



## Troubling Insight 15 January 2004

The 16 October 2003 *Chronicle of Philanthropy* provides troubling insight into the current state of giving. We emphasize two statistics buried in the chart on p. 30

1. 37% of the population gives less than \$100 a year to charity.
2. 20% fewer young adults under age 37 give to religious causes than do people above age 72, giving far fewer dollars as well.

Some point out that young people earn less money than older adult generations. This has less relevance than they think.

- the oldest part of the population is the most generous and *most likely to be on a fixed or declining income*.
- the poorest parts of the population hold their own with the wealthier in percentage of income contributed.

Conventional wisdom has been to mine population segments most inclined to be generous. This leads to fund-raising resources being devoted to gaining more from those already giving, and fewer resources invested in those not yet. The long term problem is that this approach feeds the troubling trend. For years now we advanced the contrarian view that:

1. Best practice fund-raising efforts invest in introducing people to giving.
2. Best practice fund-raising efforts include a goal to gain new donors alongside the dollar goal.
3. Reversing the trend of declining donor numbers requires a joint effort of family, congregation and ministry organization. Trends indicate far more competition than cooperation as each one goes after resources from fewer people who give ever more away (when once it was replaceable income, these fewer and older people now give from their estates).

Over and over again, we meet CEO's, development officers, pastors and givers who say "*That's the way it is. We are going to do what it takes to get money for our organization. You can't expect more from us than that.*" But who wants to preside over the disintegration of generosity? The steps we advocate increase the bottom-line, yes, but with the increase comes greater capacity for all partners, a strengthened network of relationships, and a better ensured future of healthy congregations that develop generous people.

-mark