

NONPROFIT FINANCE AND FUNDRAISING COLLABORATION STUDY

Opportunities for a More Collaborative Nonprofit



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Opportunities for a More Collaborative Nonprofit

Finance and fundraising – office adversaries or the best of friends? Often, these departments have different priorities, and typically require different skill sets. But, why should it matter if they work closely together or not?

These two groups are critical to leading the growth and success of nonprofit organizations. When they aren't aligned, that growth can be in two different directions – neither of which may be best for the organization.

In fielding this study, we set out to further explore the collaborative nature of finance and fundraising professionals. We looked into the overall perception of collaboration between the two departments, biggest challenges

they face when working together, what they wish their finance/fundraising counterparts understood about their job, and the importance of technology integration. We also broke down the data to understand how trends and challenges differ depending on organization size and respondents' ages.

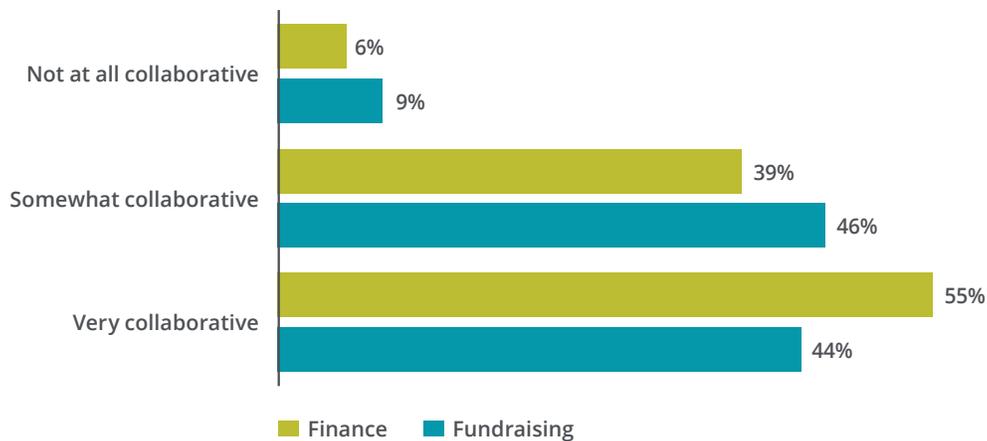
We surveyed more than 1,400 nonprofit professionals representing both the finance and fundraising departments at organizations ranging from \$1 million to more than \$50 million in revenue, and representing a wide variety of verticals served. The online surveys took place between November 5 and December 21, 2015.

Here's what we learned.

KEY FINDINGS

There's opportunity for improving the relationship.

While a large percent of nonprofit finance and fundraising professionals describe their relationship together as very collaborative, more than half of fundraisers (55 percent) see room for improvement, characterizing the relationship as somewhat or not at all collaborative. Nearly half of nonprofit finance staff (45 percent) also describe the relationship as somewhat or not at all collaborative.



Small organizations are more collaborative than large organizations.

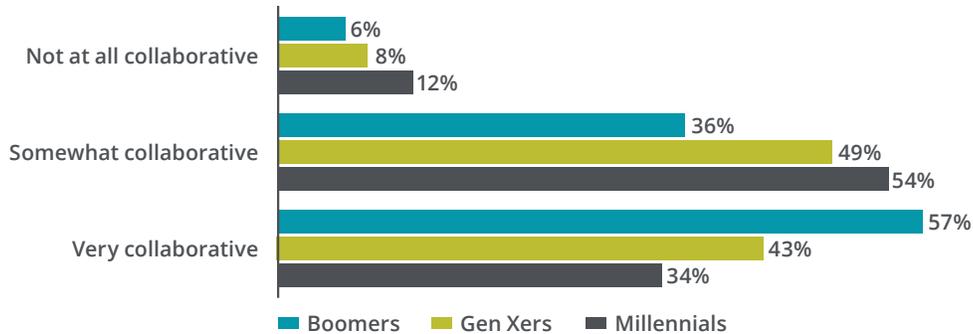
At smaller organizations (less than \$10 million in annual revenue), 60 percent of finance staff and 49 percent of fundraising staff describe the relationship as very collaborative. At large organizations (\$10+ million in annual revenue), only 48 percent of finance staff and 36 percent of fundraisers state they have a very collaborative relationship.

KEY FINDINGS

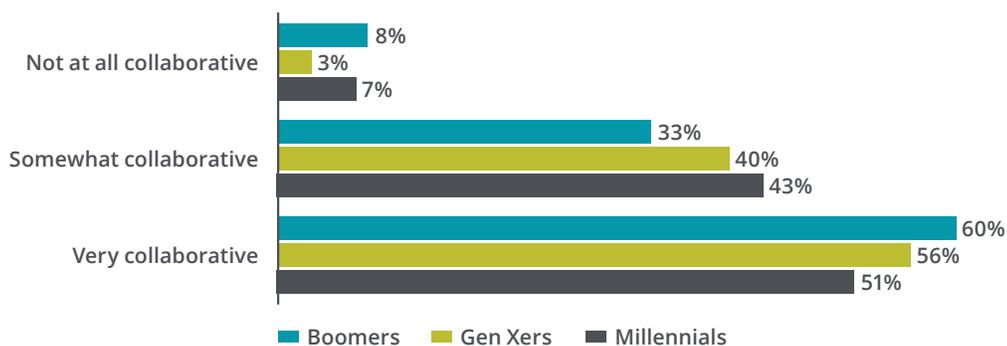
Boomers feel the most collaborative. Millennials see room for improvement.

Based on the data, a majority of Boomers working in finance and fundraising feel the relationship is very collaborative. We see these numbers drop in Millennial responses, specifically for Millennials working in fundraising, where only 34 percent think there is a very collaborative relationship with finance.

Fundraising Generational Breakdown



Finance Generational Breakdown



Differing priorities, metrics, and communication are top challenges.

Both nonprofit finance and fundraising professionals cite differing priorities, variances in reporting metrics, and lack of communication/information sharing as the biggest challenges they face when working together. Nonprofit finance professionals also call out differing personalities and ad hoc reporting requests/interruptions as top challenges when working with the development group. On the reverse side, fundraising professionals see challenges stemming from the use of different terminology, and their finance counterparts not understanding fundraising expenses.

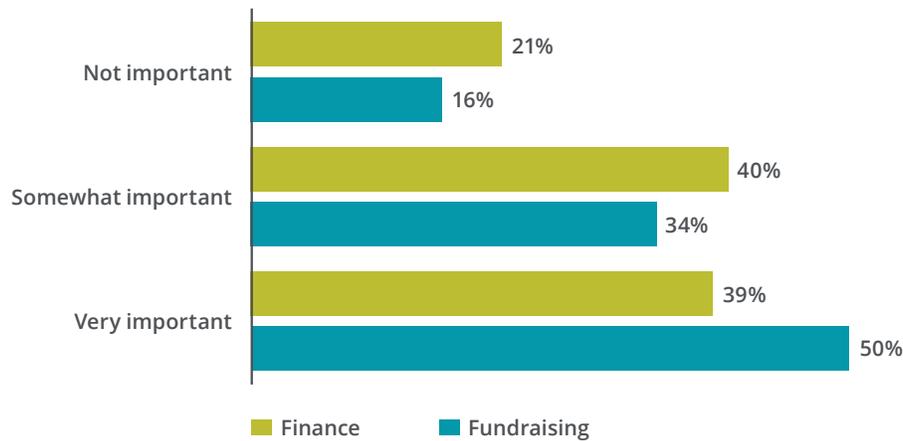
KEY FINDINGS

What I wish they knew about my job.

Fundraisers overwhelmingly want finance to better understand the importance of donor relationships, the need for spending money to build and maintain those relationships, and how critical donor stewardship is. While finance wants fundraising to understand how complex and essential their job is to the health of the organization, the importance of accurate and timely information, and that at the end of the day they're here to help. Both groups wish the other knew more about the basics of accounting and fundraising.

Software integrations are important.

A majority of both fundraising (84 percent) and finance (79 percent) professionals feel it is at least somewhat important to integrate their fundraising and accounting software. Fundraisers feel more strongly about the importance of the integration, with half of respondents citing a software integration between their two systems is very important.



SO, WHERE DO WE GO FROM HERE?

Here are some recommendations to start building better, more collaborative relationships. But, you don't just have to take our word on these. We asked all survey respondents the same open-ended question: "What is one way you could work more closely with your finance/fundraising colleagues?"

Below are some specific recommendations you can put to work in your organization to foster a better, more collaborative relationship between finance and fundraising.

 **Joint goal setting and planning**

Come together to build a strategic plan that impacts all departments and guides the direction for the year. Put it all to a shared calendar. Do fundraising campaigns align with times when you need fundraising? Where do you need to focus to grow your organization? Stakeholders from both departments need to agree on the goals and timeline.

 **Collaborate on the budget**

Instead of just trying to make the numbers match, come together to collaborate on yearly budgets. But, don't just stop there. Be sure to schedule ongoing budget check-in meetings throughout the year, as things may shift. This will allow you to readjust as a group and ensure everyone is aligned.

 **Accounting and Fundraising 101 training**

High-level, basic training on each other's role is an important foundation as you work through day-to-day operations. You can make these a part of onboarding new employees or a lunch-and-learn series for more seasoned workers. Make them interactive and connect the dots to everyone's job function.

 **Build a shared terminology and metrics cheat sheet**

Some of the biggest challenges are around terminology and metrics reporting. How do we really count a pledge? What are the most important metrics? Get an action group together to build a one-page cheat sheet for the terminology and metrics at your organization. Then use it!

 **Make time for each other**

Break down those department silos. Schedule regular joint meetings, or invite your finance/fundraising counterparts to sit in on one of your department's weekly or monthly meetings. Take time for some just-for-fun lunches and other opportunities to get to know each other.

 **Evaluate opportunities for system integrations**

The majority of both groups see some importance in having an integration between the fundraising and accounting system. Identify where there is opportunity for improved efficiencies and reducing duplicate data entries in two systems. Less manual work equals less room for errors and more reporting consistency.

About Abila

Abila is the leading provider of software and services to nonprofit organizations that help them improve decision making, increase engagement, generate more revenue, and be more effective. With Abila's Elevate™ [donor database](#) and MIP Advance™ [true fund accounting](#)™ solution, nonprofit professionals can easily share data and collaborate throughout the organization. Abila combines decades of industry insight with technology know-how to serve nearly 8,000 customers across North America. For more information, please visit www.abila.com.

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