

Nonprofit Organizations

Are potential donors hiding in places you haven't looked?

The economy is tight and affecting many aspects of life. Nonprofits are no exception.

Organizations of all types are under increasing pressure to not only to increase the level of donations but also to find new sources of income.



How can your organization tackle this challenge? It may be time to review the diversification of your donor lists.

First, you'll need to do an in-depth examination of current sources of revenue.

Look not only at where contributions come from, but also review whether those sources have increased, decreased or stayed flat. If they've decreased or stayed flat, ask why and develop strategies to correct it.

Next, look at the broad picture of diversity in this country. Then narrow that view down to your community.

There is no question that, in the past 20 years, there has been a great increase in minority populations. Have you looked at the other cultures within your community? Are you providing services to these groups? If so, what have you done to include them in your donor base? The face of your community may gradually be changing, and you must be sensitive to those changes and the opportunities they represent as they take place.

Another consideration is the role of women. A New York research firm reported that women hold 16.4 percent of the executive positions in Fortune 500 companies, and 12 of these companies now have a woman at the helm. There's no doubt; women have outgrown "traditional" roles and now represent a significant and important part of any donor base.

Most communities would be willing participants in your fund-raising efforts, but you must provide the opportunity for them to get involved. To accomplish this goal with a targeted group, work through the leaders of that group. They will make the entré quicker and smoother than if you go it alone.

As you strive to broaden your base of contributors, remember that diversity is key. Diversity impacts the entire fund-raising process by virtue of simple logic: The more diverse the group raising money, the more diverse the donor base will be. And the more diverse the donor base, the more people there will be to help you in your fund-raising efforts.

Why is diversity so important? Other than funds received from local, state and federal governmental sources, three other sources are foundations, corporations and individuals. Of those sources, individual contributors give the most – 85 to 90 percent. So, you can see how important diversity is.