increase in foundation donors.

**Number of full-time professional personnel**

	Total Response	None	Part-time	One	Two	3 - 5	6-10	more than 10
	125	8	5	40	19	20	15	18
More Individual donors	57.9%	75%	80%	57.5%	52.6%	55%	53.3%	44.4%
Individual donors are giving more	71.1%	50%	100%	72.55	47.45	60%	86.7%	77.8%
More Corporations gave	17.4%	12.5%	40%	22.5%	21.1%	25%	-	-
Corporations made larger gifts	7.4%	125%	-	10%	5.3%	10%	6.7%	-
More Foundations gave	14.0%	12.5%	-	17.5%	21.15	20%	6.7%	-
Foundations made larger grants	15.7%	-	-	17.5%	15.85	30%	13.35	5.6%

The result to this question, when tabulated by the number of full-time professional development staff members, shows some interesting trends, and some clear organizational behaviors. The organizations with more than 10 staff members appear to operate with a laser focus on individual giving. Only one of these organizations indicated that there was any factor other than individual giving that affected their increase in total funds raised. At the other end of the staffing spectrum, very few of the organizations with less than one full-time development professional were positively impacted by foundation giving.

**14. (9-b) Do you believe this year’s fund-raising results are part of a discernable trend?**

As was the case with organizations that raised less, the 125 organizations that raised more do not see a discernable trend one way or another. One-quarter believe there is a general upward trend, while another 25 percent do not. Nearly two-fifths of the respondents may (perhaps/maybe) see a positive trend. And, 14 organizations revealed the simple fact that they don’t know.

**Focus of Organizational Mission**

	Total Response	Health Care	Education	Human or Soc Ser	Arts/ Culture	ALL OTHERS
	125	44	33	21	13	14
Yes	25.6%	13.6%	42.4%	23.8%	-	42.9%
Maybe	37.2%	31.8%	30.3%	47.65	61.5%	21.4%
No	25.6%	43.25	9.1%	19.0%	15.4%	21.45
I don’t know	11.6%	9.1%	18.2%	-	15.4%	14.3%

Organizations focused on arts/culture are the least optimistic of the respondents. None of the 13 organizations that raised more believe that their results are part of an upward trend, and more than



60 percent of them responded with a ‘maybe.’ The smallest organizations, those with annual operating budgets of \$2.5 million or less, indicated that the upward movement of total funds raised (17.5%) was a discernable trend less frequently than larger organizations, and less than the overall average. The organizations with 6 to 10 professional development personnel stood out as a very optimistic group, as 60 percent (a variation of 34 points from the survey average) of these organizations believe they are on a discernable upward trend.

**15.(10-b) In your experience, which trends are you CURRENTLY experiencing? (please select all that apply)**

Survey participants were asked to report on several specific trends that they may be experiencing, including whether or not they had seen an increase in the number of gifts, and/or an increase in the size of donor gifts (dollar amounts, without regard to type of donor). Also, if there is an increase in the support of events, more support of Direct Appeals, or whether they are receiving fewer restrictions on the use of contributed funds.

For the organizations that raised more, 63 percent reported that they experienced an increase in the number of donors (or number of gifts received), followed closely by nearly 55 percent of organizations that are receiving more from their existing donors. These two factors were also offered as the trends negatively affecting those that raised less, but in reverse order of frequency, as presented above.

**Focus of Organizational Mission**

	Total Response	Health Care	Education	Human or Soc Ser	Arts/ Culture	ALL OTHERS
	125	44	33	21	13	14
Increase in # of donors	63.2%	52.3%	63.6%	66.7%	53.8%	64.3%
Same donors made larger gifts	54.7%	43.2%	69.7%	38.1%	46.2%	57.1%
Increase in support of Events	30.8%	34.1%	18.2%	33.3%	30.8%	28.6%
More support of Direct Appeals	27.4%	25%	18.2%	38.1%	30.8%	21.4%
Fewer restrictions/conditions on giving	9.4%	2.3%	6.1%	19.0%	15.4%	14.3%

A higher frequency of education organizations reported the same donors making larger gifts, than an increase in the number of donors. All other organizations most often indicated that an increase in the number of donors as the factor that drove their increase in giving. Thirty-eight percent of human & social service organizations reported that the same donors gave more, which is the lowest percentage response of all subgroup, and is the same response as those that indicated more support of Direct Appeals. The tabulation of responses suggests that education organizations are

succeeding with larger donations, while the human & social service organizations are working to receive gifts from a larger number of donors.

**Number of full-time professional personnel**

	Total Response	Less than One	One	Two	3 - 5	6-10	more than 10
	125	13	40	19	20	15	18
Increase in # of donors	63.2%	76.9%	67.5%	57.9%	55.0%	56.3%	38.9%
Same donors made larger gifts	54.7%	46.2%	35.0%	52.6%	55.0%	80.0%	61.1%
Increase in support of Events	30.8%	46.2%	35.0%	36.8%	30.0%	13.3%	5.6%
More support of Direct Appeals	27.4%	30.8%	25.0%	10.5%	25.0%	26.7%	38.9%
Fewer restrictions/conditions on giving	9.4%	--	7.5%	21.1%	15.0%	--	5.6%

The organization’s with the largest number of professional development staff members indicated with greater frequency than other organizations that their success is the result of the same donors making larger gifts. This is contrasted by the organizations with less than one (none combined with part-time) professional development personnel, who indicated nearly 77 percent of the time that an increase in the number of donors was a key trend contributing to their increase in funds raised. These same organizations also indicated with greater frequency than all other organizations that an increase in the support of Events was a positive factor.

	Total Response	Less than \$2.5 Million	\$2.5 Million to \$20 Million	Greater than \$20 Million
	125	40	32	53
Increase in # of donors	63.2%	57.5%	84.4%	45.3%
Same donors made larger gifts	54.7%	47.5%	43.8%	58.5%
Increase in support of Events	30.8%	37.5%	31.3%	20.8%
More support of Direct Appeals	27.4%	32.5%	21.9%	22.6%
Fewer restrictions/conditions on giving	9.4%	7.5%	12.5%	7.5%

A similar trend appears to exist when tabulating responses to this question based on the size of the organization’s total annual operating budget. The smaller organizations experienced a stronger

increase in the number of donors, while the larger organizations attained their success through larger gifts from the same donors. There is also a greater positive impact from the support of Events for the smaller organizations than for the largest, where 37.5 percent of the groups with an annual operating budget of \$2.5 million reported a positive impact from an increase in the support of Events, while only 20 percent of the groups with annual budgets of \$20 million or more.

**Optional Comments:**

- *We experienced a very high volume of memorial contributions this past year due to the passage of key stakeholders. Obviously, that is a good news-bad news situation.*
- *New building going up*
- *More restrictions equals larger gifts; at least that's what's happening for us*
- *More donors, but a 41 percent decrease in the size of the gift*
- *Larger gifts in response to current success and transformational projects on horizon*
- *2012 was our 30th Anniversary celebration; more people gave larger donations.*
- *More estate gifts and major gifts*
- *We are in a small capital campaign.*
- *Our United Way has finally allowed us to approach businesses for operating funds. Also, we had a great article in the newspaper right before Christmas that resulted in over \$80,000 in contributions.*
- *We are in a Comprehensive Campaign.*
- *None of the above – we are having a better response to Planned Giving education.*
- *We are in the middle of a Capital Campaign.*
- *We are unique, in that we are in the third year of operations as a new organization. Trends may or may not be applicable to like organizations.*
- *More donors are giving, but the average gift has decreased 41 percent.*
- *There was no one in this position the previous year.*

**16. (11-b) In your opinion, which of these factors contributed most to the organization's increase in fund raising?**

Consistent with Question 11, this multiple choice question allowed only a single response. Unlike the organizations that raised less this year, the respondents to this question did not feel as strongly that the condition of the economy was a factor. In this circumstance, survey respondents would be indicating that improvements to the general economy were a factor in their organization's increase in fund raising. Two-thirds of all respondents did believe that a specific organizational issue/condition (planning, resources, personnel, strategy) was the greatest factor affecting their success.

Only four organizations indicated that specific industry or regional market conditions positively impacted their fund-raising results, and only one survey respondent indicated that changes in federal, state, or local regulations positively impacted them.

Tabulated analysis of the responses based on type, budgets, and staff size did not reveal any significant variations from the overall survey response.

**Optional Comments:**

- *Capital Campaign*
- *Research and long-term cultivation are critically important.*
- *Our budgeting process now allows for restricted gifts, which it did not in previous years.*
- *End of a Campaign*
- *General economic conditions including loss of local government support for libraries, parks, and schools in Ohio.*
- *Capital campaign that had wide community support*
- *One very big community event and one unexpected, unsolicited foundation gift, following the Newtown shooting*
- *30th Anniversary – many people believe in our mission and gave more; plus we had a number of new donors.*
- *Ran a Capital campaign.*
- *Initiated major gift program funding a Board endorsed strategic plan.*
- *Capital campaign*
- *See above. We needed to fix leaks in a roof over an emergency winter shelter for women and children.*
- *We focused on bequests and Charitable Gift Annuities and had a very positive response.*
- *Devastating flood from Hurricanes Irene and Lee in 2011 changed the regional economy.*
- *Our hospital launched a campaign in 2011, and we received the largest lead gift in our history as a result of several years of cultivation.*
- *Agri-Industry is doing very well, and we have several alumni and board members in this business.*
- *Directly attributable to long-term relationship development between donors and gift officer*
- *In pre-public phase of a campaign*

**17. Are there any other factors that contributed to this increase in funding?**

- *The Internet*
- *We also closed the current campaign at the end of December 2012, so there were some big "pushes" for final commitments.*
- *We just completed a new social services and emergency shelter building.*
- *A renewed focus on major gifts*
- *No, but we always do reasonably well with our Annual Campaign, events, and foundation gifts.*
- *Improving economy*
- *All efforts focused on a single project essential to the mission.*
- *We hired 1.5 more people to focus on individual giving. As an organization, we are focusing on individuals.*
- *We think the general economic climate is improving, at least for the wealthy.*
- *There is definitely a frustration from our donors regarding new government policy (Obamacare) conflicting with core faith principles.*
- *Capital Campaign*
- *Instituting a capital campaign*

- *Capital Campaign*
- *Greater focus on part of board*
- *Better work by fund-raising staff*
- *One individual, unrestricted, unexpected gift of \$500,000 towards end of fiscal year*
- *More broad-based solicitations*
- *General economic conditions are limiting the size of contributions as an observation.*
- *Quiet Phase of a capital campaign*
- *Anniversary Year – we used more direct mail, PSA's, and two extra events that added over 100 new donors.*
- *More major gift staff and focus*
- *Increased marketing and ran a capital campaign*
- *Significant planned gift*
- *We worked with GoettlerAssociates in designing a major fund-raising effort.*
- *Hard work and perseverance*
- *Large capital campaign gifts*
- *We also closed the current campaign at the end of December 2012, so there were some big "pushes" for final commitments.*
- *Larger staff*
- *Capital campaign*
- *A compelling project to support*
- *Part-time development person added to staff*
- *Our emphasis on planned giving has resulted in realization of a number of significant gifts.*
- *Increased education and attention to stewardship allowed for new gifts and more repeat gifts.*
- *Confidence in organization leadership*
- *Disaster-related cut in government funding resulted in increased private giving.*
- *Stock investments went up about 10 percent this year, and folks needed to contribute something at year end for the tax deduction benefit.*
- *Just the capital campaign*
- *One large gift*
- *Capital Campaign*
- *We launched the quiet phase of a \$50 million campaign in October 2011 and have raised \$34 million to date.*
- *Planned Gifts*
- *Staff went from zero in 2011 to two in 2012.*
- *Our increased focus on securing major gifts*

**18. Comparing operating conditions in the current year (calendar or fiscal) with last year, how has the demand for your organization's programs and services changed?**

One half of the survey respondents report that the demand for their organization's programs and services increased. This was nearly a two-point decrease from the Outlook 2009 results when 52.3 percent of organization's reported an increase in demand for services. Cross-tabulating the responses to this question with the results of this year's fund-raising results, we see (below) that the organizations that raised less more frequently observed an increased demand for their services.

Certainly, this would create a challenge. A slight majority of the organization's that raised about the same, also experienced a constant demand for programs and services.

How has demand for programs and services changed?	Total Response	We Raised More	We Raised the same	We Raised Less
	244	117	71	56
Increased	50.4%	50.4%	42.3%	60.7%
Remained about the same	43.0%	43.6%	52.1%	30.4%
Decreased	5.3%	4.3%	4.2%	8.9%
I don't know	1.2%	1.7%	1.4%	--

### Focus of Organizational Mission

	Total Response	Health Care	Education	Human or Soc Ser	Arts/ Culture	ALL OTHERS
	244	77	73	30	32	32
Increased	50.4%	58.4	43.8%	60%	40.6%	46.9%
Remained about the same	43.0%	33.8%	49.3%	36.7%	50%	50%
Decreased	5.3%	5.2%	6.8%	3.3%	6.3%	3.1%
I don't know	1.2%	2.6%	--	--	3.1%	--

Both health care and human & social service organizations reported an increase in demand for service nearly 60 percent of the time. This response was a good bit higher than the overall average.

### Total Annual Operating Budgets

Seven of the 13 organizations that reported a decrease in demand for their services had annual operating budgets of more than \$20 million.

### 19. What are your organization's expectations for revenue in the year ahead? (please indicate opinion for each revenue source [row] below)

Survey participants were asked to indicate where they felt their organizations were headed in the year ahead (2013). Overall, the largest response of nearly 74 percent of the respondents is that they anticipate an increase in gift revenue from individuals. In the table below, the percentage responses show that between 36 percent and 40 percent believe there will also be increases in foundation, corporate, and earned revenues. Between one-third and two-fifths of the organizations believe revenue from these categories will remain essentially the same, with the exception of Individual

gifts, of course, as noted. The largest projected decrease in future funding with almost 20 percent of organizations will be in the area of government grants and program funding.

What are your organization's expectations for revenue in the year ahead?	Increase	No Change	Decrease	I don't Know	Not Applicable
Corporate funding	38.6%	45.5%	6.5%	4.1%	5.3%
Foundation funding	36.3%	40.4%	10.6%	4.1%	8.6%
Gifts from Individuals	73.6%	17.1%	6.1%	2.8%	0.4%
Gov't grants & program funding	16.4%	42.6%	19.3%	6.1%	15.6%
Earned Revenue	41.4%	33.2%	9.0%	5.3%	11.1%

This same question was asked of the Outlook 2009 Survey participants, and we can see a rather dramatic shift in the collective outlook for the future. The previous results did not demonstrate a majority response for any of the predicted future events. Furthermore, the number of respondents that anticipated a decrease in future funding that year was much higher than the current sentiment. This significant shift toward a more positive outlook for the future is certainly a good sign.

**Change in Survey response percentage from Outlook 2009 to Outlook 2013.** The response for anticipated Gifts from Individuals increased from 35.3 percent in 2009 to 73.6 percent in 2013, and is shown as an increase of 38.3 percentage points.

What are your organization's expectations for revenue in the year ahead? (Change for 2013 from 2009)	Increase	No Change	Decrease	I don't Know	Not Applicable
Corporate funding	20.0%	20.7%	-37.2%	-3.8%	0.2%
Foundation funding	17.9%	8.7%	-23.4%	-6.7%	3.5%
Gifts from Individuals	38.3%	-10.9%	-24.1%	-2.5%	-0.7%
Gov't grants & program funding	-5.3%	18.3%	-4.2%	-5.6%	-3.3%
Earned Revenue	20.8%	3.8%	-22.1%	-4.4%	1.9%

**20. Based on the current market conditions and your recent fund-raising response, WHAT RESULTS DO YOU ANTICIPATE for this NEXT year?**

A similar follow-up question was presented to survey participants, with a greater emphasis on the types of appeal methods, and what result they anticipated for the coming year. Again, the marketplace appears to be rather bullish for the future. The largest percentage response to five of the seven categories (answer options) was for increases in the year ahead. Sixty-four percent of respondents believe the total number of donors will increase in the year ahead, and nearly 54 percent believe the dollar amount of gift transactions will increase. The response to major/capital gift appeals and on-line giving appeals is expected to increase. Sixty percent of organizations are not conducting telemarketing appeals, and 46 percent of organizations expect direct mail appeals to remain the same. Attendance and participation at Special Events was nearly equally split between those who feel it will increase, and those who feel it will remain the same.

What results do you anticipate for this next year?	Will Increase	Will Not Change	Will Decrease	I wish I Knew	Not Applicable
The total number of donors	64.0%	21.5%	7.7%	6.1%	0.8%
The dollar amount of gift transactions	53.7%	26.0%	9.8%	10.2%	0.4%
Attendance/participation at Special Events	42.6%	43.0%	6.6%	2.5%	5.3%
Response to direct mail appeals	29.8%	46.5%	9.4%	7.8%	6.5%
Response to telemarketing appeals	8.2%	20.6%	6.6%	3.3%	61.3%
Response to on-line giving appeals	43.0%	26.0%	1.7%	7.0%	22.3%
Response to major/capital gift appeals	53.3%	20.8%	6.7%	6.3%	12.9%



We are also able to compare this year's survey results with the Outlook 2009 survey. And again, there is a very dramatic turn toward a positive outlook for the future. The following table illustrates the shift in percentage response this year, with across the board increases in the marketplace's anticipation of gift revenue for this year ahead.

### Change in Survey response percentage from Outlook 2009 to Outlook 2013.

What results do you anticipate for this next year?	Will Increase	Will Not Change	Will Decrease	I wish I Knew	Not Applicable
The total number of donors	29.8%	-7.6%	-20.8%	-0.4%	-0.9%
The dollar amount of gift transactions	36.4%	2.9%	-38.5%	0.6%	-1.3%
Attendance/participation at Special Events	24.2%	7.1%	-20.9%	-6.0%	-4.3%
Response to direct mail appeals	12.7%	17.8%	-22.8%	-3.6%	-4.0%
Response to telemarketing appeals	1.3%	7.0%	-4.9%	-0.2%	-3.2%
Response to on-line giving appeals	15.5%	2.3%	-4.4%	-7.3%	-6.1%

### Optional Comments:

- *Our organization plans an endowment campaign for next year.*
- *Preparing to enter silent phase of a capital campaign*
- *Campaign ending May 13th*
- *Major project is completed; turning to new priorities*
- *We are working on parlaying an Anniversary event into donations from old friends. We will also do two additional direct mail/online campaigns than we have done in the past.*
- *Starting a capital campaign*
- *The expectations of the organization are not in line with the results we are finding in actual application. Donors are not attending "fun" events, nor have they the resources to contribute at the same rate as each has in the past. Many have moved away, changed positions, had a reduction in salary, and/or are no longer in the work force.*
- *Had a number of one-time gifts for capital campaign*
- *We are only just beginning our concerted fund-raising efforts since we just received our 501c3 determination in December 2012.*
- *We have gone through a major capital campaign and a "mini" campaign in the last five years....donor fatigue.*
- *Finding a capital case for support is a major challenge in the healthcare environment.*
- *I'm an optimist.*
- *Just winding up our capital gift appeal*
- *We added an additional full time staff member as a grant writer and that should lead to more money this year.*

- *Initiating a new campaign (funding Medical School students with commitment to practice locally)*
- *Entering new capital campaign this year*
- *We plan to have an endowment campaign in 2014.*
- *My rate in number of new donors has slowed significantly so far this fiscal year (July - June).*
- *We will raise less money this year because we do not anticipate any other multi-million dollar gifts to our campaign. We do, however, anticipate individuals will give more than they typically do in non-campaign years.*
- *We are in two small "mini-campaigns" in 2013, very focused. Total of both is \$7 million.*
- *Part of this is increased development activity with a current level is not that good right now!*
- *We have not yet conducted a fund-raising campaign.*
- *Increasing staff to increase number of major donors*
- *We just started a small capital campaign.*
- *We are kicking off a capital campaign which is the reason for the increase.*

**21. Please indicate which of the following actions your organization is planning (or considering) for the year ahead.**

Based on the response, it appears that most organizations are going to be very, very busy in the year ahead.

- Seventy-six percent will expand fund-raising and development initiatives.
- Sixty-nine percent will expand marketing and communication initiatives.
- Sixty-one percent will expand volunteer and board engagement.
- Fifty-one percent will expand programs and services.

One aspect will remain the same for 64 percent of organizations: staffing and/or staff benefits.

**Optional Respondent Comments:**

- *Must expand board involvement*
- *Focus now on research and planning for fund-raising and leadership development for advancement*
- *Chopping staff benefits, alas, are seen as an easy way to save the agency money, even if that contributes to turnover increases. Our board engagement can only go up unless they start digging.*
- *Although it is the expectation initiatives will expand and board engagement will increase, the demands are not being supported by an increase in staff; rather an increase in already taxed responsibility of a single development officer.*
- *Glass still half full.*
- *Board excited about a potential new fund raiser*
- *We will be celebrating our 125th anniversary in 2014.*
- *I've been tasked with seeking federal grants in lieu of major donor work. Sigh.*
- *Staffing will increase as we are adding one or two programs, but our modest benefits keep shrinking.*

**22. As a result of the current (and recent) market and organizational conditions, please indicate changes that you HAVE ALREADY made to your current fund-raising efforts:**

Development professionals and nonprofit executives reported again that they have already primarily focused on their organization's overall strategy and methods. This was also the most frequent response of survey respondents to the Outlook 2009 survey. The top responses to each inquiry are listed below:

- 82.3% have already increased efforts for overall strategy and methods.
- 62.8% have already increased efforts to Use social media.
- 61.9% have already increased efforts with their major gift program.
- 57.6% have already increased efforts on their Annual/Recurring gifts campaign.
  
- 9.7% have already **decreased** efforts on direct mail.
- 6.5% have already **decreased** efforts with Special Events.
- 5.6% have already **decreased** their Telemarketing.
  
- 10% began a new program to use social media.
- 10% began a new program to use On-line Web-based Giving (Donate Now).
- 7.8% began a new program of Special Events.
  
- 6% **eliminated** their Telemarketing program.

Although we added a few options to this question in the current year to focus more specifically on social media, and two distinct methods of internet-based fund-raising appeals, the frequency of response is similar when comparing results to the previous 2009 survey data.

**Optional Comments:**

- *Mobilizing board and top donors behind one major initiative*
- *We dropped an event that was not cost-effective and added another that is not very cost-effective, either. And a board member thinks we should add a gala....which could be even less cost-effective.*
- *Hired development consultant to help structure capital campaign*
- *There is no option to indicate if we do not use a method. I have marked those as "made no changes."*
- *We are just now starting our fund-raising efforts.*
- *Are going through a major strategic planning process right now to determine future direction; also, I think the change in HIPAA regulations allowing us to retrieve information by department is a huge gain for hospitals!*
- *We are in a \$2 Billion Campaign, with \$1.7 Billion raised with over 300 staff working on this effort.*
- *We've been seeking increased support from our 3,000 employees, including physicians.*
- *No telemarketing*
- *We have not yet started our campaign.*

- 
- *More and more demands on staff and no new staff prevents us from continuing to do more and more with less and less.*
  - *We dropped one event and added another – I hate most special events!*

**23. Please indicate ANTICIPATED or PLANNED changes to your future fund-raising efforts:**

In the previous question, survey respondents indicated what they have already done. This question presented a similar number of multiple choice inquiries regarding what they now anticipate or plan to change in the future.

- Eighty-three percent plan to increase their efforts on overall strategy and planning, and matches the respondents response to the previous question.
- Seventy-three percent plan to increase efforts on their major gifts program.
- Sixty-nine percent plan to increase efforts to use social media.
- The most frequent response to the effort where organizations will **decrease efforts** was to their direct mail Program (8.9%).
- The most frequent response to the effort where organizations will **begin a new program** was to their Planned & Deferred Gifts Program (9%).
- The most frequent response to the effort where organizations will **eliminate a program** was to their Telemarketing (5.2%).
- The most frequent response to the effort where organizations will **make no changes** was to the Telemarketing program, which was also the least frequent response to where organizations will increase efforts at 13.2%.

Please indicate Anticipated or Planned changes to your future fund raising efforts	Increased Efforts	Decreased Efforts	Began New Program	Eliminated Program	Made No Changes
Overall strategy and methods	83%	--	4%	--	12%
Major Gift Program	73%	1%	8%	--	19%
Use of Social Media	69%	--	6%	--	25%
Planned & Deferred Gifts Program	67%	--	9%	1%	23%
Annual/Recurring Gifts Campaign	64%	--	5%	--	31%
Online Web-based Giving (Donate Now)	60%	--	7%	--	33%
Special Events	42%	5%	5%	1%	47%
Online Friends asking Friends (peer-to-peer)	36%	--	6%	--	57%
Direct Mail Program	36%	9%	5%	--	49%
Telemarketing	13%	4%	1%	5%	76%

### Optional Comments:

- *New focus on reunion based giving, and volunteer driven efforts*
- *We are searching for a new VP of Development, so who knows what may change.*
- *Hiring new staff will free up sole fund raiser to focus on major and planned giving versus events.*
- *There is no option to indicate if we do not use a method. I have marked those as "made no changes."*
- *This organization and community is relatively small. The two staff members in the development office have multiple responsibilities outside of fund-raising. Finding the manpower and the financing to plan additional efforts is a challenge.*
- *More focus on reunion giving programs and volunteer/peer-to-peer requests for those special classes*
- *See above regarding 125th anniversary and endowment campaign. Also, CEO will be retiring after 29 years, so there will be an event around that.*
- *While we have about 30 people working in annual fund, telemarketing, social media, etc., major gifts are the focus of our efforts.*
- *Will try to come back to major donor efforts and planned giving, versus federal grants*
- *It all depends on what kind of budget dollars are allocated.*
- *Hoping to engage more people via e-communications to convert to volunteers and members*
- *We hope to begin our fund-raising efforts this year.*
- *We are presently searching for a new VP of Development, so that should bring changes.*

## 24. What specific initiatives are you planning or considering for this coming year?

The following chart compares the “Yes” responses from each of the past four Fund-Raising Matters Outlook Surveys.

What specific initiatives are you planning or considering in the coming year?	Four Year Average	2013	2009	2007	2006
Targeted Strategic Development Planning	64.5%	62.7%	66.3%	--	--
Development of new marketing communications	60.8%	64.2%	60.0%	--	58.1%
Organization-wide Strategic planning process	56.2%	50.4%	57.9%	58.4%	58.2%
New or redesigned website/portal	52.7%	49.8%	58.8%	52.7%	49.7%
Updating or expanding information technology (e.g., donor software/hardware)	39.7%	44.1%	49.4%	34.3%	30.9%
A branding/positioning campaign	39.1%	45.2%	45.5%	31.1%	34.6%
Capital (major gifts) fund-raising campaign	43.2%	46.7%	41.2%	42.7%	42.3%
Campaign Planning (or Feasibility) Study	22.1%	22.0%	21.2%	24.1%	21.1%

This comparison of responses over each of the past four surveys demonstrates how very similar the intentions of the marketplace are from year to year. We recall the first year we worked through the survey results, the folks around our firm were rather disappointed that only 21 percent of organizations were considering a Campaign Planning Study, especially since we have a very strong position in the marketplace for conducting this work.

As we reflect upon the data comparison from year to year, one is struck by how similar the response is. However, there do appear to be some trending shifts:

- Interest in organization-wide strategic planning has dipped to 50 percent in 2013, from a consistent 58 percent in the prior surveys.
- Plans to strengthen an organization’s branding and positioning have risen 10 points over the last half-dozen years.
- The importance of marketing and communications is rising.
- The focus on new and redesigned web-sites has dropped back down, and in 2013, it was below the four survey average. Yet, nearly half of survey respondents are still interested.

- Moving toward Campaign Planning Studies has remained very consistent at around 22 percent of respondents.
- And, 46 percent of organizations are planning Capital (major gifts) Campaigns for the coming year, which is actually an increase of five points from 2009, and above the average.

The same analysis can be made of the “maybe” and the “no” responses, but does not reveal any further insight.

Perhaps there should be a follow-up survey of the respondents to find out how many organizations actually implemented the initiatives that they were planning or considering . . .

#### **Optional Comments:**

- *Just completed strategic planning in 2012, and beginning planning for an endowment campaign to launch in 2014*
- *Planning endowment campaign*
- *New web site just implemented.*
- *Five-year strategic plan completed in 2012, as was new organizational web site.*
- *Just redid web and data bases.*
- *Completed 5-year strategic planning last year. Adding new web site soon. Presently launching cap campaign, but a small one.*
- *Completely redesigned website and technology in late 2012*
- *Just finished a Campaign*
- *In 2nd year of five year capital campaign commitment*
- *May consider a campaign for Hospice House fund raising*
- *Major endowment building initiative*
- *All “no” answers were completed in the prior year.*
- *Our major gifts program is ongoing. We will be assessing staff, resources, etc. with the utilization of current counsel, Grenzebach, Glier. (Sorry to hear that . . . aw well, can't win 'em all . . . good firm, sure they'll do fine.)*
- *Senior Management has a strategic planning process in place with industry consultants. Is it meeting federal requirements for "meaningful" use, and I'm pursuing a federal grant for Telemedicine.*
- *Just finished Organization-wide Strategic Planning Process in fall 2012*
- *We are in a capital campaign now.*
- *Completing 8 million dollar capital campaign*
- *We are in a campaign, so emphasis is on major capital gifts.*
- *We completed a 5-year strategic plan late in the last fiscal year.*

## 25. Does your organization's governing board have a sub-committee focused on fund-raising (or development)?

Nearly 50 percent of survey participants indicated that their organizations have a board committee focused on fund raising, and another 25 percent have such a committee, but it operates infrequently or inconsistently. Surprisingly, in the year 2013, nearly one-quarter of the organizations participating in this survey still do not have a board committee that is focused on fund-raising.

Now the first question we analyzed was to find out if those organizations without a focused development committee raised more or less this year, and remarkably there was very little difference whether an organization had a committee that worked, or didn't work, or not one at all. The distribution of tabulated responses was very similar.

Does your organization's board have a committee focused on fund raising?	Response	We Raised More (or a lot more)	We Raised about the Same	We Raised Less (or a lot less)
Yes	49.8% (116)	47%	29%	23%
Yes, But it operates infrequently or inconsistently	25.8% (60)	50%	30%	20%
No	24.5% (57)	49%	28%	23%

### Optional Comments:

- *In process of organizing committee*
- *Financial Development Committee formed March 2012, meets quarterly*
- *Highest priority of leadership*
- *But they do not understand fund raising at all...*
- *Campaign committee recently disbanded*
- *As a fund-raising entity (public foundation), fund raising is the work of the entire board, by design.*
- *Disbanded, but may recur*
- *Separate 25 board member "foundation" board*
- *New this year*
- *My goal to create a Development Advisory Council outside of the "loser" board has been set aside by my supervisor in lieu of seeking federal funds for the moment.*
- *We have a separate foundation board.*
- *Actually, we have a separate Board responsible for fund raising.*
- *Board operates as a "committee of the whole" in regard to fund development activities.*
- *Not at this point, though we will create a committee for the purpose of our project.*
- *Institutional Advancement Committee – Board and Campaign Steering Committee*
- *Yes, but they do not understand fund raising, especially major gifts.*
- *Every member of the board is to do this.*



## 26. In your opinion, does the organization's governing board understand it's role and importance in fund raising?

The majority of organizations indicated that their governing board somewhat understands their role and importance in fund raising. Again, drawing a comparison to this question, and cross tabulating each respondents earlier response to whether or not they raised more or less money this year, might further emphasize this factor in the importance of raising money. We can begin to see some affect in the response percentages, but surprisingly little based on the industry's belief in and the importance placed on board involvement in development and fund raising.

Does your organization's board understand it's role in fund raising?	Response	We Raised More (or a lot more)	We Raised about the Same	We Raised Less (or a lot less)
Yes	29.9% (69)	51%	25%	25%
Somewhat	51.9% (120)	49%	33%	18%
No	18.2% (42)	43%	29%	29%

Theoretically, we would see a great majority of the 42 respondents that indicated their board does not understand their role in development say that they raised less, but in reality 71 percent of the respondents actually raised the same amount or more in the most recent year. We can certainly say that it does have some affect, as 51 percent of the organizations where their boards understand their role, is eight points higher than those that do not. But, we thought it would be a more pronounced difference.

### Optional Comments:

- *They may understand the role, but don't necessarily like it.*
- *Major area of education*
- *Do they do it? Not really.*
- *Very few do.*
- *Ours is not a fund-raising board, but a consumer majority board by federal regulation.*
- *They don't want to "know" or touch it with a 10-foot pole.*
- *Entirely new Board – just learning their duties, but the emphasis is on financial development*
- *But do not take action as often as they should. Have to make it very easy for them.*
- *They are starting to get the drift, but have a long way to go.*
- *Could always be better. I have yet to get to 100 percent understanding – let alone doing.*

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**27. Does the development office participate and/or regularly report to the organization's governing board?**

Does the development office participate and regularly report to the governing board?	Response	We Raised More (or a lot more)	We Raised about the Same	We Raised Less (or a lot less)
Yes	172 / 76.1%	52%	27%	21%
Yes, But inconsistently	25 / 11.1%	48%	44%	8%
No	29 / 12.8%	34%	28%	38%

The tabulated response to this question demonstrates a more dramatic impact on the importance of the development office's interaction directly with the organization's governing board. Certainly we believe this is best policy, and the survey results also suggest that allowing the development office to interact with the board generates a more favorable outcome in terms of dollars raised.

One-half of the organizations that allow the development office to participate and report to the board raised more money, compared to only one-third of those that do not.

**Optional Comments:**

- *We do not have a development office.*
- *That would be me.*
- *One and the same*
- *With and through the CEO*
- *There is no "development office." It is the Executive Director.*
- *No office*
- *We do not have a development office/staff.*
- *Do not have a development officer.*

**28. Is the organization's C.E.O. actively engaged in fund raising?**

Is the organization's CEO actively engaged in fund raising?	Response	We Raised More (or a lot more)	We Raised about the Same	We Raised Less (or a lot less)
Yes	76.1% (172)	50%	287%	22%
Yes, but inconsistently or ineffectively	11.1% (25)	51%	29%	20%
No	12.8% (29)	32%	40%	28%

The CEO's active engagement in the development process resulted in a 18-point spread in the frequency of organizations that raised more. Surprisingly, it appears that even inconsistent or ineffective engagement from the organization's CEO may be a contributing factor to the organization's performance.

**Optional Comments:**

- *CEO isn't comfortable; does not use a disciplined approach, nor informs the development office when meeting with donors and key constituents.*
- *One hundred percent of activities geared toward fund-raising*
- *Becoming more so, and he's pretty good.*
- *This is improving.*
- *Federal grant writing*
- *We have a new CEO.*
- *We have a new president coming on board this year, so this is an unknown factor moving forward.*
- *Somewhat, but he doesn't enjoy it. Views it as a necessary evil.*
- *Not yet.*
- *Has only been in the position for less than one year*
- *He is starting to get much more involved and does have a good understanding of major gifts.*

**29. Does the organization have an annual fund-raising (or development) plan?**

Does the organization have an annual fund-raising (or development) plan?	Response	We Raised More (or a lot more)	We Raised about the Same	We Raised Less (or a lot less)
No, we don't have a written plan for annual fund-raising	24.1% (55)	45%	31%	24%
Yes, we have a plan BUT it hasn't been updated or revised for years	7.5% (17)	24%	53%	24%
Yes, the development staff prepares an annual fund-raising plan for INTERNAL USE	34.6% (79)	54%	24%	22%
Yes, we have a development plan that is coordinated across multiple divisions/departments and reviewed with the board (or other supervisors)	30.7% (70)	51%	27%	21%
I wish I knew	0.4% (1)	100%	--	--
Not Applicable	2.6% (6)	17%	50%	33%

There is a correlation between those organizations that have a current and updated development plan and those that raise more money. We might have thought the correlation would be stronger and more pronounced, but more than 50 percent of the organizations with a current plan raised more money.

**Optional Comments:**

- *Board communications reiterate priorities and plans quarterly.*
- *This is our first year with cross-department service line meetings and planning, and it is going well.*
- *Yes, we have a development plan. It is not coordinated across multiple divisions for strategic reasons. It is reviewed by the development committee and board.*
- *Work plan versus development plan*
- *We don't have a plan, but have always done a Year End appeal which generates approximately \$25,000.*
- *Plan is currently being developed.*
- *We are a new organization and are currently in the middle of a capital campaign (year two), which includes operating expenses for the first five years of operation. It is anticipated that because of the slower pace of the capital campaign, we will introduce the annual campaign earlier than planned – possibly this year or next.*
- *We began Service Line meetings last year; all departments related to each program meet once a month. This is really helping communications.*
- *We are in the process of developing the organization's first written development plan.*



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