



## A Bold Look at Fundraising

*This first-of-its-kind look at fundraising may change the way you work.*

BY TERRENCE FERNSLER

### ***Effective Fund-Raising Management***

*By Kathleen S. Kelly. 663 pages. Softcover. Mahwah, NJ: Lawrence Erlbaum Publishers, 201-236-9500.*

**T**his is probably the first book intended as a fundraising textbook. Other publications touch on fundraising theory, but not as comprehensively.

A textbook on fundraising theory is certainly welcome. Too many practitioners simply *do* without considering *why*. Kathleen Kelly details the reasons behind the work we do. She explains that our organizations' health depends on maintaining the relationship between donors and their goals. Until nonprofits accept this theory, fundraising education will be little more than apprenticeship. When we take our practice seriously, we'll strive to improve our profession. Kelly emphasizes this by stating the importance of our role: Fundraising is necessary to philanthropy, which is essential in our democracy.

Much of Kelly's research is based on surveys of NSFRE, AHP, and CASE members. As a result, smaller organizations are underrepresented. This affects her salary figures, as smaller organizations generally pay fundraisers less. It also affects discussions about special-

ization, as most smaller organizations have only one fundraiser.

*Effective Fund-Raising Management* is a long book, and it will take time from fundraisers' busy schedules to read and contemplate. And yes, Kelly may dwell on some secondary subjects too long, but her book is an excellent first step to begin a dialogue about why we do things and how best to practice fundraising. Reflection about our profession will make us better at it and more responsive to the community. Studying what we do is the next important step in the development of fundraising as a profession.

Recent scandals have triggered a greater awareness of fundraising practices and demand for the model of fundraising Kelly advocates. *Effective Fund-Raising Management* will deepen fundraisers' awareness of that shift.

This book is for the bold. It's for fundraisers who want to understand the reasons for what they do rather than just act to look busy. It's for those who aren't afraid to question prevailing practice—those who are willing to think about cost effectiveness, the relationship between methods and resources, long-range goals, and what will most benefit their organization, community, and society. ■

*Too many practitioners  
simply do  
without considering why.*

*Terrence Fernsler is resource developer at the South Puget Sound affiliate of Habitat for Humanity in Olympia, Washington, and president of the Development Training Institute, P.O. Box 15, 311 W. Martin, Elma, Washington 98541.*



### ▣ *Giving Soars, Reaching \$190.16 Billion*

Charitable giving rose to \$190.16 billion last year, up from \$174.36 billion the year before—a 9.1% gain and the second largest increase of the decade. Total giving represented 2.1% of gross domestic product. The last time giving was at 2.1% of GDP was in 1971.

Giving as a percentage of personal income has also been growing steadily and is now at 1.8%, up from 1.5% in 1995. Gifts from individuals caused the vast majority of the increase in overall giving, rising an estimated \$11.63 billion (\$9.64 billion from living individuals and \$1.99 billion from bequests). For more information, see “Giving USA 2000,” available from <http://www.aafc.org>, 888-5-GIVING. ▣

### ▣ *Top 10 Nonprofit Cities*

The top 10 cities for starting and developing a nonprofit are: Austin, Chicago, Indianapolis, Los Angeles, Minneapolis, New York, Orlando, Phoenix, Seattle, and Washington, D.C. To create this list, the Nonprofit Management Institute at Arizona State University weighed such factors as government regulations and availability of technology training. For more information, see <http://www.asu.edu/xed/npmi/>. ▣

### ▣ *Most Nonprofits Underpay Middle Managers*

A new survey reports that middle managers, which typically comprise 50-80% of staff, are underpaid at three out of four nonprofits. Yet these salaries are usually only a few thousand dollars less than what more competitive nonprofits pay their middle managers. By not paying just a few thousand dollars a year more, the study concludes, these nonprofits are much more ineffective, experiencing frequent staff turnover and attracting less qualified staff. For more information, contact Burt Slatas at Professionals for Nonprofits, 515 Madison Avenue, New York, New York 10022, 212-546-9091, [bslatas@pnp-inc.com](mailto:bslatas@pnp-inc.com). ▣

### ▣ *Corporate Giving Down Because of Mergers*

Even though corporations of all sizes and types are reporting profits not seen since the mid-1980s' stock boom, these same companies are giving less to nonprofit causes. The Conference Board (<http://www.conference-board.org>) reports that corporate giving has declined to .8% of pre-tax corporate income from a 1991 peak of more than 1%. The reason, according to the Conference Board, is that executives don't want to make any financial commitments from the time their company begins merger or acquisition plans through the time it takes to complete the process. ▣

### ▣ *What Do the X-Files and Barry Manilow Have in Common?*

A growing number of fan-based online groups are using the Internet to make a difference, from creating online charity auctions to organizing volunteers for on-site philanthropic activities.

Many of these online groups aren't directed by any formal organization to engage in philanthropy; the fans often decide to engage in these activities on their own. The Virtual Volunteering Web site includes examples of such groups. The information is available at <http://www.serviceleader.org/vv/culture/>. Also see “Fundraising on the Internet: Three Easy Strategies for Nonprofits” in *Nonprofit World*, July-August 1999. ▣