“People have money and they continue to give. Religion is just no longer their charity of choice!”

J. Clif Christopher
Growing Generous Givers for a New Era
William Enright, PhD

An Era of Declining Religious Dollars: From One Half to One Third

GIVING BY TYPE OF RECIPIENT: PERCENTAGE OF THE TOTAL IN FIVE-YEAR SPANS, 1972-2011* (adjusted for inflations, does not include “unallocated”)

<table>
<thead>
<tr>
<th>Year Span</th>
<th>Religion</th>
<th>Education</th>
<th>Foundations</th>
<th>Human services</th>
<th>Health</th>
<th>Public-society benefit</th>
<th>Arts, culture, and humanities</th>
<th>International</th>
<th>Environment/animals</th>
</tr>
</thead>
<tbody>
<tr>
<td>1972-1976</td>
<td>40.4%</td>
<td>52.1%</td>
<td>57.8%</td>
<td>54.8%</td>
<td>47.0%</td>
<td>38.9%</td>
<td>14.0%</td>
<td>13.0%</td>
<td>34.3%</td>
</tr>
<tr>
<td>1977-1981</td>
<td>13.5%</td>
<td>12.1%</td>
<td>10.5%</td>
<td>12.0%</td>
<td>6.4%</td>
<td>12.2%</td>
<td>5.7%</td>
<td>9.5%</td>
<td>10.8%</td>
</tr>
<tr>
<td>1982-1986</td>
<td>14.7%</td>
<td>4.0%</td>
<td>6.5%</td>
<td>2.1%</td>
<td>6.7%</td>
<td>8.3%</td>
<td>10.0%</td>
<td>11.3%</td>
<td>11.9%</td>
</tr>
<tr>
<td>1987-1991</td>
<td>13.2%</td>
<td>11.0%</td>
<td>5.4%</td>
<td>6.4%</td>
<td>7.4%</td>
<td>10.4%</td>
<td>7.7%</td>
<td>8.1%</td>
<td>8.6%</td>
</tr>
<tr>
<td>1992-1996</td>
<td>13.0%</td>
<td>4.0%</td>
<td>7.5%</td>
<td>6.9%</td>
<td>7.3%</td>
<td>4.3%</td>
<td>4.9%</td>
<td>7.3%</td>
<td>7.1%</td>
</tr>
<tr>
<td>1997-2001</td>
<td>5.6%</td>
<td>5.2%</td>
<td>5.2%</td>
<td>1.2%</td>
<td>0.8%</td>
<td>4.5%</td>
<td>1.1%</td>
<td>1.4%</td>
<td>2.5%</td>
</tr>
<tr>
<td>2002-2006</td>
<td>1.3%</td>
<td>1.2%</td>
<td>3.5%</td>
<td>2.8%</td>
<td>0.8%</td>
<td>4.0%</td>
<td>1.1%</td>
<td>1.4%</td>
<td>2.5%</td>
</tr>
<tr>
<td>2007-2011</td>
<td>-0.2%</td>
<td>-1.7%</td>
<td>1.0%</td>
<td>0.8%</td>
<td>-0.4%</td>
<td>4.0%</td>
<td>1.1%</td>
<td>1.4%</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

*Charitable giving to foundations began to be tracked in 1978, and the environment/animals and international affairs subsectors began to be tracked in 1987.

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Giving to Religious Organizations
2010 - 2011

CHANGES IN GIVING BY TYPE OF RECIPIENT ORGANIZATION 2009-2010 AND 2010-2011, AND 2009-2011 CUMULATIVE (in current dollars)

<table>
<thead>
<tr>
<th>Type of Recipient</th>
<th>2009-2010</th>
<th>2010-2011</th>
<th>2009-2011 cumulative*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religion</td>
<td>-3.7%</td>
<td>6.0%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Education</td>
<td>10.3%</td>
<td>4.0%</td>
<td>14.3%</td>
</tr>
<tr>
<td>Human services</td>
<td>5.7%</td>
<td>2.5%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Health</td>
<td>3.0%</td>
<td>4.1%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Public-society benefit</td>
<td>7.1%</td>
<td>4.0%</td>
<td>11.1%</td>
</tr>
<tr>
<td>Arts, culture, &amp; humanities</td>
<td>7.1%</td>
<td>4.1%</td>
<td>15.2%</td>
</tr>
<tr>
<td>International affairs</td>
<td>7.0%</td>
<td>3.9%</td>
<td>10.9%</td>
</tr>
<tr>
<td>Environment/animals</td>
<td>8.6%</td>
<td>-0.6%</td>
<td>8.0%</td>
</tr>
</tbody>
</table>

*The two-year change is calculated separately and is not the sum of the changes in the two years. Note: Giving to foundations is not included in this graph.

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William Enright, PhD

Generous Giving, the Legacy of a Minority

PERCENT OF TOTAL DOLLARS GIVEN BY CHURCH-ATTENDING CHRISTIANS

Percent of total dollars contributed by regularly church-attending and self-described "strong" or "very strong" Christians grouped in five percentiles by increasing levels of generosity.
(Source: General Social Survey, 1998)

An Era of Economic Challenge

Individual giving as percentage of disposable personal income, 1971-2011
(in current dollars)

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William Enright, PhD

An Era of Increased Competition

REGISTERED 501(C)(3) PUBLIC CHARITIES, RELIGION RELATED

<table>
<thead>
<tr>
<th>Year</th>
<th># of Registered Orgs</th>
<th># of Orgs Filing Form 990</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>8,510</td>
<td>12,379</td>
</tr>
<tr>
<td>1996</td>
<td>10,062</td>
<td>16,379</td>
</tr>
<tr>
<td>1997</td>
<td>11,635</td>
<td>17,795</td>
</tr>
<tr>
<td>1998</td>
<td>12,934</td>
<td>19,344</td>
</tr>
<tr>
<td>1999</td>
<td>13,488</td>
<td>19,614</td>
</tr>
<tr>
<td>2000</td>
<td>13,702</td>
<td>19,516</td>
</tr>
<tr>
<td>2001</td>
<td>13,991</td>
<td>20,233</td>
</tr>
<tr>
<td>2002</td>
<td>14,346</td>
<td>20,558</td>
</tr>
<tr>
<td>2003</td>
<td>14,907</td>
<td>20,831</td>
</tr>
<tr>
<td>2004</td>
<td>15,416</td>
<td>20,831</td>
</tr>
<tr>
<td>2005</td>
<td>15,786</td>
<td>20,831</td>
</tr>
<tr>
<td>2006</td>
<td>16,139</td>
<td>20,831</td>
</tr>
<tr>
<td>2007</td>
<td>16,765</td>
<td>20,831</td>
</tr>
<tr>
<td>2008</td>
<td>17,290</td>
<td>20,831</td>
</tr>
<tr>
<td>2009</td>
<td>17,344</td>
<td>20,831</td>
</tr>
<tr>
<td>2010</td>
<td>18,587</td>
<td>20,831</td>
</tr>
</tbody>
</table>

Source: NCCS database by the Urban Institute

Percent increase of registered religious organizations from 1995 to 2010: 163.5%

Fact Sheet on Religious Giving

- One out of five American Christians — 20% — give nothing to church, para-church or nonreligious charities.
- In 1998, the mean or average Protestant household contributed $1,803.75 to charity. In 1998 the median Protestant household contributed $224.
- Over the last four decades (1971-2011), inflation-adjusted giving to the religion subsector has increased at a slower rate than the average annual rate of inflation (4.4 percent), with an average annual increase of 1.5 percent.

Growing Generous Givers for a New Era
William Enright, PhD

An Era of Increasing Donor Savvy and Selectivity

NUMBER OF ORGANIZATIONS HIGH NET WORTH HOUSEHOLDS STOPPED SUPPORTING IN 2009 THAT THEY PREVIOUSLY SUPPORTED, 2007 AND 2009 (%)

Note: When comparing 2007 to 2009, the results were not statistically significant across any categories.

Source: 2010 Study of High Net Worth Philanthropy, sponsored by Bank of America and written by The Center on Philanthropy at Indiana University, November 2010.

An Era Redefining Religious Giving

63% of all High Net Worth Donors Giving is Motivated by Religious/Spiritual Values!
Growing Generous Givers for a New Era
William Enright, PhD

New Era Challenges: Social Networks

What are the religious rituals and spiritual practices frame and nurture a pedagogy of generosity in your congregation?

Why are religious Americans better neighbors and more generous in their giving?

The key is found in social networks...

FRIENDS PRACTICES RITUALS

New Era Challenges: Social Media

- 66% of online adults use Facebook, Twitter, MySpace, Linkedin to connect with family and friends.
- 61% of all donors made gifts online in 2011
- 51% of donors over sixty have given online
- 70% of people under thirty-five prefer to give online
- 14% of American congregations offer online giving
- 50% of all charitable donations in 2011 were made electronically
- Evangelical congregations are the most technologically savvy

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William Enright, PhD

Communicating Via Social Media

- One Key Concept = Tell Stories!
  - Be conversational
  - Be brief
  - Encourage feedback
  - Include pictures

The New Era of Religious Giving

- Increased competition for the Almighty’s Dollar
- Religious market share is declining but in practice the horizon of religious giving may be expanding
- Donor’s increasing philanthropic savvy
- Social media is now a major tool for fundraising and communication.
- Develop and execute a comprehensive fundraising strategy
- Engage prospective donors in authentic conversations of care and discernment.
Growing Generous Givers for a New Era
William Enright, PhD

Religion the Beneficiary of Donor Generosity

2011 CONTRIBUTIONS:
$298.42 billion by type of recipient organization
(in billions of dollars – all figures are rounded)

- Religion: $95.88 billion (32%)
- Education: $38.87 billion (13%)
- Human services: $35.39 billion (12%)
- Health: $24.75 billion (8%)
- Public-society benefit: $21.37 billion (7%)
- Arts, culture, and humanities: $13.12 billion (4%)
- International affairs: $12.68 billion (8%)
- Environment and animals: $7.83 billion (3%)
- Foundations: $25.83 billion (9%)
- To individuals: $1.75 billion (1%)
- Unallocated*: $8.97 billion (3%)

Includes rounding to get to 100%
*Includes gifts to non-grantmaking foundations, deductions carried over, contributions to organizations not classified in a subsector, and other unallocated contributions.

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The Individual Donor is the Key to Generous Giving

2011 CONTRIBUTIONS:
$298.42 billion by source of contributions
(in billions of dollars – all figures are rounded)

- Individuals: $217.79 billion (73%)
- Foundations: $41.67 billion (14%)
- Bequests: $24.41 billion (8%)
- Corporations: $14.55 billion (5%)

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“As a form of ministry, fundraising is as spiritual as giving a sermon, entering a time of prayer, visiting the sick, or feeding the hungry.”

Henri Nouwen

“This is what I, what all of us are doing; we are performing the duties of the innkeeper.”

St. Augustine
Growing Generous Givers for a New Era
William Enright, PhD

Fundraising Is Not About Money

Relationships
Vision
Trust
Calling

Fundraising as Supply vs. Demand

Supply Side:
The Inclination Model

- Focus is on the individual and his/her passions
- Potential donor is guided through a process of discernment
- Goal: to inspire the donor’s imagination
- Result: establishment of a relationship

Demand Side:
The Scolding Model

- Focus is on the case or need
- Presentation is intended to awaken a sense of obligation or duty
- Goal: guilt, via psychological or spiritual inducements, awakens donor
- Result: contribution is secured
Two Congregation Typologies

Pay-the-bills congregations frame religious giving in mostly unspiritual terms as necessary to keep the doors open.

Share-the-vision congregations tend to connect and integrate money and spirituality.
Peter Mundey

Three Big Donor Trends

1. Demand for transparency & accountability
2. Demand for data: “Is the cause legitimate?”
3. Desire to make a difference: “The joy of giving?”
Three Windows to Transparency

Who are we? Identity
What are we about? Mission
How do we do what we do? Stewardship

Clarity of Mission & Purpose

- Why are you here?
- What unique, God-given purpose do you serve?
- How are you carrying out your unique, God-given mission?
- Where do you sense God calling you to go in the future?
Growing Generous Givers for a New Era
William Enright, PhD

Effective Story Telling

“It is not enough for an organization to have good stories... Organizations need good storytellers.”

“When it comes to knowing what message to use and how to deliver it, your audience can tell you everything you need to know... But first you have to listen to them.”

BeHeard

Motivating Donors: Be Aspirational

**Best Practices: The Keys To Generous Giving**

- **Operational Management:**
  - Mission clarity
  - Narrative budget
  - Annual giving program
  - Multiple giving opportunities
  - Personal finance training
  - Planned giving education
  - Donor appreciation

- **Stewardship Integration in Worship:**
  - Teach stewardship regularly
  - Emphasize stewardship in worship
  - Nurture generosity in children
  - Celebrate the offering

- **Create a Culture of Generosity:**
  - Adult bible studies
  - Leadership education
  - Membership classes

In a United Church of Canada study, congregations that embraced these best practices experienced on average an 82% increase in per capita giving over six years. Source: Barbara L Fullerton, "Growing Generosity: Identity as Stewards in the United Church of Canada," Wesley Theological Seminary, May 2009.

**The Roots of Generosity:**
Transparency and Accountability

Saying a Personal

THANK YOU!!!
Engage the Donor’s Heart

“Giving generously is a calling; it is how we turn our beliefs and values into a way of living.”
Laura Arrillaga-Andreessen

Why Do People Give?

Motivations for Giving

• Personal tastes, passions, preferences
• Personal background and life experience
• Perceptions as to a charity’s competence and efficiency
• Desire to make an impact and leave a legacy

Why people give

• Awareness of Need
• Solicitation: Being Asked
• Costs & Benefits
• Altruism
• Personal Reputation
• Psychological Benefits
• Values
• Efficacy
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William Enright, PhD

What Donors Want to Know

- What is your mission; what do you do?
- Who are the people you serve; what needs do you address?
- Are you in debt? If so, how are you addressing your debt?
- What is your impact on your immediate community?
- What programs and missions do you fund?
- Do you have a strategic plan and goals for the future?
- What does success look like in your congregation?

Generational Differences in Charitable Giving

<table>
<thead>
<tr>
<th>Generation</th>
<th>% who give to religion</th>
<th>Average size of gift</th>
<th>% who attend church once/week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great and Silent (born before 1945)</td>
<td>72.0</td>
<td>$1,209.60</td>
<td>57.7</td>
</tr>
<tr>
<td>Boomer (between 1946-1964)</td>
<td>46.7</td>
<td>$1,380.90</td>
<td>32.5</td>
</tr>
<tr>
<td>X (between 1965-1981)</td>
<td>45.1</td>
<td>$1,362.60</td>
<td>30.8</td>
</tr>
<tr>
<td>Millennial (born since 1981)</td>
<td>41.5</td>
<td>$722.10</td>
<td>27.9</td>
</tr>
</tbody>
</table>

The Pre-War Generation

- Overall charitable giving of retired households is 69% higher than that of non-retired households.
- Catholics over 76 years of age contribute 53% to 58% more money to their parishes than the average Catholic.
- 60% of all households giving goes to religion but only 5% of charitable bequests goes to religion.

How will I be remembered?

Bequest Givers

Three organizational/institutional traits have been found to be influential in the bequest decisions of the donor:

- Institutional Performance
- Organizational Professionalism
- Communication Effectiveness
Baby Boomers

As Boomers age, many of them ask serious ontological questions like:

- What is the meaning and purpose of my life?
- What does it mean to live life well?
- How will I be remembered?

The Entrepreneurial Donor

The entrepreneur/venture capitalist provides institutions with creative challenges and opportunities. However, inherent in entrepreneurial giving is a tension between donor autonomy & institutional integrity. The pillars of entrepreneurial giving are:

- Investment
- Accountability
- Effectiveness
- Partnership
- Sustainability
Growing Generous Givers for a New Era
William Enright, PhD

Millennials:
Nurturing a New Generation of Donors

3 Words Frame the Roadmap for Millennial Giving & Volunteering

CONNECT:
Technology is the key to reaching prospective Millennial donors.

INOLVE:
Millennials give time; they volunteer for what inspires them.

GIVE:
75% of Millennials give; 15% give $500 or more.

Gender Issues

- Women hold over 50% of the investment wealth in the United States.
- 40% of working wives make more money than their husbands.
- Boomer and older women are more likely to give and to give more than their male counterparts.
- Women are more likely to give to organizations with which they are actively involved.
- Only 21% of Christian women rate themselves as giving up to their capacity.
- Only 1 in 3 women said their church was helpful in growing their charitable generosity.
- As women age they are more likely than men to be concerned about their economic viability.

The Generosity Tool Kit

Tools and Concepts to Help You Analyze Your Faith Community

LAI Principle

Linkage

Ability

Interest
The Paradigm Shift in Religious Giving

<table>
<thead>
<tr>
<th>The Old Paradigm</th>
<th>The Emerging Paradigm</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Moral Obligation</td>
<td>□ Donor Cultivation</td>
</tr>
<tr>
<td>□ Theology of Duty</td>
<td>□ Theology of Grace</td>
</tr>
<tr>
<td>□ Institution Centered</td>
<td>□ Donor Centered</td>
</tr>
<tr>
<td>□ Institutions are to be Trusted</td>
<td>□ Institutional Trust must be Earned</td>
</tr>
<tr>
<td>□ Institutions are Autonomous</td>
<td>□ Donors are Collaborative Partners</td>
</tr>
<tr>
<td>□ Budgets are Need-Driven</td>
<td>□ Giving is Value-Driven</td>
</tr>
<tr>
<td>□ Financial Focus is Insular</td>
<td>□ Financial Focus is Global</td>
</tr>
<tr>
<td>□ Giving is a Contribution</td>
<td>□ Giving is Creating Change</td>
</tr>
<tr>
<td>□ Fundraising is Raising Money</td>
<td>□ Fundraising is Nurturing Generosity</td>
</tr>
<tr>
<td>□ Incomes Sources are Limited</td>
<td>□ Income Sources are Diverse</td>
</tr>
<tr>
<td>□ The Gift as an End to Philanthropy</td>
<td>□ The Gift as a Means to Philanthropy</td>
</tr>
<tr>
<td>□ Different from Business</td>
<td>□ Embraces Business Principles &amp; Practices</td>
</tr>
</tbody>
</table>

The Three Dimensions of Religious Fundraising

- □ The Annual Budget Appeal = **Obligatory** Giving
- □ Programmatic Ministries = **Relational** Giving
- □ Pastoral Care = **Transformative** Giving
Institutional Prerequisites for Good Fundraising

- A keen sense of vision
- A definitive plan
- Engaged leadership
- Advocates
- Strong relationships
- A compelling case
- Excellent communications
- A commitment to best practices
- Transparency & accountability

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