

*Classy*

# World-Changing Work: The Modern Nonprofit Professional's Experience



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# Letter From Classy CEO and Co-Founder

## Working—and collaborating—in the social sector is more important than ever.

Here at Classy, we strive to help our nonprofit customers raise more money by understanding their challenges, identifying opportunities for greater success, and then sharing those learnings across the sector. From our early days as fundraisers until now, with over \$1 billion raised on the Classy platform, we've prioritized opportunities to break down the walls we often see across the space, encouraging industry leaders to innovate and challenge the status quo—together.

That was the inspiration behind Classy's annual social impact event, [the Collaborative](#), and in many ways, it's what drove us to create this report.

Each year at the Collaborative, we see firsthand the renewed inspiration and dedication with which nonprofit professionals leave after spending three days sharing, learning, and collaborating with their peers, so we wanted to create a study that brings to life the purposeful and powerful conversations that happen when passionate people come together.

To achieve this outside of the annual event setting, we conducted a nationwide survey of just over 1,000 nonprofit professionals (manager level and above) to gather perspectives on their current challenges, observations, and hopes for the future within the modern nonprofit landscape.

Given that there are currently few—if any—means through which we can access these types of insights, our hope was to collect and report on them in order to spark conversations that will help move the sector forward. We hope that this report is not only useful for nonprofit employees to glean insights into the mindsets of their colleagues, but that people across industries can also leverage this information to work more effectively with their nonprofit counterparts.

You may be surprised to learn that across causes, sizes, and location, nonprofit professionals are more alike than they are different. Less surprising is the growing impact of technology on a nonprofit professional's day-to-day role and how they work with others.

As you dig in, we encourage you to think about your own experiences either in the nonprofit sector or in working with nonprofits, and how you might apply these findings to strengthen alignment and drive even more progress. Signing up to change the world can be daunting, but we hope to further empower nonprofit employees to tap into a place where doing good can feel good.



**Scot Chisholm**, Classy CEO + Co-Founder

# Executive Summary

*Signing up to change the world can be daunting, but we hope to further empower nonprofit employees to tap into a place where **doing good can feel good.***

- SCOT CHISHOLM

The majority of nonprofit employees are satisfied in their roles, and this sentiment is even higher for those involved in fundraising efforts.

Though nonprofit professionals often face challenges working with limited resources in their day-to-day jobs, their passion for their organization's work is keeping the majority satisfied in their roles.

This sentiment is even higher for those involved in fundraising.

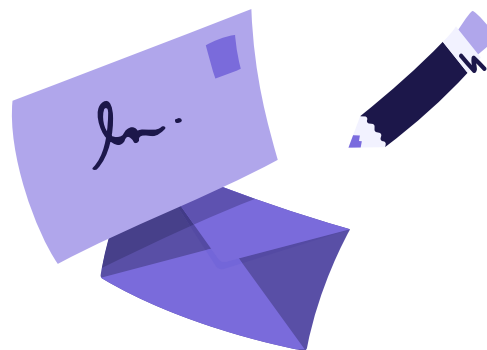
The majority of employees are also aligned with their leadership's vision for the future; however, better leadership and employee alignment are still a top investment priority for organizations.



Though satisfied in their positions, nonprofit employees recognize room for improvement at their organizations and are concerned about a range of issues from staff wages to technology improvements.

Across organizations of all sizes, respondents indicated that their nonprofit's biggest concerns are overhead costs, followed by donor retention and employee wages.

Concern about donor retention was higher among those very involved in fundraising at their nonprofit.



Employee contributions in the form of personal donations come from the employees who are closest to fundraising or those who hold leadership positions at their nonprofit.



More than half of nonprofit professionals say they donate routinely to their own organization (weekly, monthly, or yearly).

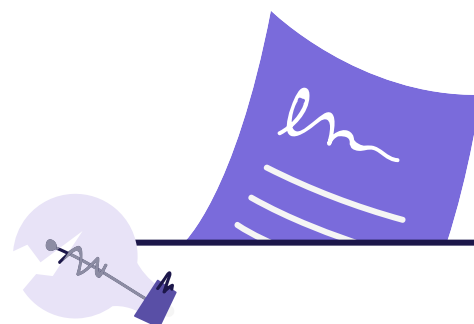
Those who are very involved with fundraising or in an executive role are more likely to make personal contributions to their organization.

Nearly 1 in 4 nonprofit professionals never donate to their organization.

Nonprofit professionals are split in their perceptions of how well their organization keeps up with modern technology.

Though 4 in 10 nonprofit professionals don't feel their organization is leveraging technology to their advantage compared to other nonprofits, an equal number of professionals *do* believe their organization is leveraging technology to their advantage.

Organizational size tends to influence this perception among employees; small organizations are the least confident in how their organizations are leveraging technology.



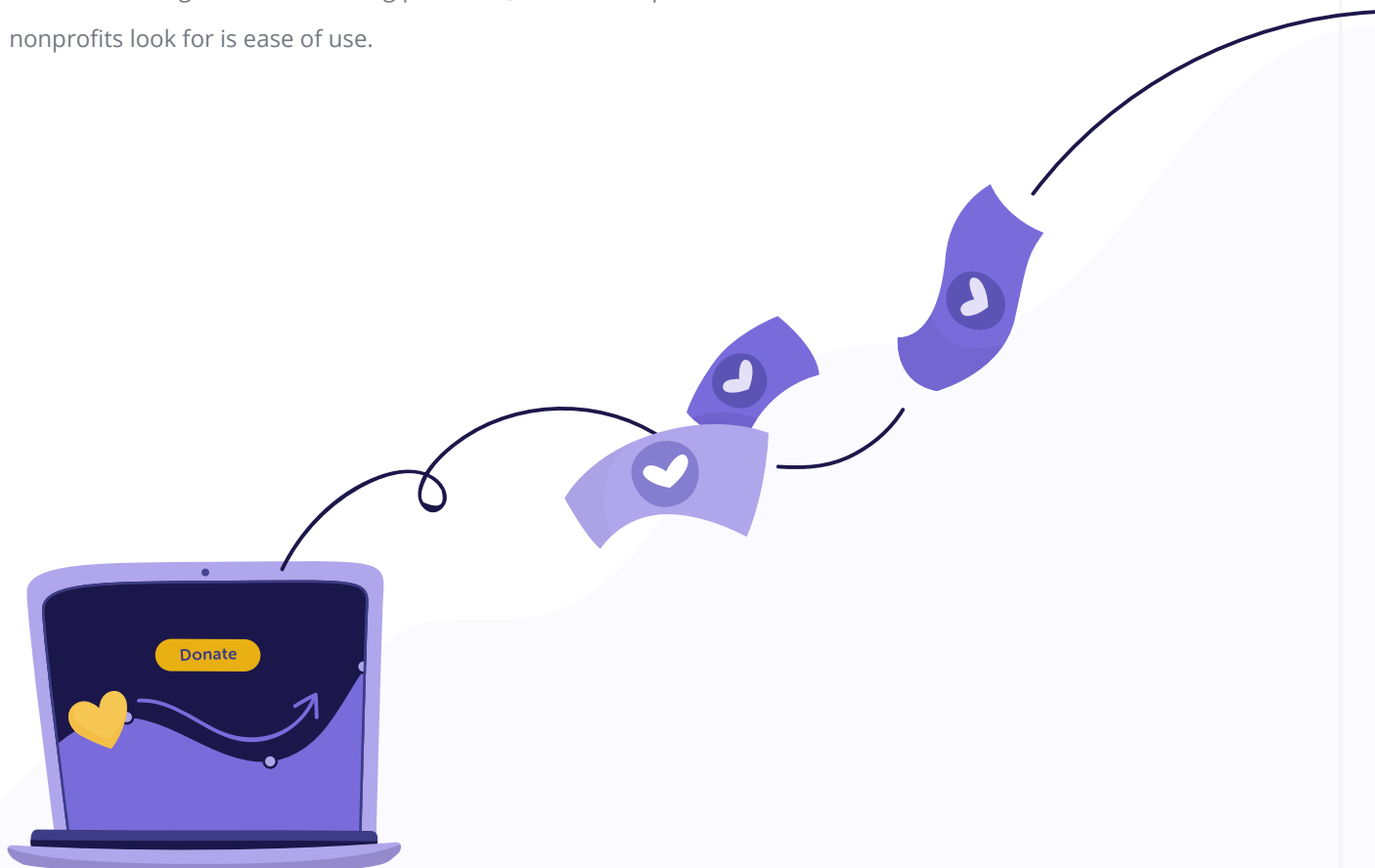


Online fundraising is a major component of most nonprofits' fundraising strategies, but nonprofits are still figuring out how to choose and maximize the use of digital technology to drive the highest impact for their organizations.

Over half of nonprofit professionals reported raising money through online donations in 2018.

When it comes to testing fundraising technology, executive leadership or IT is often tasked with discovering what will work for the organization, but almost one-fifth of organizations haven't implemented any sort of process, with respondents revealing that there's no specific department in charge.

When evaluating online fundraising platforms, the most important attribute nonprofits look for is ease of use.



# Individual Experience

How satisfied are you with your current role at your organization?

Extremely Satisfied



Somewhat Satisfied



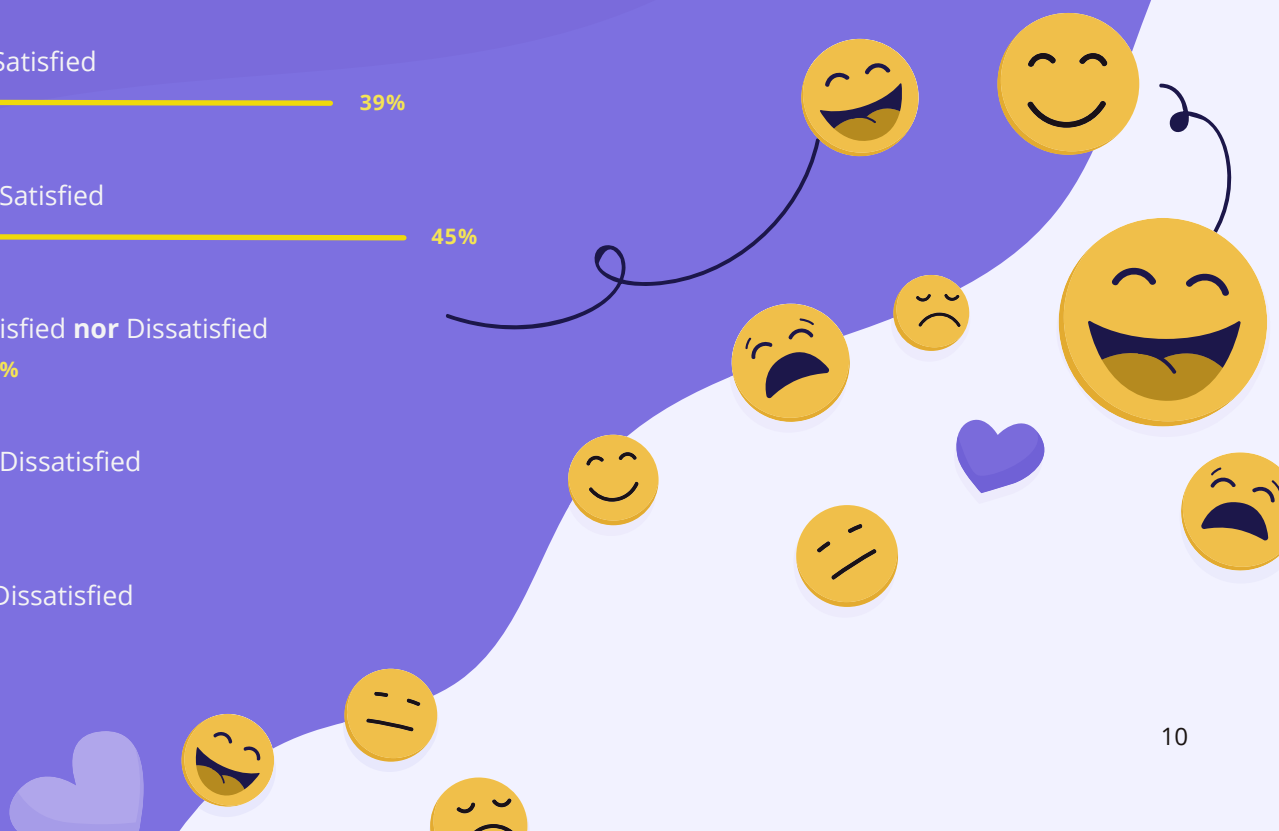
Neither Satisfied **nor** Dissatisfied



Somewhat Dissatisfied

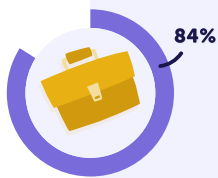


Extremely Dissatisfied

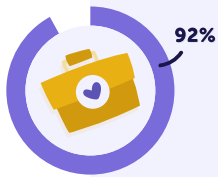


## Overall Satisfaction

While nonprofit professionals often face challenges working with limited resources, it's incredibly promising to see that nonprofit professionals are generally happy in their roles. The numbers are even higher for those who are involved in fundraising efforts.

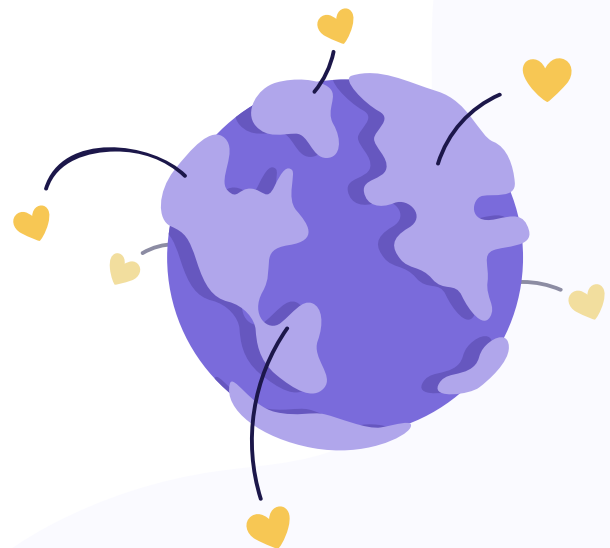


84% of **nonprofit professionals are satisfied** in their current roles



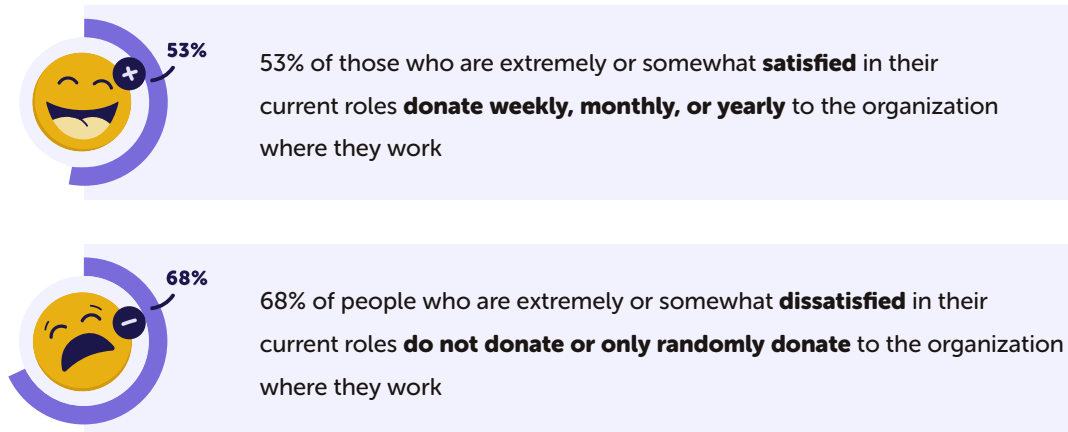
92% of **nonprofit professionals who work closely with fundraising are satisfied** in their current roles

In comparison to for-profits, nonprofit employees have been ahead of the curve in one key area: the desire to work for mission-driven organizations. The for-profit world is catching up to what nonprofit practitioners have always known—that working at a socially-conscious organization can increase an employee's sense of fulfillment because they know their efforts are making a positive impact on the world.



## Employee Contributions

The impact of having satisfied employees goes beyond lower turnover rates and increased efficiency. On top of their day-to-day dedication to the cause, satisfied employees are willing to give even more to their organization in the form of recurring personal donations.



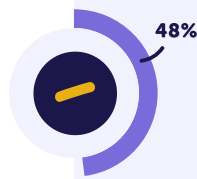
The department in which someone works also impacts how likely they are to donate to the organization where they work.

Those in executive leadership are most likely to give to their organization routinely, with 58% donating weekly, monthly, or yearly. Those who work in programs are the least likely of the departments to donate routinely, with 43% giving weekly, monthly, or yearly.

Furthermore, nonprofit professionals who are very involved in their organization's fundraising activities are the most likely to make personal donations to their nonprofits, and they also tend to be *routine* givers, while those not involved in fundraising tend to give on a random basis, if they donate at all.



65% of nonprofit professionals who are very involved in fundraising donate to their organizations weekly, monthly, or yearly



48% of nonprofit professionals who are not involved in fundraising never donate to their organizations

With the continued industry emphasis on the value of recurring giving, it's not surprising that individuals who are tapped into their organization's fundraising efforts are donating on a recurring basis. They may be closer to the impact that a donation can have for their organization, which could contribute to their greater satisfaction in their roles, as well as their willingness to give back to their own organizations in the way that's most valuable and sustainable.

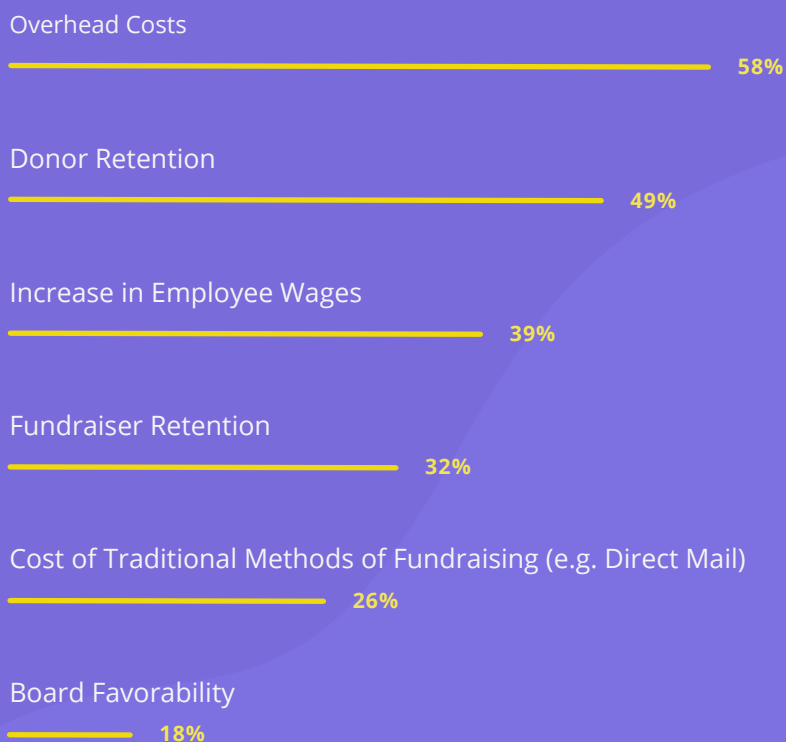
Finally, nearly 1 in 4 nonprofit professionals (23%) never donate to their own organization, though just 3% of all respondents say they never donate to nonprofits or causes they care about.



# Areas for Improvement

**What are your organization's top concerns?**

*Select all that apply.*



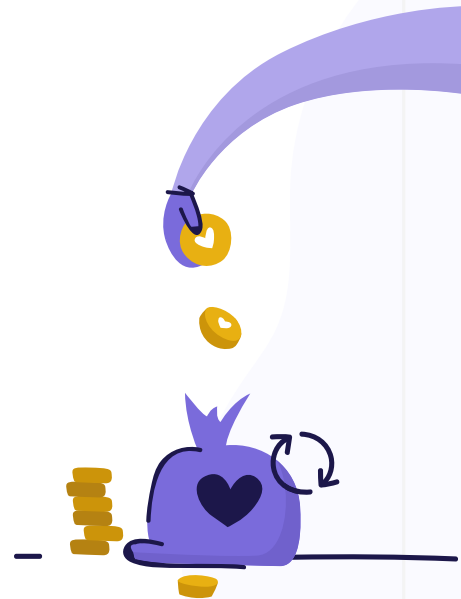
## Top Concerns

It's encouraging to uncover that the majority of nonprofit employees are satisfied, but feeling fulfilled doesn't make nonprofit professionals immune from the challenges that arise both at work and within the nonprofit space.

Across organizations of all sizes, respondents indicated that their organization's biggest concerns are **overhead costs**, **donor retention**, and **employee wages**, in that order. Once again, those involved in fundraising show a different response from other departments.

Organizational concern about donor retention was higher among those very involved with fundraising at their nonprofit, with 59% naming donor retention as a top concern for their organization, compared to 49% of all respondents.

When asked to rank their *personal* concerns for their organization, respondents noted the same top three concerns, but in a slightly different order—concerned first about employee wages, followed by donor retention and overhead costs.



What do you  
personally believe  
your organization's  
top concerns  
should be?



*Select all that apply.*

Increase in Employee Wages



Donor Retention



Overhead Costs



Fundraiser Retention



Cost of Traditional Methods of Fundraising  
(e.g. direct mail)



Board Favorability



## Investment Priorities

In your opinion,  
what should be  
the top investment  
priorities for your  
organization  
in 2019?

*Select all that apply.*

Better Leadership and Employee Alignment

45%

More Advanced Technology

(e.g. CRM system, online fundraising platform, etc.)

37%

Better Talent Within the Organization

35%

A Stronger Focus on Online Fundraising

31%



Employees who work closely with fundraising have slightly different personal opinions on where the organization should invest, focusing more on the modernization of fundraising efforts:

**43%**

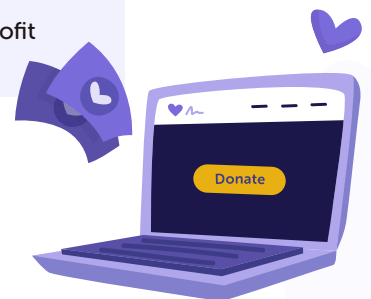
say a stronger focus on online fundraising should be a top investment priority

compared to

**27%**

of those who are only somewhat involved in fundraising at their nonprofit

Other departments also recognize the need for a stronger focus on online fundraising, with 52% of those in the IT department and 44% in marketing also listing it as a top priority for their organization in 2019.





# Working Together

Are you aligned with your leadership in their vision for your organization?

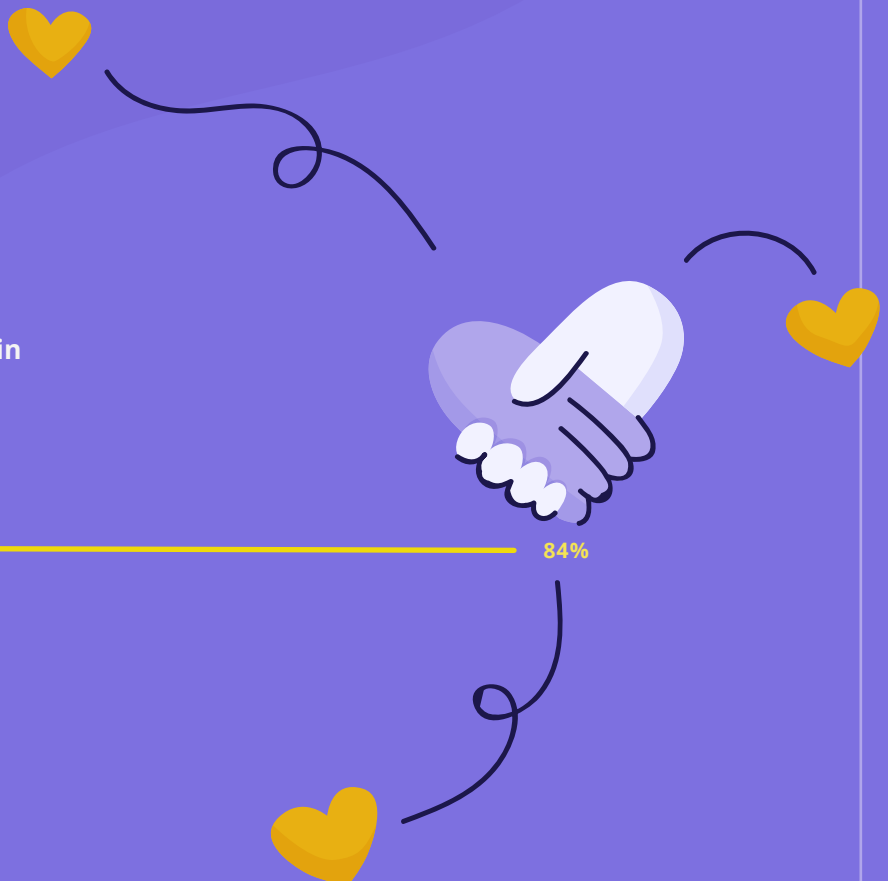
Probably or Definitely Yes



Might or Might Not



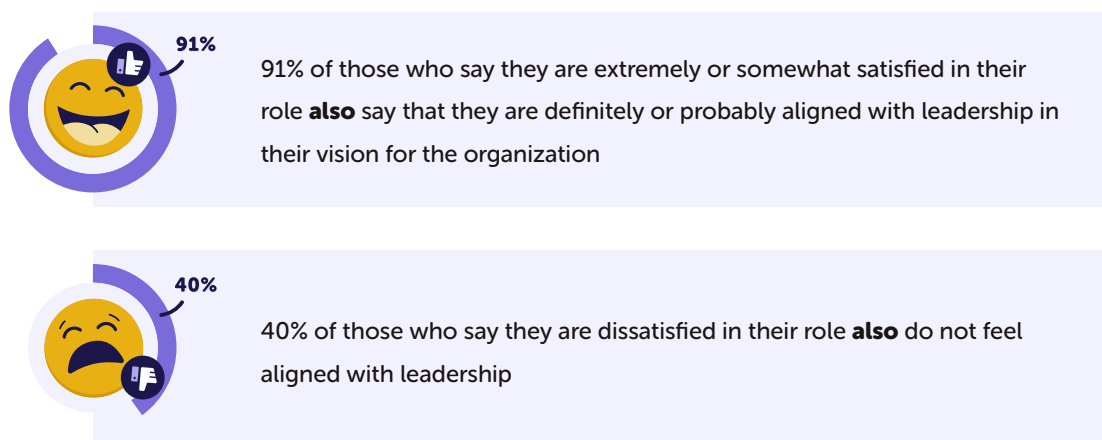
Probably or Definitely Not



## Alignment With Leadership and Board Members

The majority of respondents (82%) say their board members are supportive of innovative ideas to improve their organization, but as mentioned earlier, 45% of nonprofit employees feel that better leadership and employee alignment should be a top investment priority.

When looking for correlations among responses, it becomes clear that alignment and happiness are closely related.



Though sense of alignment is strong among most employees surveyed, respondents' departments can affect how aligned they feel with their leadership teams. The following departments say they are probably or definitely aligned with leadership in their vision for their organization:



## Staying Inspired

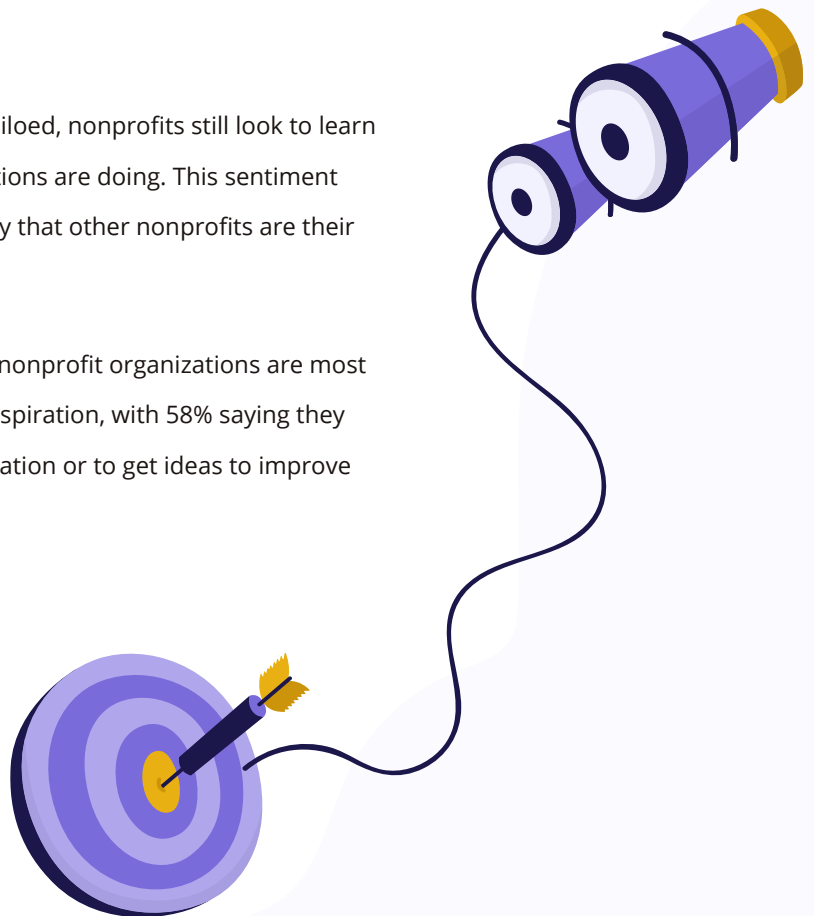
Where do you look for inspiration or to get ideas on how to improve your organizational effectiveness?

*Select all that apply.*



Though the nonprofit industry can often feel siloed, nonprofits still look to learn from and get inspired by what other organizations are doing. This sentiment is size-agnostic, as organizations of all sizes say that other nonprofits are their number one source of inspiration.

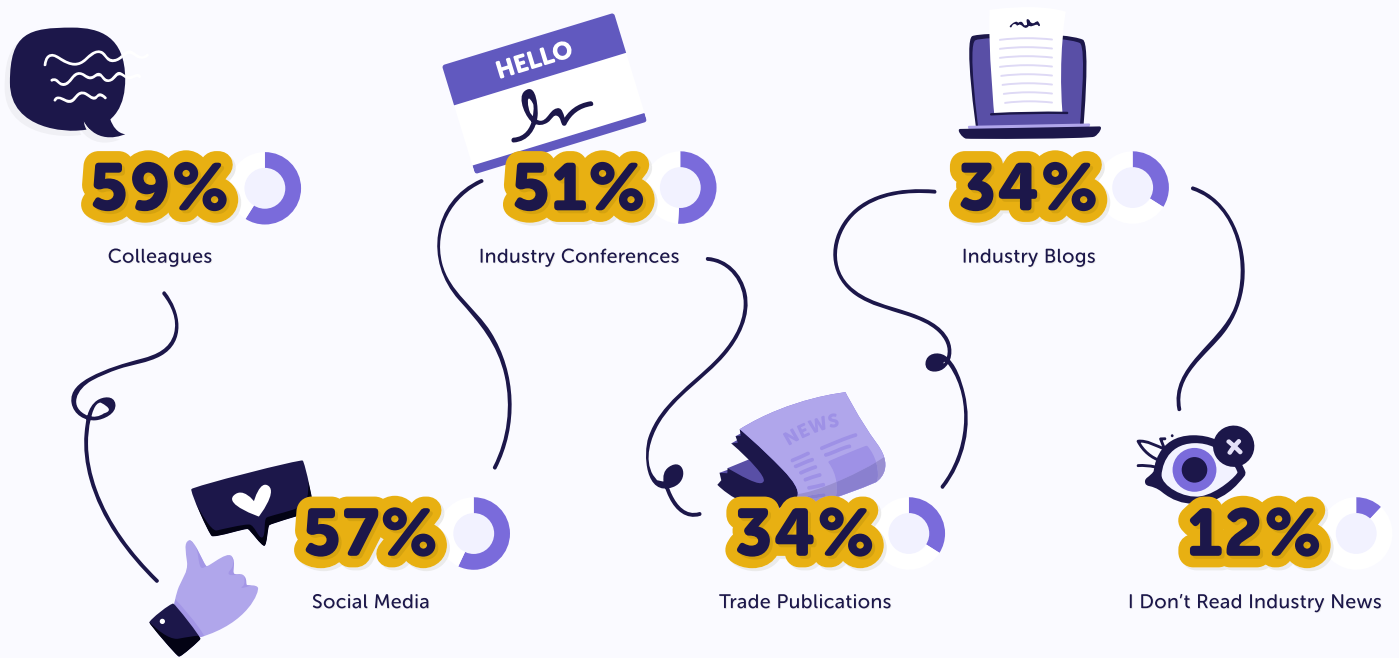
Interestingly, those who work in marketing at nonprofit organizations are most likely to look *outside* the nonprofit space for inspiration, with 58% saying they look to consumer or B2B companies for inspiration or to get ideas to improve their organization.



## Staying Informed

### Where do you get your industry news?

Select all that apply.



At the individual level, 59% of nonprofit professionals turn to their counterparts and get their industry news from their colleagues, 57% get news from social media, and 51% get news from industry conferences. Trade publications and industry blogs ranked lowest, signaling that as the media landscape continues to evolve, employees are turning to more non-traditional sources like social media in order to stay informed.

# Nonprofits & Technology

**In comparison to other nonprofit organizations, do you feel your organization is more technologically advanced?**

*For example, do you feel you are leveraging technology to your advantage compared to other nonprofits?*

Definitely Yes

10%

Probably Yes

27%

Might or Might Not

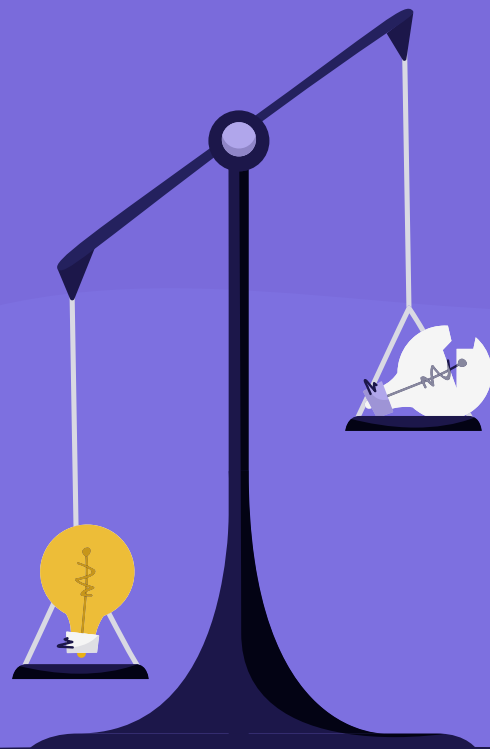
26%

Probably Not

27%

Definitely Not

10%



## Keeping Up With Technology

A common perception of the nonprofit industry is that organizations have not fully tapped into the benefits of using the right technology to their advantage, yet this is one area where survey respondents were split in their beliefs.



Almost 4 in 10 nonprofit professionals (37%) **don't feel** their organization is leveraging technology to their advantage in comparison to other nonprofits.



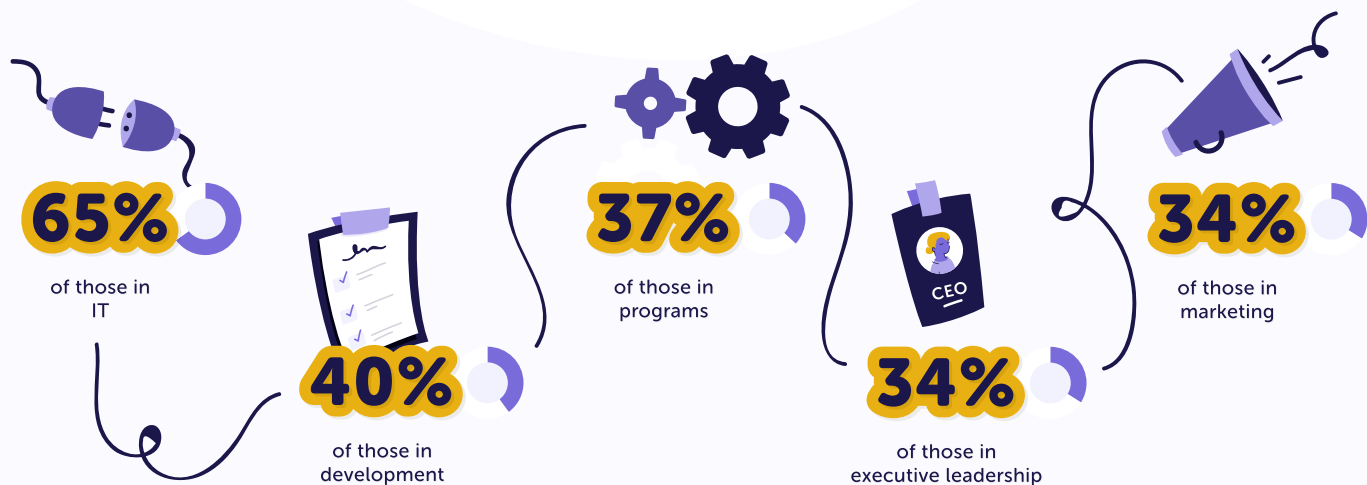
However, an equal number of nonprofit professionals (37%) **do believe** they are leveraging technology to their advantage and that their organization is relatively technologically advanced.

Organizational size tends to influence this perception among employees. Just over one-fourth of employees at small nonprofits (27%) believe their organization is technologically advanced compared to other organizations, versus 44% and 51% of employees at medium and large nonprofits, respectively.

Departmental role also influences this opinion, with those in IT most likely to believe their organization is leveraging technology to their advantage compared to other nonprofits.



The following departments say their organizations are probably or definitely more technologically advanced in comparison to other nonprofit organizations:



Other compelling correlations related to how a nonprofit leverages technology are job satisfaction and how often an employee donates to the organization where they work. In fact, more than half (54%) of respondents who rarely or never donate to the organization where they work also say their organization is **definitely or probably not** more technologically advanced than others.

Since being “technologically advanced” can represent a range of efforts, this survey further explored two particular technology themes that are often at the forefront of the modern nonprofit landscape: how technology is leveraged for marketing and online fundraising.



# Marketing Channels & Technology

**What are the top marketing channels used at your organization?**

*Select all that apply.*

Social Media

78%

Word of Mouth

74%

Email

69%

Community Outreach

64%

Web Content

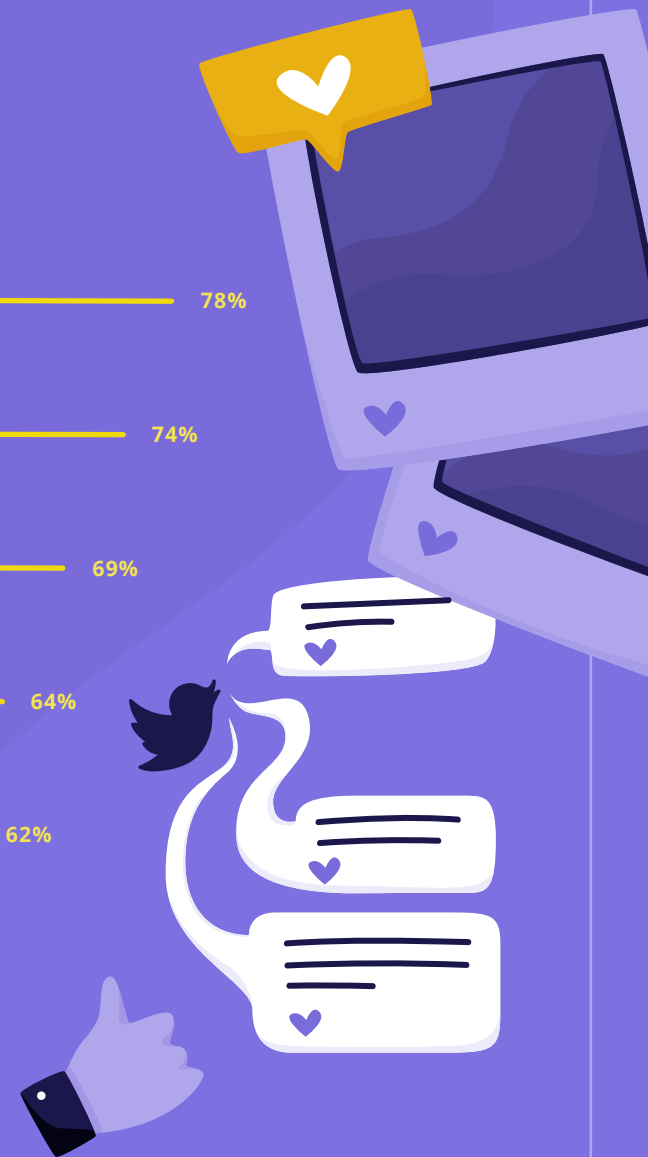
62%

Hosting Events

57%

Direct Mail

43%





Social media is a top marketing channel across nonprofits, followed by word of mouth and email. The responses shift slightly, however, when broken down by organizational size. The top three channels for large and medium nonprofits are direct mail, email, and social media, while the top channel for small organizations is word of mouth, followed by social media and direct mail.

While top marketing channels vary, social media remains a core marketing channel regardless of organizational size, which matches the way social media platforms continue to dominate public attention. According to 2019 Classy platform data, the following percentages of traffic to campaign pages come from social media:<sup>1</sup>



When it comes to marketing technology specifically, 62% of nonprofit professionals feel their organization's marketing technology meets modern demands. Even so, nearly half (47%) of overall respondents do not use marketing technology to track and analyze their advertising spend.

<sup>1</sup> Classy, "Peer-to-Peer Fundraising Benchmarks Worksheet" (2019). <https://go.classy.org/p2p-benchmarks>

# Online Fundraising

Donate

## How did your organization raise money in 2018?

Select all that apply.

Online Donations From Individuals



Mail-in Donations From Individuals



Donations From Major Donors



Applying for Foundation Grants



Applying for Government Grants



Corporate Sponsorship



Legacy Gifts or Giving by Bequest



Raising Money From Businesses



Holding a Capital Campaign



Other



## For 2019, what type of online fundraising would your organization like to use more of?

Select all that apply.

Website Donations



Fundraising Event Campaigns



Social Media



Peer-to-Peer Fundraising Campaigns



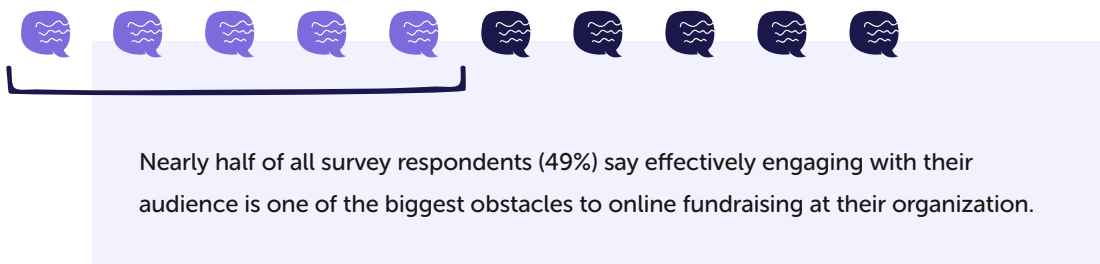
Crowdfunding Campaigns



Video/Gaming Platforms

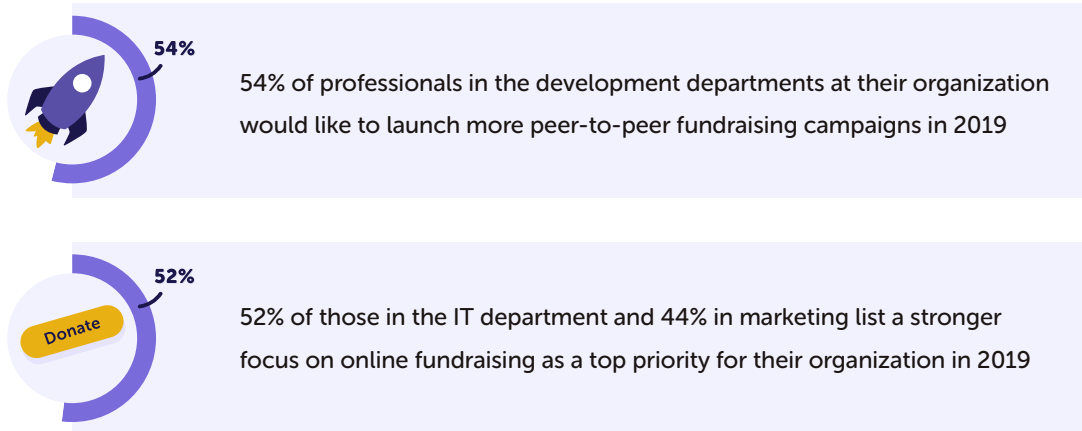


Online donations from individual donors was the method that most respondents (58%) used to raise money in 2018, and the above findings show that respondents have interest in increased online fundraising activities. However, there are a few obstacles preventing organizations from potentially maximizing their online fundraising efforts.



However, organizations of different sizes have different hurdles: 24% of respondents from large nonprofits say a lack of skilled employees is an obstacle to online fundraising, compared to 37% of respondents from medium and 32% of respondents from small organizations.

For survey respondents who raised money through online donations in 2018, 66% would like to use website donations more in 2019, and 59% would like to use more fundraising event campaigns and social media donations such as through Facebook fundraising.



# Fundraising Software

*In terms of fundraising technology,*

which department  
within your  
organization is  
responsible for  
discovering or testing  
new technology?

Executive Leadership

37%

IT

34%

Marketing

29%

Development

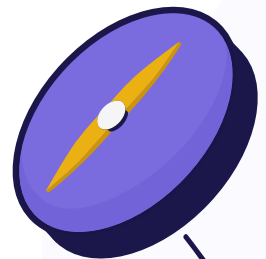
27%

No Department

18%

Programs

10%



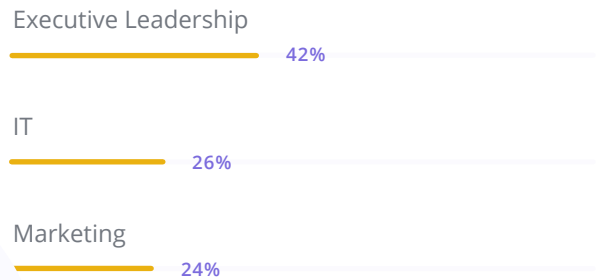
When it comes to testing fundraising technology, executive leadership, IT, and marketing are often tasked with discovering what will work for the organization, but some organizations haven't implemented any sort of process, with 18% of respondents revealing that there's no specific department in charge.

Broken down by organizational size, the results are slightly more telling:

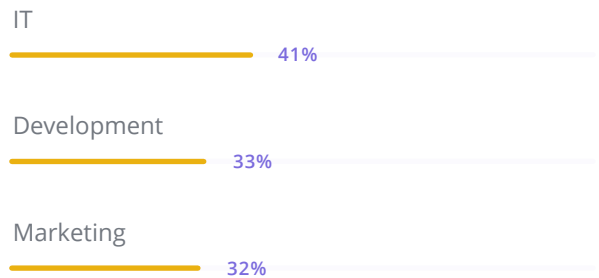
*In terms of fundraising technology,*

which department  
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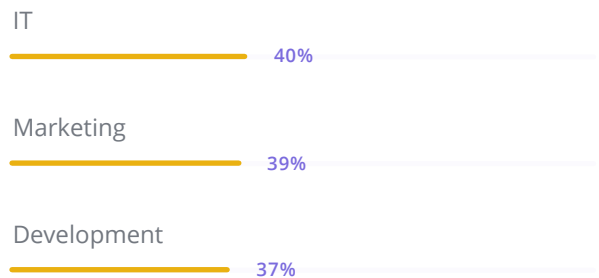
#### SMALL NONPROFIT



#### MEDIUM NONPROFIT



#### LARGE NONPROFIT



These findings indicate that small nonprofits often have executive leadership heavily involved in discovering and testing new technology compared to medium and large nonprofits, where this falls into the hands of the IT, marketing, and/or development departments.

Whether employees feel that their organization is technologically advanced can depend on who is discovering and testing their new technology platforms.

Of respondents  
who believe their  
organization is  
technologically  
advanced in  
comparison to  
other nonprofits...

**42%**

say IT is responsible

*for discovering and testing new technology platforms*

**36%**

say Executive leadership is responsible

*for discovering and testing new technology platforms*

**34%**

say Marketing is responsible

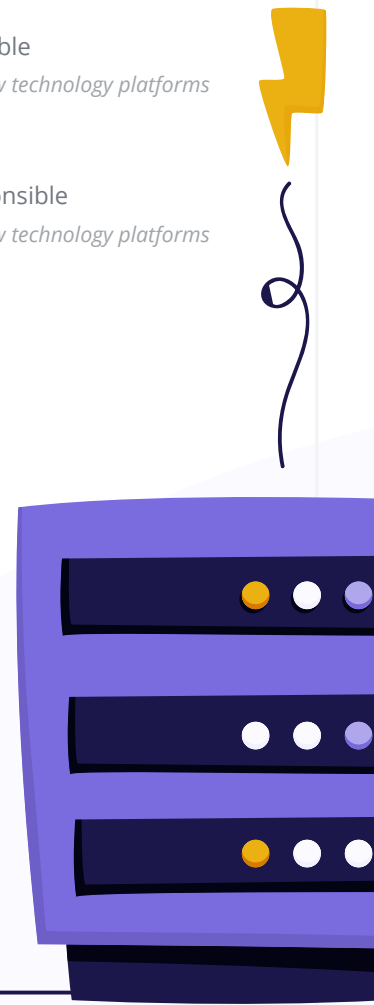
*for discovering and testing new technology platforms*

**33%**

say Development is responsible

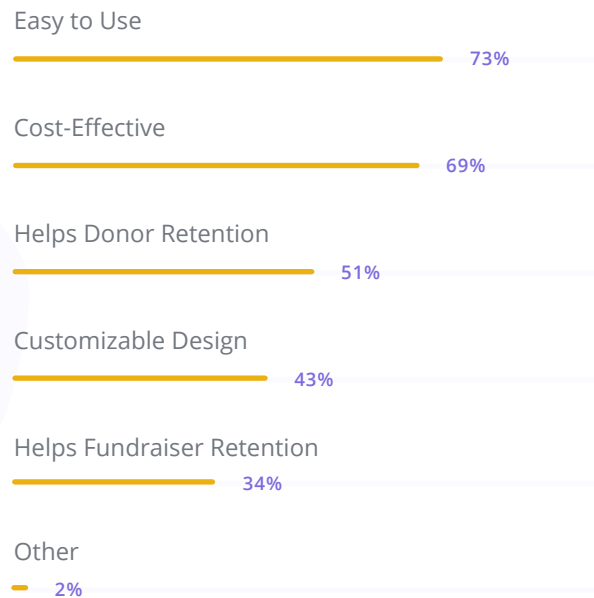
*for discovering and testing new technology platforms*

And, as mentioned earlier, the more respondents feel their technology is advanced, the more satisfied they are in their roles.



# What attributes are most important in an online fundraising platform?

*Select all that apply.*



Of all respondents, 73% of nonprofit employees want their fundraising software to be easy to use—above customizable design, cost-effectiveness, and even aiding in donor retention (an overall top concern for organizations as mentioned earlier).

This affinity for seamless digital experiences matches that of modern donors. More than half of consumers surveyed by Classy in September 2018 said it was easiest to make donations digitally, whether on a computer or smartphone, and this encompasses all generations. Furthermore, about half of the respondents (49%) from the same survey stated that if it were easier or more convenient to donate to their favorite nonprofit, then they would definitely or probably give more often.

For both the front-end and back-end users of this technology, smooth and intuitive digital experiences are imperative. Nonprofit professionals need technology that will help them raise more money more effectively and thus simplify their roles, not complicate them. As such, it should be easy to use above all else.

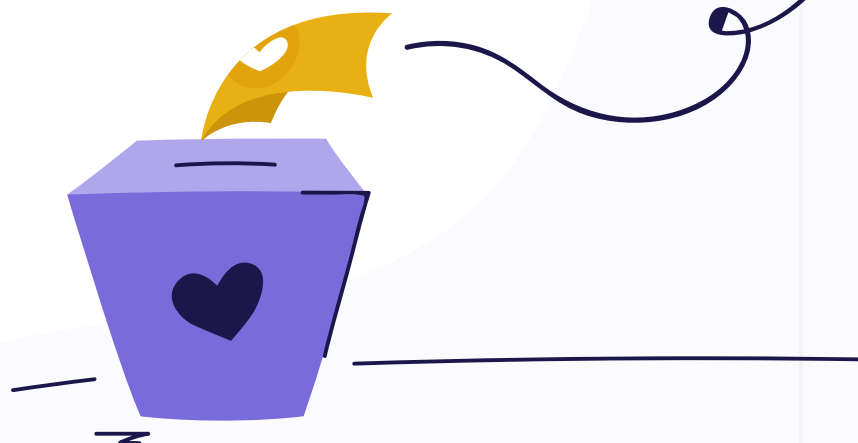
<sup>2</sup> Classy, "Why America Gives: How Current Events, Technology, and Seasonality Impact Donor Plans" (2019). <https://go.classy.org/why-america-gives-special-report>

# Conclusion



It's promising to see the results of this survey and know that, in many ways, the nonprofit industry is providing employees with meaningful work and overall professional satisfaction.

But just as nonprofit organizations are challenging the status quo within the cause categories they serve, there's an opportunity for nonprofit employees to apply this mentality to disrupt and advance their own roles. These efforts can lead to greater satisfaction, which yields greater productivity—which can ultimately mean a larger impact on the causes and people nonprofits serve.

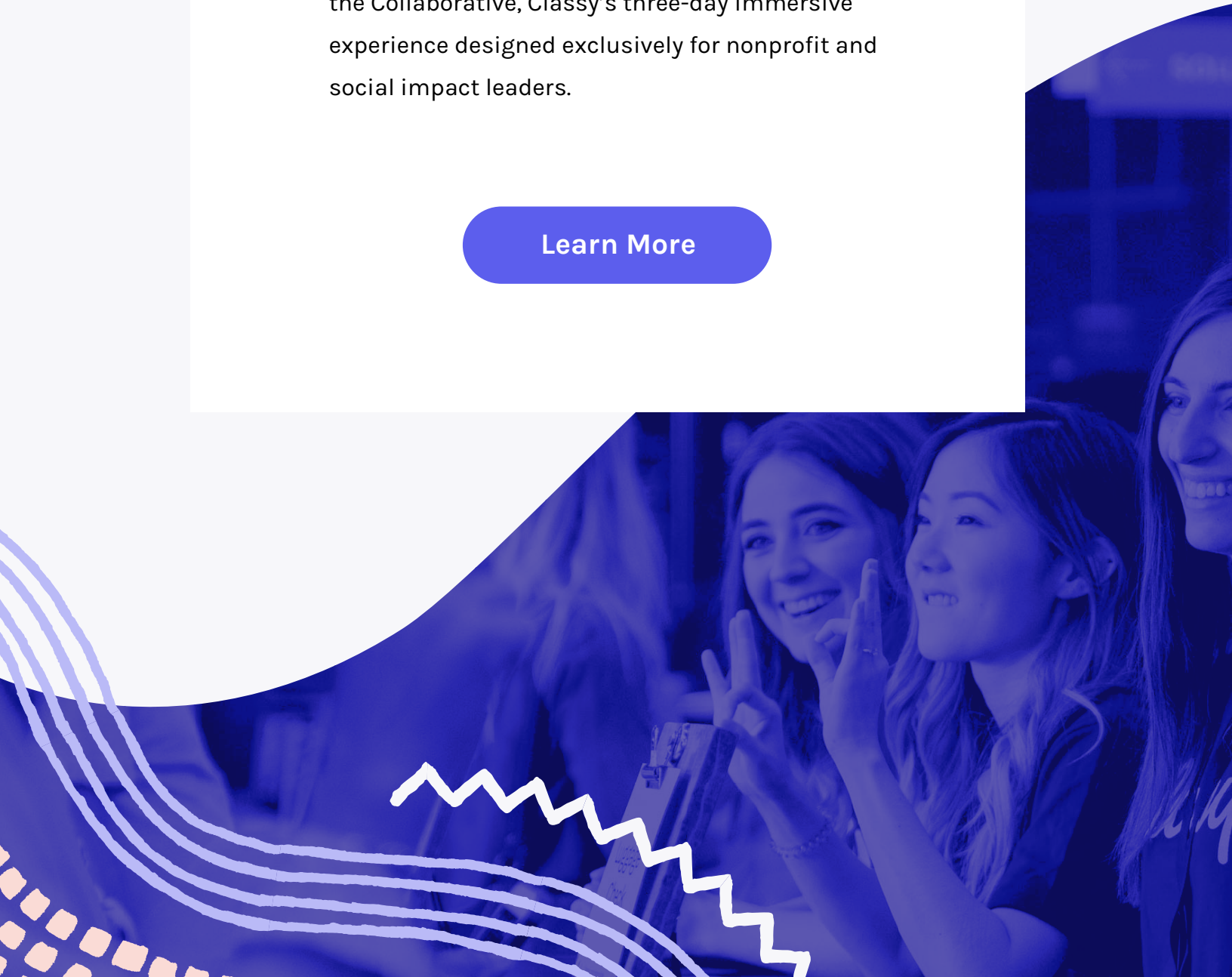


# COLLABORATIVE

## In case you missed it...

51% of nonprofit professionals get their news by attending industry conferences. If you're looking for the tools, strategies, and connections to accelerate your organization's impact, check out the Collaborative, Classy's three-day immersive experience designed exclusively for nonprofit and social impact leaders.

[Learn More](#)



## About Classy

Classy is a social enterprise that creates world-class online fundraising software for nonprofits, modernizing the giving experience to accelerate social impact around the world. Based in San Diego, CA, Classy is trusted by organizations of all sizes, from the fastest-growing nonprofits like Team Rubicon and The Trevor Project, to some of the world's largest social organizations, such as The Salvation Army, Robin Hood Foundation, and Shriners Hospitals for Children. Classy also hosts the Collaborative conference and the Classy Awards to spotlight the innovative work nonprofits are implementing around the globe. For more information, visit [www.classy.org](http://www.classy.org) or follow Classy on Twitter [@Classy](https://twitter.com/Classy).

## About the Data

Classy surveyed 1,002 individuals 18 and older who are managers and above at a nonprofit organization in the U.S., 82% of whom reported working for a 501c3 nonprofit. The survey was fielded in March 2019 using the Qualtrics Insight Platform, and panel was sourced from Fulcrum by Lucid.

We classified “small” as \$999,999 or less in annual revenue, “medium” as \$1,000,000 to \$19,999,999 in annual revenue, and “large” as more than \$20,000,000 in annual revenue.

We used annual revenue as the metric by which we determined whether a respondent worked for a small, medium, or large nonprofit organizations.