

Why Retention is Worth the Investment

By Aggie Sweeney, CFRE, President and CEO

The study released in January, “**UNDERDEVELOPED: A National Study of Challenges Facing Nonprofit Fundraising,**” has received much attention and is the focus of conversations from conferences to water coolers. A joint project of CompassPoint and the Evelyn and Walter Haas, Jr. Fund, the study reported:

- 50% of development directors plan to leave their current positions within the next 2 years and 40% plan to leave fundraising all together
- Almost 50% of development directors do not feel they influence key decisions around fundraising (their own turf)
- More than 25% of executives self-identify as having little or no competency in fundraising
- 25% of executives fired their last development director

Being a fundraising professional is not easy. Expectations from board members, executives, and colleagues within the nonprofit sector vary widely, and success is often measured by factors the fundraiser has limited control over.

The startling research indicates in this era of increased expectations for philanthropic support to sustain nonprofits, leaders are still learning how to set and manage expectations and reach desired outcomes.

With scarce resources, many nonprofits fail to invest in the systems and staff needed to support the development function, executives lack training and understanding of their roles, board members are slow to get involved, and even experienced development directors are left unsupported and “holding the bag” on their own to achieve fundraising goals. These conditions frequently lead to the premature departure of the development director, which leads to volatility in the development function, which leads to an inability to develop and sustain success conditions, and the vicious cycle continues.

With each disruption, a nonprofit’s fundraising program is set back, stewardship of donors is delayed, cultivation of prospects is put off, and reaching fundraising goals becomes a greater challenge. Hiring a new development director takes time, and it is common for positions to remain vacant for months at a time.

So, what is the answer? The results of the study point to the importance of building a strong culture of philanthropy. While simple in concept, it can be challenging to achieve. A strong philanthropic culture is indicated by:

- Most people in the organization (across positions) act as ambassadors and engage in relationship building
- Everyone promotes philanthropy and can articulate a case for giving
- Fund development is viewed and valued as a mission-aligned program of the organization
- Organizational systems are established to support donors
- The executive is committed and personally involved in fundraising

Investing in strong development directors, their professional development, and the support to make them successful is important for retention and ultimately for sustainable fundraising programs.