

## AHP in the News

Integrating Fundraising Activities Key to Success, Survey Finds  
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Using a variety of well-rounded and diverse programs and activities to develop strong connections with donors is the most effective way to raise funds, according to a new series of studies developed by the Association for Healthcare Philanthropy (AHP).

Initial results from AHP's Performance Benchmarking Service have found that the most successful fundraising programs have a sustained emphasis on building relationships and cultivating and maintaining major-gift donors. A wide assortment of fundraising programs, such as annual giving, special events, public support, major gifts and planned giving, yields higher charitable revenue. Conversely, when foundations emphasize only one or two programs, revenues are comparably lower.

In addition, the results also stressed the time it takes for investments in new fundraising programs to pay off. The lower and even negative returns reported for individual fundraising programs are largely a result of fresh upfront investment in staff, materials and relationship-building activity that will typically yield higher returns and lower costs after three to five years.

### Connections the Key

Not surprisingly, the benchmarking survey found that major-gifts and planned-giving programs are at the core of successful fundraising programs. Hospitals and systems that have invested time and resources in major gifts from individuals, corporations and foundations, and through planned giving, yield higher overall returns than those that have not. These types of programs stress the connections and relationships that are built between the donor and the organization.

What was surprising were the data gathered about uncontrollable factors, such as geography, demographics and the size or structure of the healthcare facility. While these have often been cited as key factors related to fundraising costs, the survey found that they did not affect overall returns to the extent many previously had believed.

"Whether this finding is unique to the healthcare subsector or can be applied to all nonprofits is an important question," said Paulette V. Maehara, CFRE, CAE, president and CEO of AFP. "While there is significant evidence that points to these factors as having an effect on fundraising costs and returns, the profession may need to take a closer look at just how much impact they truly have."

### Balanced Approach

Other key results from the survey include:

High performers have a balanced approach to the full scope of fundraising programs. Strong focus and investment in high return/lower cost programming, paired with moderate focus on expensive but important programs that attract new donors, is part of the wisdom of this balancing act.

High performers stand out from the crowd based on their emphasis on high-return fundraising programs. Data also paint a picture of leanness among high-performing foundations that employ fewer professionals, while giving them greater responsibilities. “While these results came from just the healthcare subsector, many of them have implications for any organization in the nonprofit sector,” Maehara added. “The survey provides further evidence that fundraising cannot be viewed as some type of short-term fix, but must be viewed as a long-term process that may not yield dividends immediately, but will almost certainly do so in the near future. That’s an important message we have to continue to send to donors and the public, as well as to charitable organizations that may just be considering the launch of a fundraising program.”

Maehara also noted that the survey results also underscore the need for investment in fundraising infrastructure and resources. “We’ve said for many years that it takes money to raise money,” she said. “It’s not always something that donors want to hear, but the truth is, charities will be far more efficient and effective if they make the necessary investments in fundraising when they begin.”

#### About the Benchmarking Service

AHP’s Performance Benchmarking Service allows participating nonprofit hospitals and healthcare systems to systematically compare and contrast their fundraising efforts. Data were gathered from 31 U.S. and Canadian organizations.

For a copy of the AHP Performance Benchmarking Service studies, a list of participating members or to learn more about the program, visit the AHP website.

The Association for Healthcare Philanthropy, established in 1967, is a nonprofit organization whose more than 4,600 members direct philanthropic programs in 2,200 of North America's nonprofit healthcare providers.