

Ken Burnett's slides from his plenary presentation delivered on 27<sup>th</sup> February 2020. Please note the images and text in these slides are copyright and not intended for anything other than your personal private use.

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**BEFORE THERE WAS CHANGE, THERE WAS YOU.**



IT STARTS WITH YOU

Vision, Collaboration, Transformation, FIA 2020

FIA CONFERENCE

I get to predict the future every five years or so. But...

**THE FUTURE OF FUNDRAISING.**

**Predicting the future isn't what it used to be.**

IT STARTS WITH YOU

Vision, Collaboration, Transformation, FIA 2020

**'If you want to look like a total Wally all you need to do is predict what the future has in store.'**

*London Evening Standard, 2<sup>nd</sup> January 2020*

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'In fundraising, one thing we learn from studying our past is that we are incapable of learning from it'

**'The future of fundraising? It's déjà vu, all over again.'**

(With thanks to Georg Friedrich Hegel and Yogi Berra)

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**CHANGING THE FUTURE OF FUNDRAISING.**

KEN BURNETT

Plenary Session

IT STARTS WITH YOU

Vision, Collaboration, Transformation, FIA 2020

**RELATIONSHIP FUNDRAISING**

1992

**'A recent report from the Institute of Fundraising and PwC has demonstrated that despite the economic uncertainties, improving the experience of current supporters and growing relationships with them is the number one current area of focus for charities.'**

*IoF's conference on the supporter experience, September 2019*

**Well, blow me down!**

**Who'd have thought!**

**pwc**



**Maybe we can change the future.**

**You could say it took long enough... ...but better late than never.**

**Now, consider this...**

Lisa Sargent @lissargent2

Sitting by a fire on an icy December day and thinking about 2020, #fundraising friends... I say we make this "The Decade of the Donor."

The nonprofit sector, and the world, might look a whole lot better ten years from now if we do.




HEALTHY LIVING | 03/05/2019 10:17 AM EDT

### 7 Science-Backed Reasons Why Generosity Is Good For Your Health

By Amanda L. Chen



- It will reduce stress.
- You'll be happier. It'll lead to more success.
- You'll live longer. Your marriage will be stronger.
- You'll be mentally more healthy.
- You'll want to do more of it, so will keep getting healthier.

**HUFFPOST**

Again, who'd have thought?  
 Could we be missing a trick or two here?  
 Seems giving is **very good** for you.  
**It's particularly good for people with disposable income, who want to make a difference.**  
**It's also very good for our organisations.**  
**So, it's really, really good for this troubled world.**

*Who knew?*

**Let's remind ourselves, what's so great about fundraising:**

- When you give thousands of people a great cause – something they can believe in, that's tangible and engaging, that they are sure is really worth supporting...
- ...plus, if from the start you also give them a consistently great supporter experience, so they'll want to stay with you...
- ...so then, in return, they will give your charity a robust, dependable and secure financial future, so you can deliver great work, consistently.

**That's what's so great about fundraising.**

**Truly heartwarming, inspirational, great stuff!**  
 Surely, one of the world's best stories.

**Why, then, we have to wonder...**  
 ...is what we do not more popular with our publics?

CIVIL SOCIETY

### Top 100 charities see longest fall in voluntary income for 20 years

By Peter Hain



The top 100 charities have recorded their most sustained fall in voluntary income for more than 20 years, according to figures published today.

Latest data from the Department for Work and Pensions (DWP) shows a 5.8% drop in voluntary income for the top 100 charities in 2018, a 7.3% drop in 2017 and a 10.1% drop in 2016.

The index tracks income obtained by voluntary income, including donations, grants, legacies, and other income.

**We're losing donors and dollars...**

**DonorTRENDS**

Fundraising Performance Q2 2019

1,896,948 DONORS

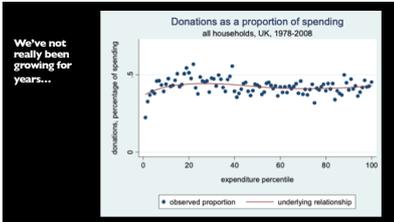
**-5.8%** Donors

**-7.3%** Revenue

The Fundraising Effective Project (FEP) released the **Q2 2019 DonorTrends Report** and the results are concerning.

Donors and Dollars are down. New donor acquisition rates are alarming. Check out [DonorTrends for the quarter ending](#) to see how yours are faring in the summary.

- Donors down -5.8%
- Revenue down -7.3%
- Existing Donor retention down -4.7%
- New donor acquisition down -8.1%
- Donors giving more than \$1,000 down -8.2%
- £1,000+ gives a value representing trends and download data



**Britain among most generous nations in the world as study finds 60% of us have helped stranger in past month**



However despite the scale of generosity, the report also identifies a recent downward trend in donations in key countries with long histories of philanthropy and household charitable giving.

Daily Telegraph May 2019

This trend is worrying

**Retention... ..also isn't going well.**

**Trust and confidence is in decline too.**

**The Agitator** Donor VOICE

Fundraisers Abandon Ship

November 30, 2019 - Nigel Clark

This post first appeared on August 16, 2019.

Not only is the nonprofit sector facing a heavy job hitting on its donors, we're apparently equally awful when it comes to retaining nonprofit fundraisers.

In a recent survey conducted by The Harris Poll for The Chronicle of Philanthropy and AFP, using a self-selected sample of American and Canadian fundraisers, a whopping 33% of the respondents say they will leave their current nonprofit within a year. Even more disturbing, 30% of the fundraisers say they're planning to leave the fundraising trade altogether.

...with the small-year retention rate of donors averaging 45-50%, with 25% of the fundraisers ready to abandon their current posts and 30% ready to abandon ship altogether there's trouble in paradise. Neither the donors nor the fundraisers who serve them are satisfied.

Regular giving...  
...is a bit dodgy as well.



Many charities are seeing decline.

What charities are saying now.

**Funding pressure**  
In common with other large charities, the British Red Cross faces pressures on its funding.

In the year to December 2018, the charity had a total income of £243m but regular giving has fallen from around £50m in 2014 to £40m last year.

"General funds income of many charities is under real pressure," he said, "and we're no exception to that."

Mike Adamson, Director General, British Red Cross

BARCLAYS

Barriers to Giving  
Charity donations amount to 0.5% of UK GDP as research shows a disconnect between charities and HNWI.

...even High Net Worth Individuals too!

It seems some people don't much like us or what we do...



**'Over 80 per cent of charity ads get a one star rating from the public.'**

**'The public disliked the majority of TV adverts, but disliked a higher proportion of charity ads compared to those from other sectors.'**

Civil Society News, 14 Nov 2018.

THE AGITATOR

Has Generosity Peaked?  
2005

Click the Children's Life, but it's OK! And maybe you should be too.

For over 10 years the Life Family School of Philosophy (Indiana University) has tracked the giving of nearly 10,000 Americans and measured the life.

They're nearly identical to here - [Generosity for Life](#)

The best news is that American generosity seems to have peaked. In 2005, it hit its peak, when average giving was \$1,000. The most recent year (2018) measured was \$812. However 95% of donors gave in 2018, up from 90% in 2015.

An overview of the Trust Company article, the data behind the study points to some underlying trends driving the decline.

One is the decline in religious affiliation in the US. Not only has the number of those who identify as religious and regular church members with both sides of the religious divide (Jewish, non-religious) going down (55% of the population in 2000, down to 45% in 2018), but also the number of those who identify as religious and regular church members (45% in 2000, down to 35% in 2018).

**'The conventional "ask" and "volume" engine sooner or later hits massive, and unavoidable diminishing returns.'**

Kevin Schulman, DonorVoice, 24 January 2020

**Again, who'd have thought?**

Those that trust charities are twice as likely, 24 per cent versus 11 per cent, to make a regular donation.

This is a sector-wide issue, as data suggests that public trust in charities is not as good as it used to be.

It has been a tough five years for charities. Trust is not given freely at the moment. People do not trust charities as much as they used to and as a result income is going down.

Nicola Tallett, Director of Engagement, Oxfam, speaking at Westminster Social Forum, 31<sup>st</sup> October 2019

Trust Crash in U.S.



The largest-ever-recorded drop in the survey's history among the general population.

Even more troubling, trust among the informed public (our donors) in the U.S. imploded, plunging 23 points to 45, making it now the lowest of the 28 countries surveyed—below Russia and South Africa.

Why "Trust" Matters in Fundraising, And What To Do About It. The Agitator, February 9, 2018

**Why on earth would our publics not trust us?**

**Why is what we do not more popular?**

**Why are we so often getting it wrong?**



Meet Beryl and Clive

- Nearing or into retirement • Well heeled and comfy.
- Preparing for a life of busy active fulfillment.
- Wants to be useful and to make a difference.
- A bit cynical and 'demanding' hard to please.
- Looking for the meaning of life.

Five years ago, in the UK, something happened...

...and everything changed for the likes of Beryl and Clive.

HOW HE BECAME A TARGET FOR CONMEN

ndcs

Praise for Mail campaign

SHAME: CHARITY 'LUDU CALL SHAMS'

It's because the charity's... (text partially obscured)

BY NUMBERS

- 174 number of charities were contacted
- 200 letters that directly were passed on
- 100 number contacted the education
- 120 number of their heads on the line
- 14,000 number of their supporters
- 100,000 number of their supporters

Note this.

**The culture of fundraising**  
What the papers reported

Telephone fundraiser's boss, (Daily Mail)

Managers... refused to remove telephone numbers from the charity's database even when the people called complained of harassment.

What the government said

Rob Wilson, minister for civil society, said, "The behaviour uncovered by The Mail is immoral. The evidence is mounting that totally unacceptable practices are taking place at fundraisers."

"People who say they are too poor to give are just making another excuse..."

"...Always ask for money three times in every call, even if the person says they don't want to donate or cannot afford it."

Fundraising trainer, recorded by The Daily Mail

**The culture of fundraising**  
How the charities responded

"Really? Really?? We never knew. Honest..."  
Top charity CEOs

"When we worked with Go-Gen they used to get nine per cent."  
"You now only get seven per cent..."

"We would not hesitate to take robust action if we found our agencies were not acting with utmost integrity on our behalf."

"What's going on?"  
Charity fundraiser (speaking since this story broke)

"If the call centre has done something wrong then we have to suspend the relationship."  
Charity bosses

Who could possibly have imagined that this is an acceptable way to manage communication with donors and potential donors like Beryl and Clive?

"Most fundraising in Britain is exemplary."

A quiet lunch for two

"What we do is factory fundraising, on an industrial scale..."

A few months later...

"My job now is managing decline."

The media onslaught has not gone away. They've just been temporarily distracted by other things.

28<sup>th</sup> January 2020

dsc directory of social change helping you to help others

Policy, Policy, campaigns & research

**Charity pay is about to be in the news again - are you ready?**

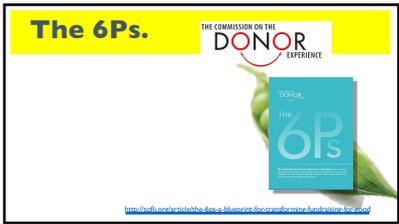
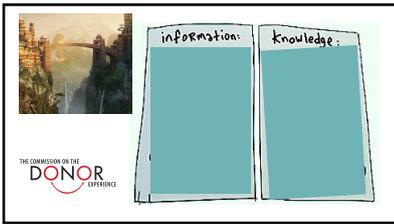
We're expecting a new research report from the Charity Commission on charity pay any day now which has the potential to create yet another negative media storm about charities. Are you ready?

23<sup>rd</sup> February 2019

All in a good cause? How top charities spend £226m on fat-cat pay, spin doctors and other running costs - and claim it goes to frontline service

...and it's not nice!





**What were the consequences?**

- For nearly a year, net fundraising income in the UK rose!
- Increased regulation, tying fundraisers' hands.
- Many direct desk income starts to fall.
- Staff leaving, activities curtailed.
- Inv. For too many this meant a steep decline.
- Leg. lets C...
- Don't repl...
- Little investment as yet in the experience.
- 'Play safe, keep your head down.'
- A culture of 'managing decline'.

**BUSINESS AS USUAL... THOUGH IT'S ANYTHING BUT.**

British Red Cross cuts fundraising spend by 26 per cent

**The reality of 'managing decline.'**

**We don't want to be managing decline.**

**BRC: Fundraising cut by £10.3m, 2016/17 income falls by £17.4m.**

**Total fundraising expenditure fell 40 per cent in two years.**

Civil Society and Fundraising magazine

An aggressive, sloppy, nasty right-wing Press, of course.

**A self-inflicted wound**

The 2015 crisis in UK fundraising was neither morally, socially nor economically excusable.

Blinkered thinking, dubious practices and persistent neglect from our sector's leadership visited a catastrophe on the UK voluntary sector and the beneficiaries who depend upon it.

Fundamentally, the causes of these problems have not gone away.

**FIA** Fundraising Institute of Australia

Collaborate more. Stop working individually.  
Show appreciation and respect.  
Rebuild and protect trust.  
Focus on relationships.  
Stop annoying people.  
Give choices.  
Show impact.  
Tell the truth well, in ways that people can understand.

**'No matter how much I give the charity is never satisfied'**

gall | i3Synapse

Where now?

We must secure and spread...

**The BSE**

Business & Society

**Pandora's box**

Fear, Panic, Chaos, Pestilence, Hunger, Famine, War...

...and, finally, feebly, HOPE.

**HOPE**

...that we'll reject the concept that fundraising is simply a matter of asking more people more often and more vigorously, for more money.

...and accept that to succeed, we have to change fundraising's culture and invest in improving the supporter experience.

**HOPE**

...that we'll commit to turning 'This is what we do' into 'This is what you, our supporters, enable us to do'

**HOPE**

...that we'll transform our causes' attitude to investment: Cheapest is not best. Fundraising is about raising more, not just spending less.

**HOPE**

...that we'll offer work that delivers higher meaning...

...and make our work the search for higher meaning.

**HOPE**

...identify ways that we can honestly offer and actually deliver meaning, fulfilment and the true joy of giving.



**HOPE**

...celebrate and propagate the growing body of knowledge that shows giving is very good for you.



**HOPE**

...that very soon we'll begin to seriously invest in filling our leadership vacuum.

'2015-2020 will be viewed by future historians of Britain as 'the great leadership vacuum.' Alex Evans



**HOPE**

...that we'll answer, rather than duck, some of fundraising's big urgent questions....



**HOPE**

Do fundraisers want to preserve donor-funded fundraising?...

...or is our job simply 'managing decline?'



'Can we be both data-driven and integrity-driven?'

Maybe.  
Maybe not.  
But there's a much more basic question...

A question from Ken Burnett's 2009 blog: 2020 years what might be the future for fundraising?



- Does the erosion of public trust and confidence really matter any more?
- Or are short-term quick hits all that matters now?

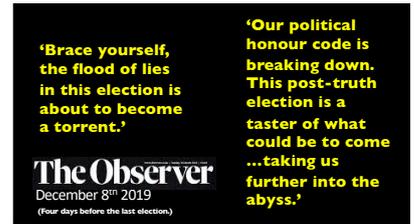
Beryl and Clive, 2020



So I have to ask you the \$64,000 question...

**Does a near total absence of trust and confidence actually matter?**





After five really difficult years it's clear charities need to work to rebuild trust and confidence.

But if fundraisers persist in pursuing policies and behaviours that leave people feeling deeply uncomfortable, it seems likely that won't happen.

So...why would we not change?



After five really difficult years it's clear charities need to work to rebuild trust and confidence.

But if fundraisers persist in pursuing policies and behaviours that leave people feeling deeply uncomfortable, it seems to me that won't happen.

So...why would we not change?



The parable of the frog in a saucepan.

'How did you go bankrupt?'

'Two ways...'

'Gradually ...then suddenly.'

Jake to Mike Campbell,  
from *The Sun Also Rises* by Ernest Hemingway

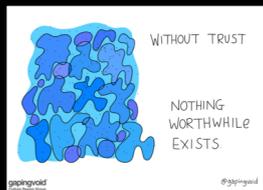


To avoid bankruptcy or being boiled...

- We must ensure we have the right leadership and investment to create the culture we need...
- ...so we can get much better at telling our most moving, most powerful emotional stories...
- ...with passion, visible truth and integrity...
- ...stories of real, tangible achievements...
- ...that reveal deeper truths and meaning...
- ...that build trust and confidence among all our audiences that they really do make a difference...
- ...then - by consistently asking properly - to move people comfortably to memorably worthwhile and effective actions.

WITHOUT TRUST

NOTHING WORTHWHILE EXISTS



Fundraising is communication.



It's the truth, told well.

We could aim higher.

There is high ground we could occupy.

Here. Now. Let's start here.



My colleague Giles Pegram sent Angela a deck of slides for a seminar we were doing last November. She came up with this:

- Fundraising has existed for ever.
- Somewhere we lost the plot
  - fundraising became 'industrialised'.
  - focused on short term income and ROI.
- We forgot what matters
  - the supporter experience.
  - the way people feel when they give and engage.
- It's self evident, not rocket science and can be proved.
- Every fundraiser can join the movement to make fundraising better.

Angela Cluff  
Head of the IoF Supporter Experience Project

Hopefully, you'll do this soon.

Because the future of fundraising is up to YOU!

When I first came to Australia in 1993 I showed this...  
 How our donors want to see us

Is this still how we see ourselves?

**Climate change is the biggest ever threat to our species' continued existence.**

**What part in finding a solution will fundraisers play?**

**Or will we just content ourselves with history repeating itself?**

**EXISTENTIAL QUESTION 2:**

**What one thing will deliver the culture change fundraising needs?**

**(Clue: the answer is in this room!)**

The most important word in fundraising:

**YOU!**

**The future of fundraising is up to YOU!**

Think differently. Shake up our leadership.

Focus not on the money but on the needs of the people sending it. Invest in inspiring, educating, training and equipping our people.

Nurture your passion, restlessness and vigorous commitment to change.



**THANK YOU!**