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Spurring Giving: Lessons from Nine Years of Research to Raise More Money for LGBT Groups

AUGUST 19, 2020 — In this challenging time, when every nonprofit has to worry about fundraising, insights into how organizations can raise more money can help not only nonprofits themselves but also funders looking to find new ways to support grantees. A nine-year project to increase giving by LGBTQ people to LGBTQ nonprofits, which just announced its final report, yields some valuable - and surprising - findings, underscores the pervasive capacity and staff turnover challenges facing most non-profits, and candidly admits missteps made along the way by those in charge of the effort.

“Worrying about payroll and fundraising is what keeps executive directors up at night, not their organization’s programmatic goals,” said Richard Burns, a long-time executive director who served as the project’s lead consultant. “Just like in most communities, many LGBTQ people don’t give to LGBTQ nonprofits. Moving that needle just a little would generate millions in desperately needed revenue. That’s what we set out to do.”

Bolstered by an enthusiastic response from large and small LGBTQ groups, the four-phase project spanned from 2012 to 2020, and started with deep qualitative and quantitative donor research. In an unprecedented move, over 50 LGBT organizations turned over their donor lists, yielding a universe of nearly 450,000 to study. In addition, more than 8,000 donors took the time to complete a 45-minute survey probing their motivations, attitudes towards LGBT organizations, and responses to different message frames. A second study looked at attitudes of non-donors. This massive amount of data was subsequently analyzed to produce six reports on specific subsets of the LGBT community, including women, transgender people, people living in rural areas, and people of color.

“We thought that deep psychographic research among current and prospective LGBT donors would deliver the same breakthrough our movement achieved through similar means in the marriage equality movement,” said Matt Foreman of the Haas, Jr. Fund, which helped fund the project. “It turned out we were wrong.”

The project uncovered particularly effective frames for reaching different subsets of the LGBTQ community, but found that this information was of marginal value to small and medium sized LGBT organizations, which faced basic fundraising capacity challenges. In fact, the project could not identify any “magic bullet” messaging with dramatic potential to motivate more LGBTQ people to donate.

While the donor research was going on, project consultants rigorously tested how organizations were handling first-time gifts by making donations ranging from \$25 to \$500. The results were eye-opening, with some failing to even acknowledge the gift.

“Capacity issues surfaced early on, but we decided to continue focusing on the research, another misstep in hindsight,” Foreman said. “Even though it made sense at the time to follow through on the research, we failed to recognize the implications of this red flag for how useful even great research results could be.”

In its second phase, the project sought to help organizations use the messaging research to increase their donor bases. This involved retaining consultants to help two groups of organizations with different missions—LGBT community centers and statewide LGBT advocacy organizations.

This phase dispelled the myth that making significant gains in raising more money requires significantly more staff and costly expert advice. The project’s relatively limited assistance to nine organizations over an 18-month period, for example, resulted in a 33 percent increase in dollars raised over the preceding 18 months. (The median increase in revenue was 17 percent and the average was 37 percent.) The project concluded that hands-on, organization-specific assistance from fundraising experts was critical because it forced over-extended executive directors and senior staff to set aside time to truly focus on fundraising, including improving specific development capacities.

“We found that \$25,000 to \$35,000 per year in expert advice produced exceptional results—the key was the quality of the consultant and the willingness of a group’s leadership to focus,” said Roger Doughty, president of the Horizons Foundation and a member of the project steering committee. “The most outstanding fundraising toolkits in the world won’t yield sustained results without this consistent staff focus.”

Jeff Graham, executive director of the Equality Foundation of Georgia, which received support through the giving project, agreed: “In the middle of constant anti-LGBT legislative attacks, it felt impossible to carve out time to focus on fundraising planning—but this project helped me do just that.”

Doughty said the project was also fortunate to have retained the right experts to advise the groups. “There are a lot of people out there in the fundraising consultant world who charge a lot but don’t deliver. Our consultants—Sarah Anderson of Campbell & Company and Beth Strachan of the Metropolitan Group—continuously adjusted their approach to the needs of individual groups, including dealing with significant staff turnover.”

The organizations that were part of this 20-month second phase of the project’s work were not immune to the plague of turnover affecting nonprofit fundraising staff generally. A 2013 [survey](#) of more than 2,700 executive and development directors found that half of development directors (50 percent) anticipated

leaving their current jobs in two years or less and that it took six months or more to fill a vacancy. During this project phase, 10 of the 25 key participants (40 percent) left their posts, creating hard-to-fill vacancies.

“We think the key challenge facing so many nonprofits is not embracing a ‘culture of philanthropy’ in which fundraising is a shared value for all board and staff,” said Linda Wood, a steering committee member from the Haas, Jr. Fund and co-author of the 2013 study. “This contributes to high rates of fundraising staff turnover, a lack of investment in professional development for fundraising staff, difficulties in engaging boards in fundraising, and inadequate data management systems.”

The project’s leaders also recognize now that using a cohort model had both value and limitations. The participating groups said they found considerable value in the three convenings the project held. But the initial cohort structure also turned out to be flawed. At first, each cohort had one lead group that received significant funding for consulting assistance and internal improvements, while the others were to learn largely through the experiences of the funded groups. That arrangement “just didn’t work for most of the organizations,” noted Graham, because we each felt we had fairly unique challenges. The model was then changed so that each participating organization received individual help from the consultants.

After the election of Donald Trump, many well known progressive groups saw huge increases in donations. In 2017, the project started its third phase, looking to see if specific messaging could deliver a bump in income to LGBTQ organizations. The research found that the Trump presidency had not changed priorities for donors but was motivating them to give more. Once again, however, while promising approaches to messaging emerged, none proved a blockbuster when tested.

Findings from the project were shared with LGBT groups and were continuously shared with the field. In the project’s fourth and final phase from 2017 to earlier this year, a wide range of workshops or institutes were conducted, including for organizations serving LGBT people of color, LGBT community centers, and LGBT organizational development directors.

“We didn’t find the holy grail, but I’m very proud of what this project produced, including an extensive body of research, a comprehensive library of LGBT-specific fundraising resources, and framework for future foundation investments in fundraising capacity,” Foreman said. “In an age where funder attention spans can be so limited, we are also extremely grateful to the member of the steering committee who stuck with this for nine years.”

The full LGBT Giving Project report can be downloaded [here](#).