

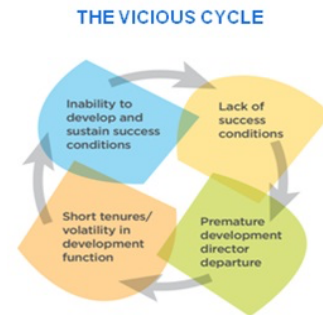
## ***UnderDeveloped In Alaska***

### **Executive Summary of Compass Point's *Underdeveloped: A National Study of Challenges Facing Nonprofit Fundraising and the Impact on the Sustainability of Alaska Nonprofits***

#### **Key Findings**

The report is organized around three main challenges and concludes with a set of recommendations to jumpstart a national conversation about how we can all help nonprofits take their fund development to the next level.

**REVOLVING DOOR** – Organizations are struggling with high turnover and long vacancies in the development director position.



#### **In Alaska:**

- Departure of development directors falls in three general categories:
  - Moving to another agency for better compensation and/or a better working environment
  - Fired for failure to meet performance expectations
  - Leaving the field because the compensation and/or work environment doesn't support a continued commitment to the profession
- Long vacancies for qualified development directors are a result of:
  - The organization's lack of understanding of the roles and responsibilities of a development director
  - Unrealistic compensation packages and performance expectations
  - Lack of qualified candidates for the positions
  - Organization's reputation as a "revolving door" and lack of support for fundraising success
  - Unclear job expectations leading to discord among executive directors, development directors, and boards of directors over fundraising strategies, priorities, and goals.

**HELP WANTED** – Organizations aren't finding enough qualified candidates for development director positions. Executives also report performance problems and a lack of basic fundraising skills among key development staff.

#### **In Alaska:**

- "Development Director" is not a well-defined role. Organizations often expect this position to be a grant writer, grant administrator, and special events coordinator.
- Organizations hire under-qualified candidates and fail to provide resources and opportunities for basic fundraising training.
- Alaska's geographic isolation limits most professional development opportunities to the Anchorage area. Professional development outside Alaska is extremely expensive.
- Low salary levels in the Alaska nonprofit sector limit the opportunity to recruit professionals from outside the state.
- Organizations set unrealistic expectations and goals for new and existing development programs.

**IT'S ABOUT MORE THAN ONE PERSON** – Beyond creating a development director position and hiring someone who is qualified for the job, organizations and their leaders need to build the capacity, the systems, and the culture to support fundraising success. The findings indicate that many nonprofits are not doing this.

**In Alaska:**

- Alaska nonprofits depend too heavily on restricted grant sources and undervalue individual philanthropy as a key factor in fundraising success.
- Alaska nonprofits often focus on special events as their singular opportunity to develop individual donors.
- Often, executive directors do not understand their role in the development process and aren't committed to strategic fundraising.
- Alaska's population cannot support healthy boards of directors for all its nonprofits. Nonprofit boards are often disengaged from their role in the fundraising effort.
- Alaska nonprofits do not commit to the long-term work of developing a mature fundraising program nor do they cultivate a culture of philanthropy.
- Historically, Alaska has had one of the lowest rates of individual philanthropy in the nation.

**BREAKING THE CYCLE** – *UnderDeveloped* offers urgent calls to action for the nonprofit sector, citing key steps that nonprofit executives, funders, and sector leaders should consider as they set out to address the challenges detailed in the report.

**In Alaska:**

- The Association of Fundraising Professionals (AFP) Alaska Chapter has ongoing discussions and training to support development professionals.
- Community foundations, United Ways, and many private foundations are working to grow a culture of philanthropy across the state.
- The Foraker Group focuses on education, consultation, and facilitation to cultivate a team inside organizations that is ready to grow and nurture a culture of philanthropy.
- Foraker is tracking giving data to help dispel myths and move the sector forward.

**Foraker's latest data on Alaska philanthropy is found in our 2021 report:**

*Alaska's Nonprofit Sector: Generating Economic Impact*

[www.forakergroup.org/speak-up/nonprofit-economic-impact](http://www.forakergroup.org/speak-up/nonprofit-economic-impact)

**The full Compass Point report – *Underdeveloped: A National Study of Challenges Facing Nonprofit Fundraising* – is available at:**

[www.compasspoint.org/underdeveloped](http://www.compasspoint.org/underdeveloped)

**Additional fund development research is available at:**

[www.forakergroup.org/wp-content/uploads/filebase/Research/Fundraising-Bright-Spots.pdf](http://www.forakergroup.org/wp-content/uploads/filebase/Research/Fundraising-Bright-Spots.pdf)