



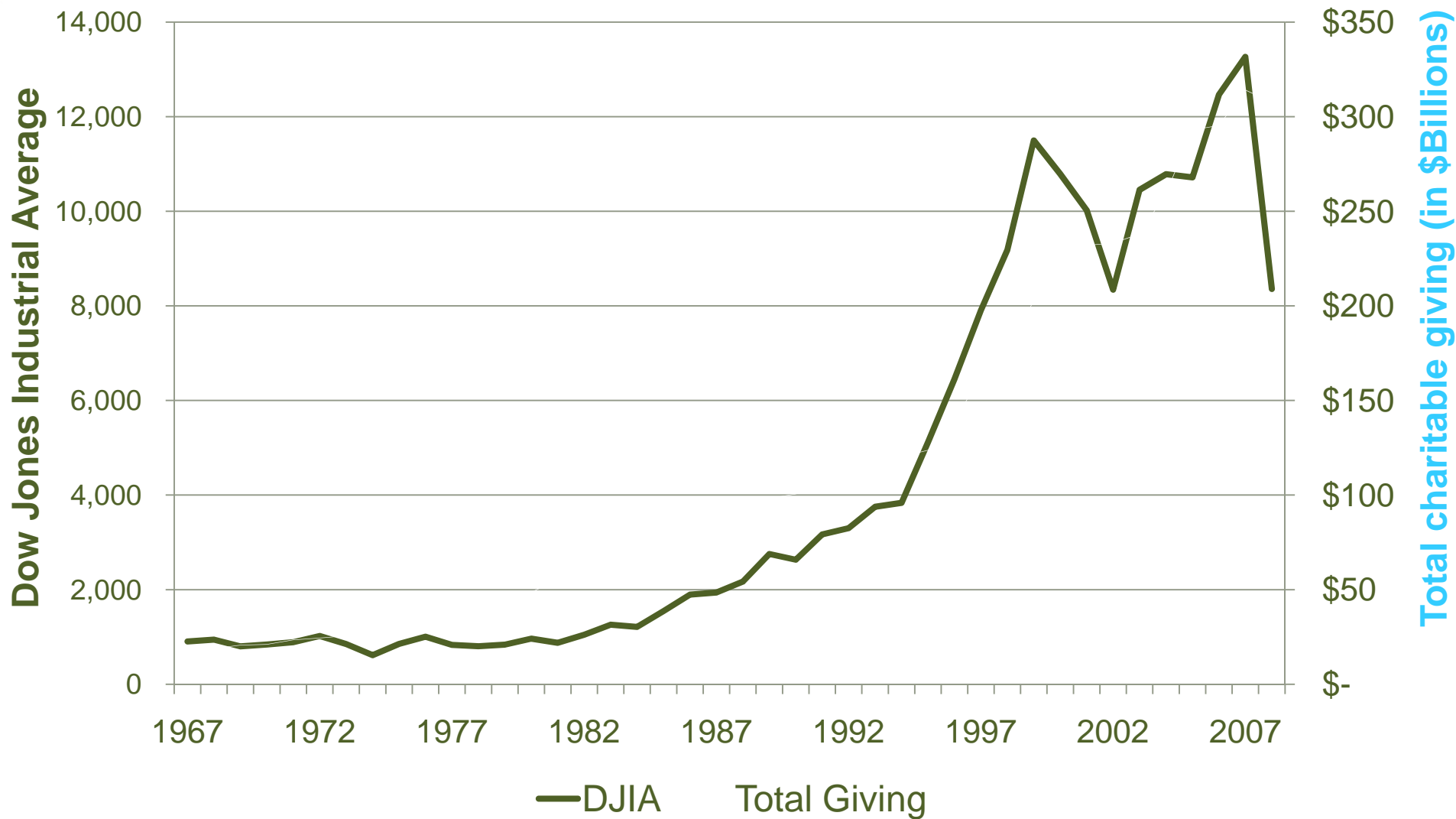
Expecting Abundance in an Age of Scarcity

Laura MacDonald
Benefactor Group
www.benefactorgroup.com

**The Ohio Society of CPAs
Not-for-profit Leadership Symposium**

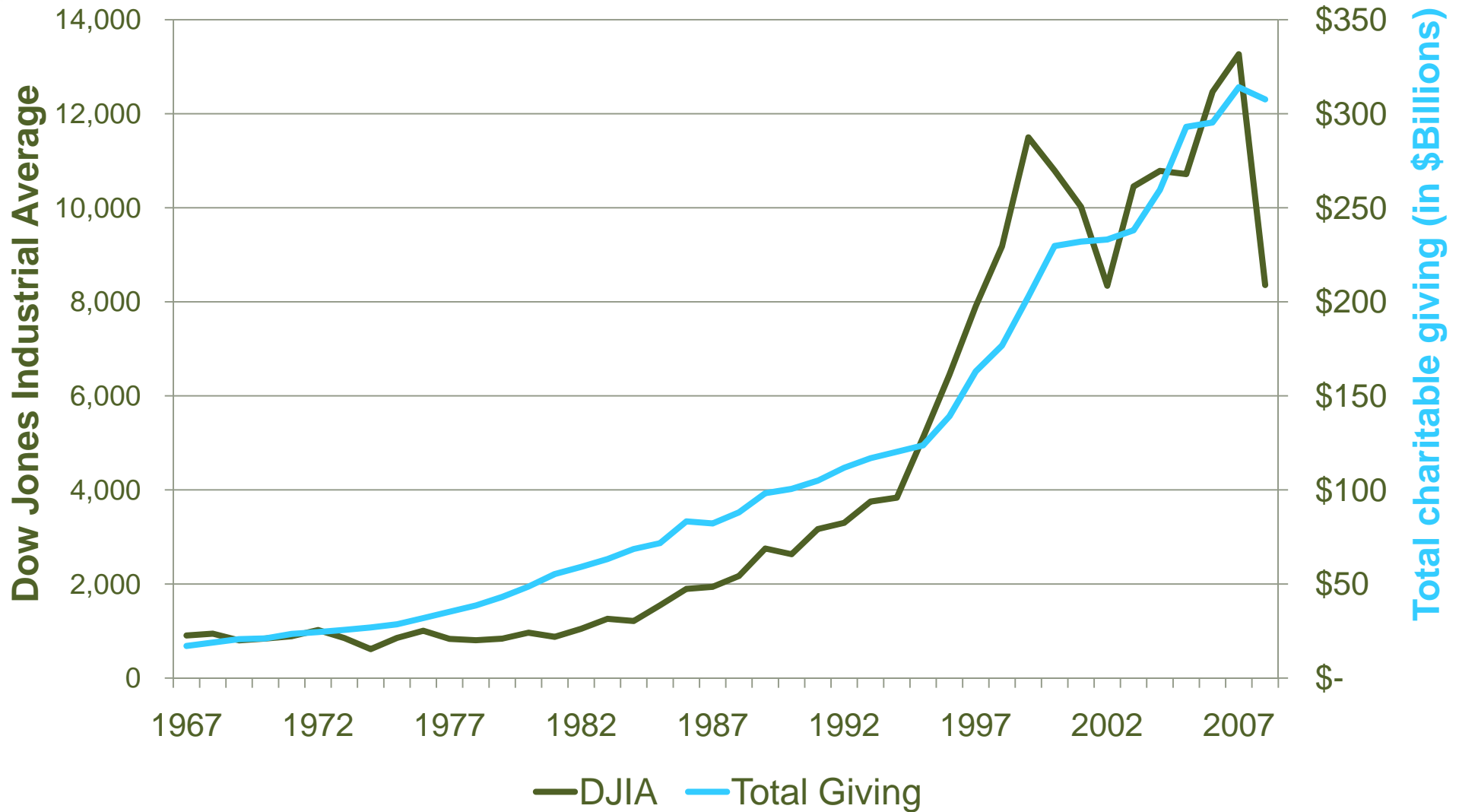
October 20, 2009

Times may be tough...



(in current \$\$, not adjusted for inflation)

*Times may be tough...
but ...charitable giving is resilient*

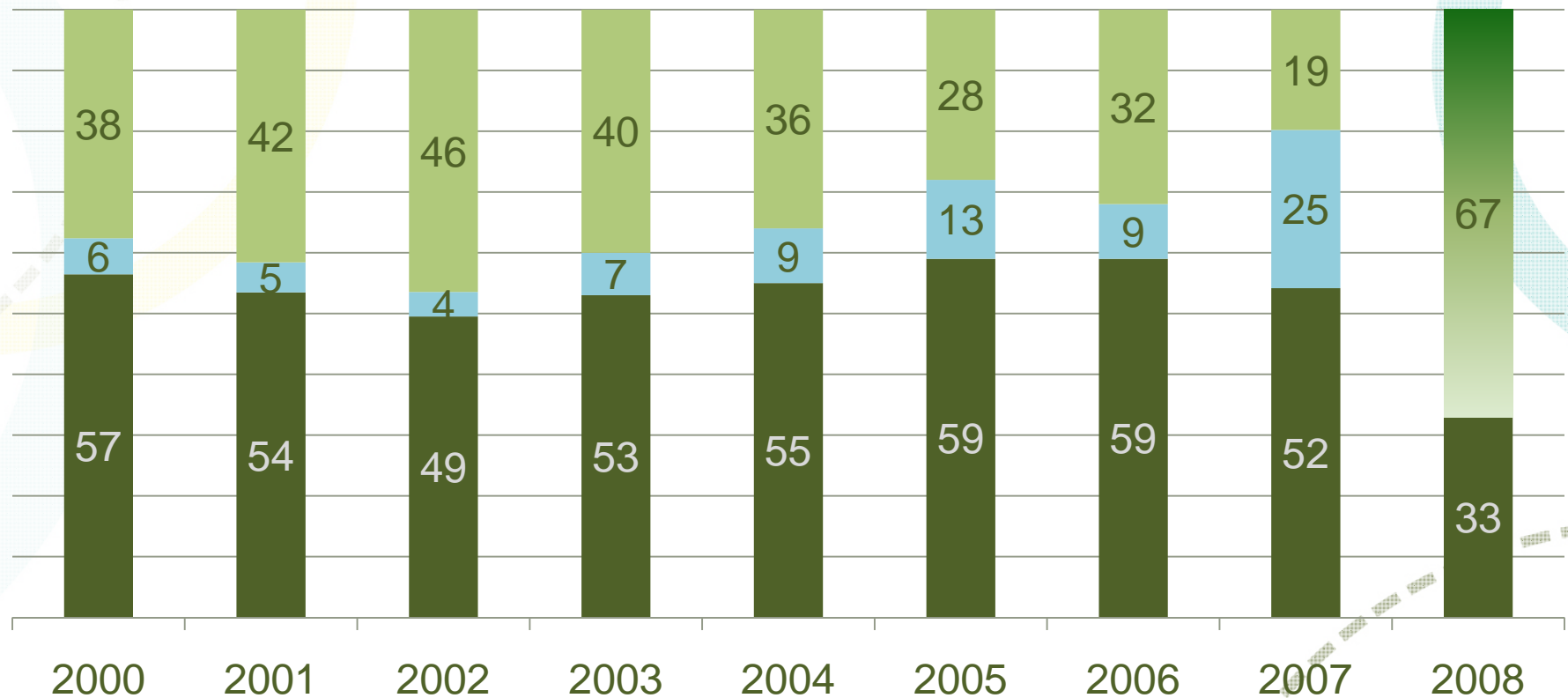


(in current \$\$, not adjusted for inflation)

Every year, some thrive while others wither

Charities reporting changes in giving compared to prior year

■ UP ■ No Change ■ DOWN



What is Fundraising?

A Transaction...

- A donor exchanges something of value (usually money)
- A charity provides tangible and intangible benefits in return

...or a Relationship?

- Donors and nonprofit organizations work together to achieve common goals in service to the greater good.

Shifting Assumptions

Old Assumptions

- Scarcity
- Survive
- Hoard
- Persuade
- Outcome

New Reality

- Abundance
- Thrive
- Share
- Engage
- Impact

Shifting behaviors

Cohort	G.I.	Silents	Boomers	Gen X
Year of birth	Pre-1924	1925-1945	1946-1964	1965-1976
Primary trait	Civic	Adaptive	Idealistic	Reactive
Message style	Rational and constructive with an undertone of optimism	Sensitive and personal with an appeal to technical detail	Meditative and principled, with an undertone of pessimism	Blunt and kinetic
Financial style	Cautious	"Save a little, spend a little"	Refocusing on non-materialistic values	The purpose of money is enrichment, not status

Adapted from "Pinpointing Affluence in the 21st Century: Increasing your share of major donor dollars," Judith Nichols, Ph.D., CFRE.

Shifting Assumptions

Scarcity

- There's not enough
 - Money
 - Time
 - PeopleTo accomplish our goals

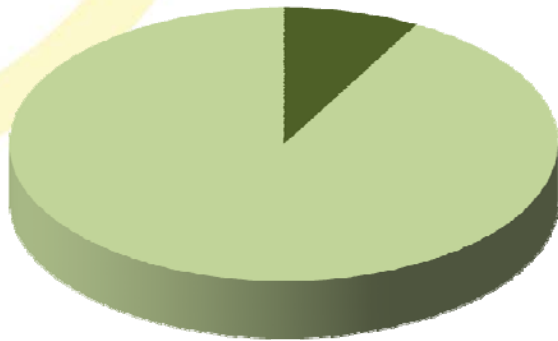
Abundance

- There's more than enough
 - Vision
 - Leadership
 - Desire

Shifting Assumptions

Hoard

There's only so much



■ My slice ■ Everyone else

Share

Working together, we can make the pie bigger



■ My slice ■ Everyone else

Shifting Assumptions

	Persuasion	Engagement
Focus	Your organization's needs	Shared values and aspirations
Desired Outcome	A gift	A relationship
Result	Measuring outcomes	Achieving impact



Shift Tactics

Going from Defense to Offense

Shift Tactics

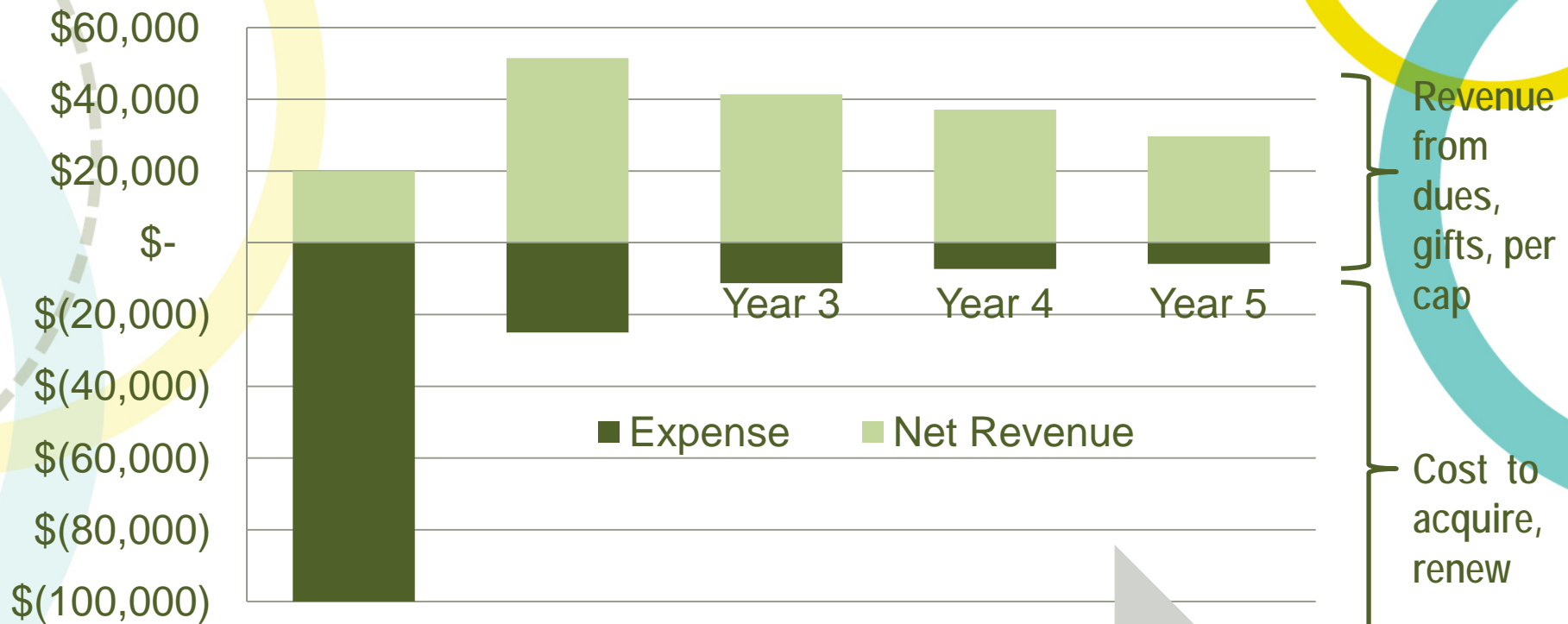
Defense

- Cut costs
 - Cut staff, programs, events, mailings, publications
- Bunker down
 - Reduce contact with stakeholders
 - Eliminate innovation
- Fear competition

Offense

- Invest wisely
 - Measure ROI, not just expense
- Reach out
 - Sustain relationships with donors, stakeholders
- Act responsibly
 - Do *more*
- Embrace collaboration

Acquisition: cost/revenue analysis



Net Revenue	\$20,000	\$51,000	\$41,400	\$37,100	\$29,700
Total expense	\$100,000	\$25,000	\$11,250	\$7,300	\$5,800

Net savings of \$80,000 in year one = 5 year lost net revenue of \$180,000

Shift Tactics

	Scenario	Defense	Offense	Aggressive
A	Long-term recession	Short-term survival	Survival	Disaster
B	Mild recovery in 2010	Stagnation	Poised for the future	Recovering from the blows
C	The market soars. Now.	Squeaking through	Stability	Soaring!

Adapted from "Fundraising in Tough Times," Mal Warwick Associates.
www.malwarwick.com/learning-resources/e-newsletters/december-2008.html#fundraising_in_tough_times

Shift Tactics

1. Strengthen your Case for Support
2. Sustain relationships
3. Invest strategically
4. Leverage resources

Shift Tactics

1. Strengthen your Case for Support
2. Sustain relationships
3. Invest strategically
4. Leverage resources

- Use the language of abundance, not scarcity
 - Focus on the needs of those you serve
 - Don't be apologetic
- Broaden your appeal
- Demonstrate your impact

Shift Tactics

1. Strengthen your Case for Support
2. Sustain relationships
3. Invest strategically
4. Leverage resources

- Stay in touch with donors & customers
 - Even (especially) those who lapse or reduce their gifts
- Increase frequency, personalization
- Focus on those with the highest value

Shift Tactics

1. Strengthen your Case for Support
2. Sustain relationships
3. Invest strategically
4. Leverage resources

- Focus on donor retention (renewal & upgrade)
- Repeat tactics that worked before
- Increase online presence
- Integrate
 - Combine mail, phone, online, social media

Shift Tactics

1. Strengthen your Case for Support
2. Sustain relationships
3. Invest strategically
4. Leverage resources

- Strengthen networks
 - Look for collaborative opportunities
- Utilize reserves, endowments wisely
 - Don't abandon withdrawal policies
 - Seek planned/deferred gifts



*Where will you find
abundance?*

Questions & Discussion

Thank You

Benefactor Group
1488 Grandview Avenue
Columbus, OH 43212
614-437-3000
benefactorgroup.com

