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**NATIONAL STUDY SOUNDS ALARM ABOUT NONPROFIT FUNDRAISING**

San Francisco CA – A new national study reveals that many nonprofit organizations are stuck in a vicious cycle that threatens their ability to raise the resources they need to succeed. A joint project of CompassPoint and the Evelyn and Walter Haas, Jr. Fund, this first-ever study found high levels of turnover and lengthy vacancies in development director positions throughout the sector, as well as deeper organizational issues, including the absence of basic fundraising systems and a lack of shared responsibility for fund development among key board and staff leaders at many organizations.

“Nonprofits across the country undertake heroic work to protect and advance fundamental rights and opportunities for all people,” said Linda Wood, Senior Director of Leadership and Grantmaking with the Haas, Jr. Fund. “And in this era of shrinking government, they are being asked to pick up a greater share of responsibility for meeting basic human needs. This country needs a nonprofit sector that is vibrant and robust. Yet too many nonprofits struggle year in and year out to raise funds, and we wanted to dig deeper to understand the nature of the challenges.”

“This study shows that the fundraising problems facing nonprofit organizations are more extensive and more entrenched than anyone imagined,” said Jeanne Bell, CEO of CompassPoint and coauthor of the study. “As a sector, we need to elevate the importance of fund development as a leadership issue, invest in a stronger talent pool, and strengthen the ability of nonprofits to develop the systems that enable fundraising success.”

With guidance and input from a national advisory group of fund development experts, CompassPoint surveyed more than 2,700 executive directors and development directors across the country. The research effort also included 11 focus groups with executive directors, development directors and nonprofit board members.

The participants’ organizations were notably diverse, but all had in common a senior-level development staff position, even if that position was vacant at the time of the study.

**Key Findings**

The report, *UnderDeveloped: A National Study of Challenges Facing Nonprofit Fundraising*, describes three main challenges:

**REVOLVING DOOR.** Organizations often pin their hopes and dreams for fundraising on one person – the development director. Yet the study found high turnover and long vacancies in this position.

* Executive directors at organizations where the development director position was vacant said the posts had been open for an average of 6 months. Almost half reported even longer vacancies.
* Half the development directors surveyed said they expect to leave their current jobs in two years or less.
* Forty percent of development directors aren’t committed to careers in development.

**HELP WANTED.** Organizations aren’t finding enough qualified candidates for development director jobs. Executives also report performance problems and a lack of basic fundraising skills among key development staff.

* More than half of the executives surveyed said their most recent development director search did not produce enough candidates with the right mix of skills and experience.
* One in four reported that their previous development director was fired.
* One in four executive directors said their development directors have no experience or are novice at current and prospective donor research and at securing gifts.

**IT’S ABOUT MORE THAN ONE PERSON.** Beyond creating a development director position and hiring someone who is qualified for the job, organizations and their leaders need to build the capacity, the systems, and the culture to support fundraising success. The findings indicate that many nonprofits aren’t doing this.

* Almost one in four nonprofits have no fundraising plan in place. One in five have no fundraising database.
* Three out of four executive directors say that board members are not doing enough to support fundraising.
* Over one in four executives identified themselves as having no competency or being a novice at fundraising.
* A majority of development directors reported only little or moderate influence on key activities such as getting other staff involved in fundraising or developing organizational budgets.

**Breaking the Cycle: Calls to Action**

*UnderDeveloped* concludes by offering a set of calls to action, key steps that nonprofits and their supporters can take.

Authors Jeanne Bell and Marla Cornelius suggest that nonprofits, their funders and capacity-building organizations in the sector must adopt “a profoundly different stance towards fundraising.” Linda Wood, Senior Director of Leadership and Grantmaking with the Haas, Jr. Fund, said she hopes the study becomes the spark for a national conversation about what can be done.

As a first step, CompassPoint will convene leaders across the country in a webinar series this spring to discuss the calls to action, and generate new ideas for helping nonprofits overcome these challenges.

For more information about the webinar and to add your name to the mailing list, send an email to Marla Cornelius: [marlac@compasspoint.org](mailto:marlac@compasspoint.org).

The full report is available at [www.compasspoint.org/underdeveloped](http://www.compasspoint.org/underdeveloped)

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**About CompassPoint**

The mission of CompassPoint is to intensify the impact of fellow nonprofit leaders, organizations, and networks as we achieve social equity together. We are a diverse yet deeply integrated staff practice of 20 individuals working in cross-discipline teams to design and deliver management, leadership, and strategy programming to leaders at all stages of the pipeline and organizations focused broadly on social equity. We intentionally blend learning methodologies depending on program needs— mixing teaching, coaching, peer-learning, and consulting to achieve the desired outcomes with an individual, a cohort, an organization, or a network. Our program work is informed by our research and publications. We design studies to better understand and shape the sector’s understanding of the most important issues facing nonprofits today. Our reports are written to be practical, useful, timely, and accessible. To learn more about CompassPoint’s work and to download this report, visit our website at [www.compasspoint.org](http://www.compasspoint.org).

**About the Evelyn and Walter Haas, Jr. Fund**

The Evelyn and Walter Haas, Jr. Fund is a private family foundation established by Evelyn D. Haas and Walter A. Haas, Jr. that has [awarded more than $433 million](https://west.exch021.serverdata.net/owa/redir.aspx?C=LybGlfdefUeSGKxu-aaMOepbWxN6rM8I-NU8JNQ6j1WPMdPklOzjMpuyijKGzCO_iSK7L0BOm54.&URL=http%3a%2f%2fwww.haasjr.org%2findex.php%2fvisitor%2fgrants_awarded) in grants since its founding in 1953. The Fund is located in San Francisco, California. The Fund strives to contribute in meaningful and effective ways at the local, state and national levels to create a just and caring society where every person deserves the chance to live, work and raise their families with dignity. The Haas, Jr. Fund’s focus is in five areas: We’re working to promote equal opportunities for [immigrants](https://west.exch021.serverdata.net/owa/redir.aspx?C=LybGlfdefUeSGKxu-aaMOepbWxN6rM8I-NU8JNQ6j1WPMdPklOzjMpuyijKGzCO_iSK7L0BOm54.&URL=http%3a%2f%2fwww.haasjr.org%2fprograms-and-initiatives%2fimmigrants) to become fully engaged citizens. We’re fighting for equal marriage rights and other protections for [gays and lesbians](https://west.exch021.serverdata.net/owa/redir.aspx?C=LybGlfdefUeSGKxu-aaMOepbWxN6rM8I-NU8JNQ6j1WPMdPklOzjMpuyijKGzCO_iSK7L0BOm54.&URL=http%3a%2f%2fwww.haasjr.org%2fprograms-and-initiatives%2fgays-and-lesbians). We’re developing new partnerships to close achievement gaps so that children and young adults get the [education](https://west.exch021.serverdata.net/owa/redir.aspx?C=LybGlfdefUeSGKxu-aaMOepbWxN6rM8I-NU8JNQ6j1WPMdPklOzjMpuyijKGzCO_iSK7L0BOm54.&URL=http%3a%2f%2fwww.haasjr.org%2fprograms-and-initiatives%2fclosing-achievement-gap) they need to reach their full potential. We’re helping [nonprofit leaders](https://west.exch021.serverdata.net/owa/redir.aspx?C=LybGlfdefUeSGKxu-aaMOepbWxN6rM8I-NU8JNQ6j1WPMdPklOzjMpuyijKGzCO_iSK7L0BOm54.&URL=http%3a%2f%2fwww.haasjr.org%2fprograms-and-initiatives%2fhelping-nonprofit-leaders-and-their-organizations-succeed) gain the skills, knowledge and understanding that will allow them to take their organizations to new heights of excellence and service. We’re supporting [community partnerships and initiatives](https://west.exch021.serverdata.net/owa/redir.aspx?C=LybGlfdefUeSGKxu-aaMOepbWxN6rM8I-NU8JNQ6j1WPMdPklOzjMpuyijKGzCO_iSK7L0BOm54.&URL=http%3a%2f%2fwww.haasjr.org%2fprograms-and-initiatives%2fcommunity) that create opportunities for people from all backgrounds to enjoy the diverse civic and cultural assets of the Bay Area. To learn more about the Haas, Jr. Fund, visit our website at [www.haasjr.org](https://west.exch021.serverdata.net/owa/redir.aspx?C=LybGlfdefUeSGKxu-aaMOepbWxN6rM8I-NU8JNQ6j1WPMdPklOzjMpuyijKGzCO_iSK7L0BOm54.&URL=http%3a%2f%2fwww.haasjr.org).