Rural Nonprofits: Staying ahead of the curve

2015 RURAL POLICY FORUM
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CEO, Alliance of Arizona Nonprofits
The Rising Tide of Corporate and Individual Expectations
Charities face a rising tide of expectations from corporate and employee donors.

Digital culture and a networked world are transforming the way charitable organizations operate.

Engagement is the new standard.

Developing and maintaining corporate partnerships is challenging for nonprofit organizations.
Nonprofits respond to demands for greater accountability

Nonprofit respondents who believe their corporate partners and individual donors expect greater accountability regarding impact and results measurement

Survey respondents who revealed that the digital culture is driving the demand to demonstrate impact

Survey respondents who believe that operating in a digital culture requires them to be more transparent with donors and stakeholders

Source: America’s Charities, 2014
Communication Strategy Changes

92% Use social media to communicate with key constituencies

89% Increase delivery of stories and narratives with emphasis on results and outcomes

66% Feature more data and statistics in their annual reports

Source: America’s Charities, 2014
Impact & Outcomes

Focus on your mission, programs and services

Important Factors to Communicate Impact and Outcomes

- Mission, programs and services: 80%
- Transparency in all aspects of their work: 70%
- Strong leadership: 69%
- Number of people served: 68%
- Good governance: 68%
- Low administrative costs: 54%

Source: America's Charities, 2014
Important Factors to Show Transparency

- **67%** Reporting on stewardship of mission, programs, and services
- **53%** Delivering financial and other key information on your website
- **52%** Posting tax returns and other financial information for easy review
- **48%** Detailing staff and volunteer activities designed to achieve the mission
- **21%** Disclosing salary information

*Source: America’s Charities, 2014*
Governance and High Standards

- Publicly accessible bylaws
- Board review and approval of IRS 990
- Formal rules to guide organization
- Independent Audit Committee
- Conflict of Interest Policies
- Written code of ethics
- Transparency of Board Meetings
- Accountability and transparency
Growth of Charity Validators
Key Insights

• Look beyond single performance indicators
• Debunk the overhead myth
• Leverage charity validators
• Don’t just communicate, demonstrate
• Tap into corporate pro-bono
Nonprofits and Companies Live in Parallel Universes
Technology’s Impact is Accelerating

Technology is Changing, and Changing Faster

90% Report that their use of technology has changed in last 36 months

80% Expect technology to change in next 18 months.

Source: America’s Charities, 2014
Social Media’s Influence is Growing
# The Parallel Universe

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<tr>
<th>What Companies Say</th>
<th>What Nonprofits Say</th>
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<tbody>
<tr>
<td><strong>85%</strong> Use technology to provide information to employees</td>
<td><strong>85%</strong> Digital culture allows them to reach a broader group of volunteers and donors</td>
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<td><strong>50%</strong> Use technology to connect employees with reputable nonprofit organizations</td>
<td><strong>94%</strong> Indicate they make information more readily available using digital media</td>
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<td><strong>50%</strong> Use social media internally as part of workplace giving program</td>
<td><strong>94%</strong> Of young professionals expect the nonprofit to use social media to interact and engage with them</td>
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*Source: America’s Charities, 2014*
Key Insights

• Resources required
• Limited direct access requires creativity
• Work together with corporate partners to leverage social networks
• Technology is a tool, not an answer
Engagement is the New Standard
Engagement is the New Standard

• Nonprofits value the **new model of engagement**
• Companies increasingly look to nonprofit organizations to **engage with their employees**
• Nonprofits place a high value on **corporate giving and grants**
• Corporate **matching gift programs** are increasingly important
• Workplace giving and employee engagement strategies are growth areas
Nonprofits value the new model

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<th>Companies</th>
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<tr>
<td><strong>Year-Round Giving</strong></td>
<td>50%</td>
<td>77%</td>
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<td>Companies are moving to year-round engagement; nonprofits also value this option</td>
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<td><strong>Volunteer Opportunities</strong></td>
<td>68%</td>
<td>50%</td>
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<tr>
<td><strong>Payroll Contributions</strong></td>
<td>80%</td>
<td>66%</td>
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<tr>
<td><strong>Matching Gifts</strong></td>
<td>70%</td>
<td>80%</td>
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Source: America's Charities, 2014
Growth Areas

Workplace giving and employee engagement strategies

How Nonprofits View Workplace Giving

49% Identify workplace giving as a growth strategy

50% Have an active workplace giving component

60% Say workplace revenue is remaining steady or increasing

Source: America’s Charities, 2014
Key Insights

• Payroll contributions a serious contender
• Stand out from the crowd
• Demonstrate transparency, accountability and impact
• Leverage matching gifts and grants
• Foster internal champions
Greatest Challenges in Building and Sustaining Corporate-Nonprofit Relationships
Overcoming the Big Three

**Challenges**

- Operating with limited staff and volunteers to focus on corporate opportunities
- Sustaining relationships as companies become more strategic
- Communicating impact effectively to corporate, institutional and individual donors

**Opportunities**

- Engaging a wider audience of fans, volunteers and champions
- Deepening relationships with individuals and inside the organization
- Look beyond the single performance indicator and remember to tell your story
Arizona Gives Day

Create public awareness and financial support

- Hundreds of nonprofits united across Arizona for a single day of online giving

- 2015 Stats:
  - Total raised: $2.05 million
    - 48% increase from 2014
  - Total donors: 17,260
  - Total nonprofits: 573
  - Average raised per nonprofit: $3,160
    - 158% increase from 2014
  - Average donation size: $86

- Normally held the first Tuesday in April
New donors and dollars

- Nonprofits are bringing in new donors and dollars through Arizona Gives Day.
- 78% of donors stated Arizona Gives Day prompted them to give a gift they wouldn’t have otherwise given.
- 36% of donors gave to nonprofit for the first time on Arizona Gives Day.
- Provides a unique opportunity for corporate matching gifts.

Visit azgives.org for more information.
Questions