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## Qualitative Research to Create Fundraising Strategies for a Growing Nonprofit Organization

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# Walden University

College of Health Sciences and Public Policy

This is to certify that the doctoral study by

Rolanda Warren

has been found to be complete and satisfactory in all respects,  
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the review committee have been made.

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Walden University  
2024

Abstract

Qualitative Research to Create Fundraising Strategies for a Growing Nonprofit

Organization

by

Rolanda Warren

MPA, Troy University, 2007

BA, Alabama A&M University, 1983

Professional Administrative Study Submitted in Partial Fulfillment

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Doctor of Public Administration

Walden University

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## Abstract

A lack of strategies for fundraising and overreliance on too few sources of funding places an undue hardship on a nonprofit organization. Many successful nonprofit organizations exist due to financial donations from various sources. Fundraising strategies guide a nonprofit organization to more significant fund development efforts. The study client organization (identified as QRS) received 80% of its funding through the government. Five percent of the organization's income has been generated through private/family foundation grants. The remaining 15% of the organization's contributions are generated through individual donations and other contributions. Developing a greater diversity of funding sources can enhance the organization's sustainability. This study data collection included eight interviews with development staff or leaders of nonprofit organizations with successful foundation fundraising, annual funds, and major donor programs. The findings were coded and analyzed for patterns and themes. The themes revealed the importance of strategies in everyday operations and long-term growth for a nonprofit organization. This study provides best practices to aid in developing diverse fundraising strategies. This can support a mission fulfilled and produce a positive social change in the community.

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## Section 1: Introduction to the Problem

Nonprofit organizations are legal entities created to meet a stakeholder's needs (Kenton, n.d.). Nonprofit organizations must maximize income, protect their interests, and meet their mission. This study identified the client organization as Quality Reliable Services (QRS), a pseudonym for the client's nonprofit organization. QRS is a nonprofit organization that works to serve the homeless population through direct services and advocacy.

QRS provides an integrated system of services that partners with homeless service providers, local municipal government, state officials, and the faith community. QRS operates and provides coordinated assessment/entry and manages an electronic case management system. This case management system assesses the needs of the homeless and prioritizes them. Approximately 450 users allow the providers to quantify homelessness and track services provided to the community.

Fundraising is vital to the sustainability and growth of a nonprofit organization. This activity increases awareness of the organization's mission and strengthens its operations. According to the Director of Operations, QRS has no strategies for an annual fund or major donor programs. Also, additional strategies are needed to increase private and family foundation grants.

QRS has primarily depended on federal funding sources for its operation. In this paper, I used qualitative research to identify needed fundraising strategies for the annual fund, major donors, and increasing private/family foundation fundraising. The result of

this study is a report recommending appropriate fundraising strategies for these three sources of nonprofit organization funding.

### **Problem Statement**

QRS leads the integrated services for the homeless in a southeast state. They submitted collaborative applications for funding that provides approximately \$10 million for individuals and families experiencing homelessness. The organization's mission is to prepare and empower the community in preventing and ending homelessness through advocacy, education, and coordination of services. Fundraising is a vital component of the operation of this nonprofit organization.

There is never a guarantee of the number of funds raised, but how an organization administers those efforts must be consistent with its vision. Consistency with donors is a plan that speaks to the number of times actions are repeated. Each time an action is repeated, this improves that effort, generates growth, and deepens the relationship with the donor (*Why Is Consistency Key With Donors*, 2021). Through this study, I aim to assist the QRS organization in creating strategies to enhance the organization's ability to raise needed funds in a way that demonstrates integrity, positive stewardship, and professionalism. As of May 2022, QRS has not created or administered those strategies for obtaining foundation grants, annual funds, or major donors.

Funding is essential, but it is equally important to understand the extent of homelessness. The number of individuals experiencing homelessness and the characteristics of this population provide awareness. The demographics and needs are gathered and used by the federal government.

In January 2022, more than nine hundred individuals received services in a single night (Xxx Xxxxx 2022). This count is a mini census that helps the community understand the homeless population's needs. These individuals and families usually receive services in an emergency shelter, transitional housing, and a haven in one night. QRS is the lead agency for the integration of services and, therefore, leads this effort. Foundation grants, an annual fund, and major donor policies and procedures assist the organization in fulfilling its mission. In addition, policies and procedures guide the plans, ensure ethical practices, and increase the effectiveness of the services offered.

### **Purpose Statement**

This qualitative study reviewed existing organizational documents to add background information and understand QRS's financial needs. Eight interviews were conducted with developmental staff or leaders of nonprofit organizations who have successfully created and implemented foundation fundraising and individual donations through annual funds and major donor programs. Interviews, findings, and related literature supported the data necessary to develop recommendations for the annual fund, major donors, and foundation QRS fundraising strategies. The results of this study lead to a report that documents the research results and recommendations for appropriate new foundation grants, the annual fund, and major donor programs strategies.

### **Guiding Question**

What fundraising strategies are needed for a growing nonprofit organization to implement an annual fund, major donors, and foundation fundraising efforts to increase and diversify its funding sources?

### **Nature of Study**

This research included a review of existing organizational documents to add background information and understand the financial need. In addition to a significant literature review, the research consisted of eight individual interviews with developmental staff or leaders selected from similar nonprofit organizations who successfully implemented foundation fundraising and an annual fund and major donor programs. The interviews were semi-structured with open-ended questions. The results were coded and interpreted for patterns and themes. Patterns and themes are seen as trends representing a norm shift. This shift can ignite a change in best practices in developing fundraising strategies (Mishra, S. & Dey, A.K., 2022).

### **Significance of Study**

When fundraising strategies are absent, the organization lacks the resources to accomplish its objectives. The findings of this study directly benefit the QRS organization with strategies to raise funds through foundations, an annual fund, and major donor programs. The findings provide strategies for QRS to diversify its funding portfolio. Once implemented, the new strategy can further empower the organization to meet its mission.

Fundraising spans several platforms. More than the financial benefits that fundraising yields, it supports a cause, promotes the mission, and educates the community. Fundraising becomes the catalyst for social change and addresses the root cause of problems. Moreover, fundraising brings people together, enriches the

community, and expands other areas. As a result, this ongoing cycle improves community competitiveness and sustains the economy.

Fundraising also plays a critical role in community and economic development. Funding creates more opportunities, moves families out of poverty, and builds relationships between businesses. The impact models can help demonstrate how fundraising has been effective. Impact drives the funds and is a conduit for positive social change.

### **Summary**

Section 1 revealed the lack of fundraising strategies in the QRS organization related to foundations and individual giving. A new strategy to raise additional funding is critical in establishing a solid foundation and diversifying funding based on QRS. New strategies to raise additional funding are essential in establishing a solid foundation and diversifying funding based on QRS. In Section 1, I stated the problem and purpose of this study, noting that a qualitative research approach was used through individual interviews. Interviews included eight individuals who have successfully implemented foundation fundraising, annual funds, and major donor programs. In Section 2, fundraising strategies are examined through scholarly literature.

## Section 2: Conceptual Approach and Background

### **Introduction**

According to Christensen (n.d.), organized fundraising gained attention during both World Wars. The National Society of Fundraisers was organized during the 1960s and served as a source and instruction for professional fundraisers. Since then, the increase in electronic fundraising, the evolution of development platforms and programs, and the diversity of funds raised and donated have positively impacted the ability of nonprofit organizations to meet their missions and increase demand for services.

The significant growth of fundraising has expanded beyond grassroots nonprofit organizations. Donations from various sources are used to meet the needs of schools, politics, and other institutions. With this growth, there is a need to create guiding principles and place governance to evaluate and establish accountability within nonprofit organizations. As a result, the Sarbanes Oxley Act of 2002 was created to help protect shareholders, employees, and the public from fraudulent practices (Lutkevich, 2020).

The Sarbanes Oxley Act led nonprofit organizations to review their practices, evaluate their activities, and make the necessary adjustments. Many nonprofit organizations found that developing policies and procedures were critical in gaining donor trust and establishing ethical fundraising standards. When an organization lacks governance, they are at risk for ethical issues (Lutkevich, 2020). QRS organization is an established nonprofit that has become dependent on federally funded grants and few donations. Additional funds can allow QRS to meet the increasing need and demand for services.

The question remains about what fundraising strategies are needed for a growing nonprofit organization to implement an annual fund, major donor, and foundation fundraising strategies to increase and diversify its funding sources. In this section, I explore the definitions and best practices of foundation fundraising strategies, an annual fund, and major donors. This research provides a comprehensive review of what could offer a sustainable plan for developing fundraising strategies.

### **Conceptual Framework**

The theory of change is a model created to evaluate community initiatives. The origin of this model is connected to methodologists such as Chen, Rossi, Patton, and Weiss. The theory of change details the connections between programs, activities, and outcomes (DeJonckheere & Vaughn, 2019). It is critical in building a foundation for giving. Chase (2022) claimed, “A theory of change is why taking action or making a donation might plausibly make a difference about something the audience cares about” (para. 4).

The theory of change approach perfects the planning and implementation of an initiative, measures the data, and evaluates long-term goals or outcomes. This method can make the mission of a nonprofit organization more relevant and effective. Although fundraising campaigns focus on the donors and strengthening the relationship between the donor and the organization (Cornetto, 2020). This simply means that the theory of change in fundraising will lead to consistent outcomes.

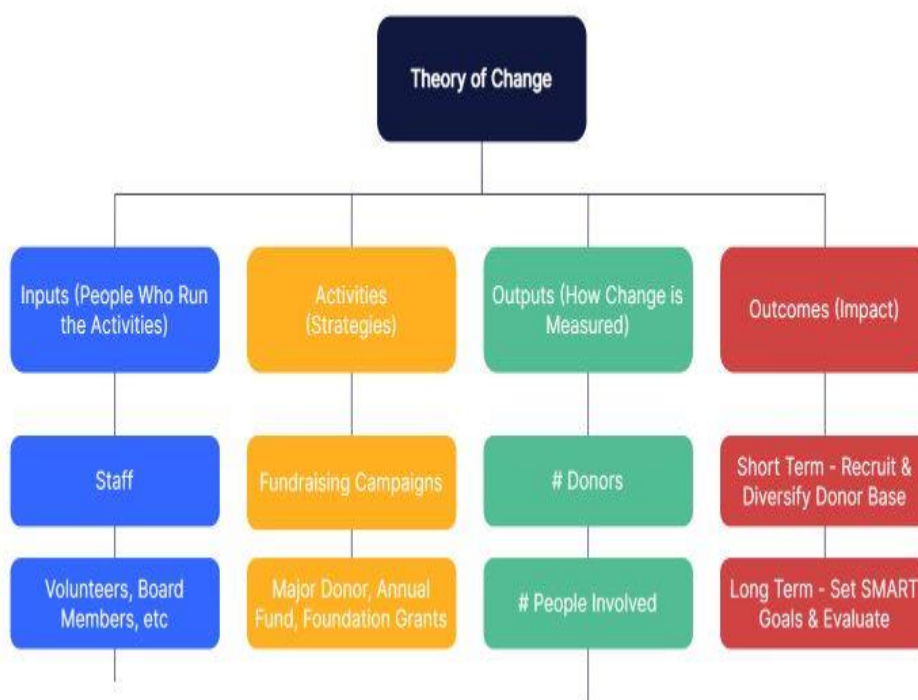
QRS organization is working towards increasing and diversifying its funding sources through fundraising strategies. Diversity is essential to engaging stakeholders and



improving fundraising outcomes (Schiller, 2022). The theory of change provided an understanding of the process from inputs (key people who will run the activities), activities (fundraising strategies), outputs (how activities are measured), and outcomes (including short and long-term goals).

**Figure 1**

*Theory of Change*



*Note.* The model in Figure 1 describes how these activities are expected to lead to the desired result, positive impacts. The Figure is created from the information adapted from 5 Steps for Creating a Theory of Change. (Nitsche, 2022). The contents of the figure is my own work.

## **Relevance to Public Organization**

For-profit organizations provide a service or product in exchange for payment. In contrast, a nonprofit organization's sole purpose is to provide a service with no expectation of compensation. In an effort for a nonprofit organization to operate and support its cause, they solicit donations. According to the National Council of Nonprofits, (2020), 1.3 million charitable nonprofits feed, heal, shelter, and educate people of every age, gender, race, and socioeconomic status throughout the United States and beyond.

The community can see the direct benefits that families experience, but there are also indirect benefits. Nonprofits employ people and consume goods and services, impacting the economy, generating civic engagement, and influencing public policy. Nonprofits raise awareness, and funding causes lean credibility to nonprofits. Fundraising strategies, therefore, generate revenue that contributes to this impact.

## **Civic Engagement**

Civic engagement means making a positive difference in the lives of others. Civic engagement is individual or collective actions designed to address issues that concern the public. Civic engagement covers a myriad of activities, from volunteerism to organizational involvement. Some examples include community projects, public health, recycling, social justice, and advocacy, to name a few.

Fundraising is needed to raise money to support a cause and increase awareness. Funds are essential in creating awareness, researching an issue, lowering overhead expenditures, and securing the workforce. One example of how fundraising impacts the community may be found in the Southern Poverty Law Center in Montgomery, Alabama.

The Southern Poverty Law Center announced the first round of grants totaling \$5.435 million for the Vote your Voice Initiative in August 2020. (2020). This funding supported its Vote Your Voice initiative, and the effort was a partnership with the Community Foundation of Greater Atlanta. The goal was to increase voter participation among people of color in Alabama, Florida, Georgia, Louisiana, and Mississippi (2020).

Sociologists have defined social change as the alteration of cultural and social institutions resulting from changes in interpersonal relationships and interactions. These adjustments happen regularly and gradually, and the developments throughout time can significantly impact society. Fundraising is a conduit for nonprofit organizations. The funds are raised to ensure the organization's longevity, and those activities are funded (2019).

### **Organizational Background/Context**

QRS organization was incorporated in 1991. The central focus of QRS was to serve those who were homeless or at risk of becoming homeless through advocacy, education, and coordination of services. There are distinct programs where the population receives services. QRS uses coordinated assessments with its partners as a requirement of HUD.

Coordinated assessment is a unique tool used to assess those at risk or those who experience homelessness. The case management system includes software, hardware, and internet service and training for various partner agencies in their joint effort to fight homelessness. This system is mandated by the federal government to provide case

management, track the number served, and qualify those in need. More than six hundred agencies and two hundred users actively participate in the system (Xxx Xxxx, 2022).

The continuum represents QRS and its partnering agencies. QRS leads the effort to decrease homelessness. The other responsibilities that QRS has include submitting a competitive annual grant request to HUD, evaluating the continuum-funded programs, and ensuring efficiency. QRS also recommends best practices in funding programs. The responsibilities are significant; additionally, funding is needed as the organization continues to grow and the need expands beyond homeless individuals, families, veterans, youth, and chronically ill. With those needs, an increased and diverse amount of funds becomes critical.

### **Fundraising Strategies**

Nonprofit refers to organizations that have a social goal. Funds are necessary for resource development and allowing the organization to fulfill its mission. Grant awards through the federal government are essential, but few organizations can sustain themselves through this funding stream alone. Effective organizations should have a diverse financial base beyond government funding ("Nonprofit Resources Development and Fundraising," 2020).

Composing a plan of action or strategy is critical in developing a fundraising action plan. A solid foundation fundraising plan includes four items: bringing awareness by building interested participants or donors, educating the audience on the organization's mission, inviting potential donors to the organization's events, and encouraging

volunteerism (Love, 2022). Finally, the organization should promote stewardship by showing the participants how they are effective (Lien, 2017).

### **Foundation Fundraising Strategies**

Foundations exist to give money in the form of grants. The goal of a foundation is to fund or connect with a nonprofit that shares the same or similar missions in making a positive change. When forming a foundation fundraising plan, it is essential to obtain input from the board of directors, staff, and volunteers. Fundraising is more than raising money for an organization.

The most reliable source for the increase and consistent growth is building diversity. A nonprofit organization can develop diversity through the increase of people. Board members may be considered donors. Engaging donors is a strategy that includes receiving monetary donations, securing in-kind donations, donating time, investing skills/gifts, and recruiting other donors through networking (*"Fundraising for Social Change - Ohio"* n.d.). Once the elements are understood, the fundraising activities should be delegated to the development staff for goal setting and execution.

A solid foundation plan is not limited in its efforts to gain funds. The diverse types of foundations include operating foundations that work independently, private foundations managed by the owner, public foundations that rely on foundations and corporations, and nonoperating foundations that follow up with grants. The strategies under each foundation serve as a guide to carry an organization through that specific campaign (2022).

Most nonprofit organizations intend to pursue an approach that supports financial growth. Financial growth must not be a one-time event but an ongoing strategy to stabilize the organization. A funding model is described as an organized and standardized approach. This approach focuses on developing reliable revenue to support an organization's programs and services (2016) Funding models possess three characteristics: funding, the funding decision maker, and the funder's motivation.

Funding models are beneficial in identifying beneficiaries and cultivating funders. The funding sources look at historical data, examining revenue streams from the past. These data show what is consistent, what revenue streams are working, and what needs to change. Funder motivation provides an understanding of why funders will help an organization. Sometimes the funder is motivated by the organization's record or successful outcomes. In addition, a motivator may be the funder, and the organization shares an interest in the served population. Finally, the funder may have a personal relationship with leaders (Kim et al., 2011).

In foundation fundraising, some lessons help an organization prepare for unexpected circumstances and vulnerable areas and examine the funding approaches. These are insights that assist an organization in developing strategies and diversifying funds. A comprehensive list of fundraising platforms offers unique opportunities for raising funds. As extensive as the list of fundraising strategies is, foundations provide many benefits.

Diverse types of foundations offer funding streams. Foundations are often more flexible than government funding, with broader grant guidelines. Foundations operate on

a strategic plan that initiates ongoing funding streams that are often renewable based on achieved outcomes. These funding streams add to the overall diversity in funding disseminated to nonprofit organizations. The variety of funding streams supports the mission and extends the ability to continue services and renew funds (“*Guide to Foundation Fundraising* “- Columbia University, 2019).

There are many fundraising strategies to generate gain and create diversity in fundraising. Some fundraising strategies include individual giving, major donor giving, corporate giving, and annual giving. One of the most effective fundraising strategies is peer-to-peer campaigning. Peer-to-peer campaigning is an economical way to raise funds; it reaches its goal quickly and grows the organization’s network (Izmailova, 2021).

### **Annual Fund Strategies**

A strategy is an action plan or policy development designed to achieve an important goal. Strategies are significant because they prepare for the unforeseen or the probable and assist with predicting the possibilities. Strategies define the mission, vision, and direction of the organization. Strategies also bridge the gaps between an organization and where it wants to be (*MSG Management Study Guide*, n.d.).

Strategies are therefore necessary for the financial planning of all nonprofit organizations. The systems and methods used to execute those plans may differ, but still, the goal is to fulfill the mission, expand the organization, and secure funds. An annual fund is a fundraising strategy used by nonprofit organizations. This plan seeks to raise

funds throughout the year. In addition, the process works towards increasing funds through existing donors so they will donate again.

An annual donation program requires recurring demands yearly, with progressively more meaningful results over time, increasing the number of donors and the amount raised. The program must generate predictable cash revenue at specific times of the year, depending on the promotional activities. Annual income from donations is not limited to this; still, it fully covers the organization's needs in terms of current funding.

Various annual fundraising programs meet the established criteria and the usual annual fund mailing and online solicitation. This fundraising strategy may also include yearly sponsorship as well as other methods. Developing strategic annual donations involves identifying new donors and creating multiple means of improving existing donors' participation and involvement (Alford Group, 2020).

The strategic plan's foundation focuses on the financial goals agreed upon as part of the overall vision of where the annual donation program will be in 3 to 5 years from its inception. The next step in setting goals is gathering data. This data will include historical data showing the donors who donated over time, the amount donated, and the donation frequency (Alford Group, 2020a). This information can reveal what is received and what actions are needed to obtain the goal. This information can also help an organization identify weaknesses in donor retention, donation level gaps, and potential issues that the plan wants to address (Alford Group, 2020).



An annual fund is the foundation of all fundraising. This strategy establishes a base for donors and serves as accountability. An annual fund has several approaches. Outreach to donors occurs through dedicated events, direct mail, online platforms, and other activities. It is a carefully devised and implemented plan that has proven successful. The primary objective of the annual fund is to secure gifts and repeat, construct a donor base, expand the donor base, raise unlimited funding, encourage gift plans, and generate a yearly report (Rosso, n.d.).

To reiterate, an annual fund collective name for all the funds that a nonprofit organization continuously raises during the year. Donations to this yearly fund are unrestricted funds, which means that an organization has the freedom to use the funds in any area of need. An annual fund provides more than unrestricted funds, it reinforces the mission of the organization, increases the donor base, and establishes giving patterns (2022). Acquiring funds is only one small part of securing the finances of a growing nonprofit organization.

A fund development plan should entail diversifying. Diversification is a key strategy. Every nonprofit organization needs a variety of funding streams. In other words, no organization should depend on a sole source to operate. This method secures operation and its solvency. Diversified fundraising should typically be no more than 25% of an organization's income from a sole source. This ratio supports that income should come from a variety of sources (Rees, 2022a).

Another reason nonprofits should diversify is to prepare for uncertainty. Failing to do so makes organizations vulnerable. The continuance of service is critical and can be

achieved through fiscal management. The organization is seen as flexible when it possesses an adequate balance sheet, appropriate allocations, positive operating income, and diverse revenue streams. In addition, diversity in funding streams is a reduction in one fund and enhances autonomy (Hung & Hager, 2018). These are all considered advantages of choosing different strategies in fundraising and building a stronger community network.

### **Major Donor Program Strategies**

Major gifts are the most significant donations that a nonprofit organization receives. The donations assist with meeting fundraising goals and addressing specific needs. The dollar amount that determines major giving will vary. For a smaller nonprofit organization, the amount may be as small as \$1000 or as significant as \$100,000.

The primary donor strategy is designed to establish a long-term relationship to provide significant donations. This strategy is critical in developing ongoing funds and guarantees a stable operation (2021). Specific components must be considered when developing a major donor strategy. A nonprofit organization must determine the amount that defines a major donation for them. A team must be appointed to market the plan and secure major gifts.

The impact of the gift determines whether the contribution is significant. Major donors may be secured through solid relationships, often referred to as donor cultivation (Cychowski, 2021). Donor cultivation is a continuous process of adding new donors, encouraging existing donors to repeat their giving, and motivating those who have given

smaller gifts to increase their amounts. The purpose of donor cultivation is to influence repeat giving (Eisenstein, L. , 2021).

Major donors are often secured through solid relationships. These contributions are provided for future use. These gifts are considered planned giving. Both fundraising strategies complement one another. They require ongoing stewardship, a careful approach, and large individual donations (*“Major donor strategy: The basics and best practices for small nonprofits,”*2021).

Relationships with organizations and their staff, volunteers, board of directors, and donors are integral to the sustainability of the future of the organization.

Relationships with donors are often considered unrestricted funds and can provide services and resources that may otherwise be unavailable (Shaker & Wiepking, 2022).

Donor cultivation is a collaborative effort that involves two or more people. Often, the donor cultivation cycle identifies potential donors and encourages them to give. These donors are traditionally categorized in three areas: the frequency of giving, the most recent gifts, and those who give the largest amount. Nurturing those relationships over time shows the donors’ appreciation and they learn how impactful their contributions are (Eisenstein, A., 2020).

Moreover, the nonprofit organization's staff plays a significant role in donor cultivation efforts. This process will provide clarity for the donor. The donor will gain an appreciation of what the nonprofit organization does, its short and long-term goals, and how critical funding is for its operation. The ultimate purpose of cultivating donor

relationships is to create connections and inspire the donors to motivate them to give again (Eisenstein, L., 2021).

Donor Cultivation is a critical stage in the fundraising cycle. The fundraising cycle encompasses six stages. The steps are identifying donors, engaging donors, evaluating, soliciting, recognizing, and stewarding. The fundraising cycle applies to individual donors as well as major donors. The focus continues to be on building relationships because it is considered the backbone of fundraising. The donor cultivation begins with the first gift. The momentum builds and establishes financial security (Matics, n.d.).

For-profit and nonprofit organizations have applied the Pareto Principle to their financial practices. Pareto Principle, also called the 80/20 rule, believes that 20% of the clients or donors generate 80% of the profit (Team, 2022). The Pareto Principle was often applied in fundraising, suggesting that 20% of the major donors supported the contributions of a nonprofit organization.

Fundraising is more cost-effective to raise large sums of money than insignificant amounts. The 80/20 rule teaches that a small number of more generous donors account for the most significant amount that an organization receives. The substantial profit supports the need for a fundraiser or fund developer to focus on more time. Effort and money on major donors (Team, 2022).

The 80/20 Principle or Pareto's Law is used frequently in business. Vilfredo Pareto was a controversial economist who authored a book that contained a law on income distribution. Pareto utilized a mathematical formula to illustrate the unequal but

predictable distribution of wealth in society, where 20% of the population produced 80% of the wealth and income. Pareto's law defines that 20% of the inputs produce 80% of the outputs. (Team, 2022). The objective of putting strategies and practices through this analysis is to discover the organization's weaknesses. It will also eliminate those weaknesses and find the strengths. In summation, it is relationships that sustain an organization.

The recruitment of donors is the initial funding step; donor retention is critical to financial security. Retaining donors produces sustainability and allows the organization to serve long-term. Therefore, organizations are unable to grow without retaining donors. Donors should be engaged continuously. One way of maintaining the donor's support is to share how impactful their donations are.

There are several strategies for donor relationship retention. Some of the most common are demonstrating the impact through newsletters by sharing success stories, posting updates via social media, and creating quarterly and annual reports with fiscal and programmatic updates. Another strategy is handwritten thank you notes to add personal appreciation to donors. Another method is creating and maintaining a donor database to track the donor's giving patterns and provide transparency. Also, the donor database can tailor campaigns and provide notifications of changes and upcoming events (Pun, 2022).

During 2009-2010, some research was shared through the Fundraising Effectiveness Project, where donor retention was studied (*Donor retention matters - urban institute* n.d.). The trends and patterns that measured nonprofits' connections with

the communities where they served. This research revealed that there was 70% repeat-donor retention, which was three times greater than new donor retention. Another factor that supports that donor retention matters because the relationships are lasting and consistent and will typically be more likely to give major gifts. Often, many of the major gifts represent the organization's total revenue (Urban Institute, n.d.)

### **Role of the DPA Student/Researcher**

My educational background includes a Bachelor of Arts in Communication from Alabama A&M University. Following my undergraduate studies, I volunteered for Big Brothers/Big Sisters. I served as a Big Sister and as a committee member for planning activities for six years. I continued volunteering with other nonprofit organizations: the League of Women Voters, and Better Basics (tutoring second-grade students in reading), obtaining additional training with the Baptist Association, and teaching adults how to read.

My work with nonprofit organizations began with a parenting program with a local school system. My next job was with a Welfare-to-Work program where I served as a Job Coach/Developer. My next position was as grants monitor in the local County government, where I provided oversight to eleven welfare-to-work programs; I decided to obtain a master's degree in public administration. My work continued with emergency funds, serving evacuees from Hurricane Katrina in 2005. I represented the Center for Workforce Development and partnered with the Chamber of Commerce. Partnerships were developed with the member businesses. The funding provided jobs, housing, and

supportive services for several families. These services were followed by a job fair that placed more evacuees in employment.

My work experience includes 25 years with nonprofit organizations. Three of the nonprofit organizations I employed were born out of churches that desired to fulfill community needs. Two of the three organizations were challenged with obtaining grants due to their desire to share the gospel of Jesus Christ. The third organization received a federal grant because its mission differed.

The remaining agencies where I worked were well-established in the community with proven service records and could secure federal grants regularly. In addition, I had the opportunity to work with programs funded by the Department of Labor. My experience included program development and interpreting federal regulations. The federal rules and regulations had to be applied: understanding who qualified for services, developing a recruitment plan, offering services, and creating interventions for participants.

The federal rules and regulations also dictated follow-up for participants. Participants served included at-risk youth, welfare recipients, the homeless population, and those who faced multiple barriers to employment. Each organization's mission may have differed, but there was a common thread. They were similar in serving the community and helping them achieve self-sufficiency. The service was the initial step, but documenting those activities was critical in ensuring that funding was maintained, and that the organization could apply for future funding.

I was developing partnerships as necessary to provide supportive services and incentives to participants. Partnerships often meant in-kind donations and letters of support when preparing grant proposals. Every aspect of my experience entailed qualitative and quantitative reporting, tracking activities, developing strategies for goal attainment, and monitoring the cost per participant.

My experience taught me the importance of funding. The budgets for direct and indirect costs determine the operations of an organization. Documentation is required and validates the work completed.

My volunteer work has continued as I have provided job readiness to women in homeless shelters and led business clothes drives for women in the job search. Additional volunteer work included providing job leads and resources to individuals and families in the local area and neighboring counties. Moreover, I volunteered at the Second Chance job fair with several community agencies in the local area for those with criminal backgrounds.

My experience in nonprofits encompasses paid and non-paid positions. I have seen the urgent need for funding. I have an appreciation for numerous causes. I desire to increase my ability to develop strong fundraising strategies for the QRS organization and offer options for creating diversity in their fundraising efforts. This method, I believe, will be helpful for other nonprofit organizations with increasing and expanding services.

### **Summary**

QRS recognizes that each donation is necessary for decreasing the number of people experiencing homelessness. Additional funds are essential in creating diversity



and supporting financial security. A strategy is considered an available resource used to achieve these objectives. Fundraising is a strategy that allows a nonprofit organization to fulfill its mission and achieve short and long-term goals (Xxx Xxxx, n.d.)

In Section 2, three fundraising strategies were introduced to assist this small nonprofit organization in generating financial growth through foundation fundraising. An annual fund is a strategy that addresses specific purposes and covers everyday expenses. The third strategy will create long-term relationships that generate significant funds. These fundraising strategies allow the organization to evaluate, make informed decisions, and determine.

### Section 3: Data Collection Process and Analysis

#### **Introduction**

According to Pettey and Wagner (2007), no longer can fundraisers function under the assumption of “one size fits all,” when it comes to fundraising strategies for a wide variety of funding sources. Diverse funding sources have identifiable, valuable, and significant philanthropic characteristics and traits. Similarly, nonprofit organizations need diversity in their funding to fulfill their mission. QRS is a growing nonprofit operated on federal funds, a small percentage of foundation grant funding, and individual donations.

Section 2 presented three strategies to further the goals that are outlined in an organization's mission statement. The data gathered were used to provide a preliminary comparison of the fundraising tactics. This research promotes higher standards of public service. In addition, the data were examined for best practices of the organizations that everyone represents. The information derived from the interviews assisted with bridging the gap between theory and practice.

#### **Practice Focused Research Questions and Design**

Sources of evidence for the study came from three sources: literature, organizational records, and individual interviews. The literature was documented to establish definitions and evidence through published research and outcomes from 2007 to 2023. QRS currently possesses few fundraising practices and donor relations; therefore, the research represents results from the best practices of the nonprofit organizations selected for this study, the fundraising strategies used, and the policies and procedures enforced by their specific teams. In addition, the evidence resulted from the one-on-one

interviews administered and the results analyzed of those interviews with the Delve software. I conducted semi structured interviews; the responses were then transcribed and structured into themes and patterns for analysis. The search terms included in this research included, but were not limited to, *fundraising strategies, qualitative research, donor engagement, fundraising impact, and theory of change.*

The results offered options of how a fundraising strategy can increase and diversify funds and convey the impact. The following practice-focused interview questions assisted me in gathering information useful to conclude the study's guiding question.

1. How vital are major donors, an annual fund, and foundation grants in achieving the mission or vision of your organization?
2. What are the key strategies for implementing a successful individual donor program?
3. What are the key strategies for implementing a successful annual fund program?
4. What are the key strategies for implementing a successful foundation funding program?
5. Is there anything else you want to tell me about strategies for implementing successful annual fund, major donor, and foundation funding programs?

### **Roles of the Researcher and Client Organization**

The client organization, QRS, is a growing nonprofit that needs strategies to implement an annual fund, major donor, and foundation grants to increase and diversify its funding sources. Due to the small staff, there needs to be a designated person to

manage fundraising efforts. As a researcher, I know that research must show the existing plan, the goal, and the strategy to attain the goal. Thus, conducting research with those participants who possessed fundraising experience was essential.

I had no prior relationship with the client organization. The participants of this research all represented local nonprofit organizations. My work experience included working with nonprofit organizations for more than 25 years, and therefore, I was familiar with five of the eight organizations represented in this research. These organizations were local and have provided services and resources to the community for several years. One of the organizations was a former employer, but the staff member who participated in this research was not on staff during my employment. The participants of this research were not current nor former supervisors, nor did I supervise any of them. There was no conflict-of-interest present.

### **Methodology**

Research methodology has been defined as a strategy where the researcher develops an approach to solve a problem. (Jamshed, 2014) The research question initiated the study of what strategies are needed to implement an annual fund, major donor, and foundation to increase and diversify funding sources for a growing nonprofit organization. The qualitative approach was selected because it provided more options for this problem. The qualitative approach encourages discussion and answers the why and how questions, allowing me to explore solutions.

This study had eight participants and five questions in the semi-structured interview. The interviews were scheduled for 30 minutes and designed face-to-face via

Zoom video conference call. The interviews encompassed open-ended questions that generated a variety of responses. These responses represented the primary data of this study. There were obstacles in this study. Due to staffing issues and availability, three of the eight interviews were conducted via email.

### **Strategy for Data Analysis**

Semi structured interviews are considered an effective method for data collection. This method allowed me to collect qualitative, open-ended data. Semi structured interviews are a two-way communication that goes beyond scripted, prepared questions. This approach also allowed freedom in the feedback from the strategies for a growing nonprofit organization. Eight interviews were conducted via Zoom conference call, which permitted audio recording.

As seen in Appendix B, the open-ended questions prompted follow-up questions and yielded enough feedback/evidence for this qualitative study. I selected interviewees from local nonprofit organizations without affiliation with the QRS organization. The participants who were interviewed successfully raised funds through foundation fundraising, individual fundraising, major donor fundraising, and major donor solicitation.

The participants were interviewed, and the names of the organizations were masked to ensure anonymity and privacy. Each participant was required to read the Informed Consent form and respond via email by responding, "I Consent." The objective

of gathering data through the interviews was to develop aggressive fundraising strategies for a growing nonprofit. I shared the purpose of this study with the participants.

In addition, the study was voluntary, and each participant had the right to decline or stop the process at any time. I established the time commitment, understanding that a follow-up may be necessary to clarify details shared during the initial interview. Further, no compensation or incentives were offered or extended before or following this process.

This qualitative research did not require nor involve any demographic details. This information was optional to fulfill the purpose of the study. The data collected were transcribed from the audio of the semi structured interviews and then coded and analyzed. The Delve qualitative data software correlated the codes into a theme. Following the analysis, I composed a narrative (*“Essential Guide to Coding Qualitative Data,”* n.d.).

I saved two hard copies and an electronic copy in a separate Google drive under a password and a USB drive. The hard copy of the final report, interview notes, supporting documents, and USB drive are locked in a fireproof safe lock. All files of this qualitative research study will be secured and stored for 5 years. After 5 years, I will appropriately cross-shred all paper documents, delete electronic copies, and reformat information to ensure that all records are properly destroyed.

### **Issues of Trustworthiness**

Research must be trustworthy to be relevant. Qualitative research describes the methods used and the new knowledge discovered. The most common issue with trustworthiness is that qualitative research needs more rigor and quality. Qualitative research includes video, audio, concepts, and experiences. In other words, qualitative

research usually consists of a narrative based on the experiences of those participating in the study (Stahl & King, 2020).

It is essential to discuss how qualitative researchers establish trustworthiness in qualitative research. The four criteria elements are creditability, transferability, dependability, and confirmability. These criteria are necessary because qualitative research needs an instrument with established metrics for validity and reliability. The first criterion is creditability, which asks if the findings agree with reality. The conclusions should share some relationship. Another example may be found in member checking, such as face-to-face interviews. These responses confirm validations in research.

The second criterion is transferability, which explains the ability to transfer research findings from one group to another. In other words, the same data collection can be applied regardless of the demographic group. This element also describes observations and interpretations, and often thick descriptions (Stahl & King, 2020).

The third element in the trustworthiness criteria is dependability. The researcher reacts to findings and shares the interpretation, like a member check, but it is a peer-level member.

The final element is confirmability, which refers to the researcher pursuing objectivity and relying on precision and accuracy in their research. In addition, this practice verifies the findings shaped by participants more than the researcher. The issue of trustworthiness includes a need for more transparency, analytical procedures in the findings, and creditability. One significant challenge can be found in how the researcher interprets the patterns, themes, and meanings (Stahl & King, 2020).

### **Ethical Procedures**

The prerequisite for each participant was experience in fundraising/fund development with successful outcomes. The participants recruited were in Birmingham, Alabama. No demographic details were required nor retained for this study, nor were these participants in a vulnerable group. I masked the participant's identity. Privacy of each interview was maintained. These participants were also able to decline their participation at any time.

The consent form was emailed in advance, and the language was simple and understandable. The consent form included the study purpose, procedures, sample questions, the volunteer nature of the study, and risks and benefits. I did not offer nor provide gifts or compensations to the participants for participating in this study. In addition, no personal information of the participants was used for any purpose outside of this study. Walden University's approval number approved this research for this study is 05-23-23-0201198. It expires on May 22, 2024.

Once the participants agreed to participate in the study, they were required to email, "I consent simply." The interview was scheduled upon receipt of the consent form. Those who submitted their responses via email followed the same process and were required to email, "I consent." The consent form stated that all information obtained would remain confidential.



### **Summary**

Research is critical in bridging the gap between theory and practice. The research must be valid and trustworthy, and the data collected must be protected through ethical procedures. The data collection is analyzed to develop best practices for the client organization. These findings can contribute to understanding the connection between the two. The results of the research provide new knowledge that can be used to answer the guiding question in this study.

## Section 4: Results and Recommendations

### **Introduction**

Traditional grant-related fundraising methods are no longer as effective as they have been in years past. Raising adequate organizational fundings requires multiple efforts and sources to create sustainability and meet the goals set. Adequate funding increases the ability of a nonprofit organization to meet its mission.

QRS has depended on federal funding through the United States Department of HUD. Additional funding has come through private foundations, some donations have been contributed by individuals and board members, and a small percentage of funding has been generated through annual membership dues. In this study, I used qualitative research to identify needed fundraising strategies for an annual fund, major donors, and foundation grants. Increasing fundraising strategies can increase and diversify QRS funding streams.

This qualitative study included reviewing existing organizational documents to add background information and understand the need for a diverse portfolio of funding. Organizational records showed that QRS has been the recipient of federal grants for 20 years. However, QRS has not been equally successful in cultivating and soliciting donors. Currently, QRS has seen a decrease in the number of individual donors and the number of donations in the last five years.

The guiding question for this study was as follows: What fundraising strategies are needed for a growing nonprofit organization to implement annual funds, major donors, and foundation fundraising efforts to increase and diversify its funding sources? I

conducted eight individual interviews with developmental staff or leaders of nonprofit organizations. These participants experienced successful outcomes in creating and implementing foundation fundraising and individual donations through annual funds and major donor programs. While I intended to interview all eight individuals face to face, I needed to complete three interviews via email due to the participant's staffing issues and availability. These participants emailed their consent and responses to each question provided.

### **Data Collection**

I chose the qualitative study method to obtain the most in-depth understanding of fundraising strategies to develop the best practices for a growing nonprofit organization. This qualitative study included reviewing documents of the client organization that supported a need. All documents were qualitative. To obtain information from those experienced with fundraising, I sought individuals with at least 3 years of experience with an annual fund, major donors, and foundation grants. Each research participant possessed successful outcomes in these areas.

The interviews conducted were semi structured, with five practice-focused questions. The goal was to interview a minimum of eight participants. The intention was to conduct audio recorded Zoom video conference interviews for all eight participants. However, only five of the eight interviews were conducted via Zoom. The interviews each lasted 30 to 35 minutes. No follow-up meetings were required after the initial interview. Due to the participants' staffing issues and availability, I needed to complete

three of the eight interviews via email. These participants emailed their consent and responses to each question provided.

Two hard copies of the interview results were saved in addition to an electronic copy kept in a separate Google drive under a password and a USB drive. The hard copy of the final report, interview notes, supporting documents, and USB drive will be locked in a fireproof safe lock. All files of this qualitative research study will be secured and stored for 5 years. After 5 years, I will appropriately shred all paper documents, delete electronic copies, overwrite information with a series of characters, or reformat to ensure all information is destroyed.

Coding is a process in research that breaks down data to make something new and then organizes it in a relevant way. Coding allows all data gathered to be simplified and determines its relation to the research question. Codes make data collection more descriptive, revealing not only the obvious but also patterns. Therefore, coding is a process of making decisions (Elliott, 2018)

I used Delve coding software in this study. This software allowed the responses to be processed and developed to structural coding and themes. Codes are short phrases aligned to data. The codes summarize and analyze the data. The codes in this study were volunteers, annual funds, major donors, foundation grants, and strategies. Reading the data gathered helped discover the patterns and how these results would provide best practices in developing the fundraising strategies needed.

### **Data Analysis**

The following practice-focused interview questions were administered to the participants for this qualitative research.

1. How vital are major donors, an annual fund, and foundation grants in achieving the mission or vision of your organization?
2. What are the key strategies for implementing a successful individual donor program?
3. What are the key strategies for implementing a successful annual fund program?
4. What are the key strategies for implementing a successful foundation funding program?
5. Is there anything else you want to tell me about strategies for implementing a successful annual fund, major donor, and foundation funding program?

The questions answered were derived from the participants' experience gained over time from various employers. The participant's current work experience provided a new perspective on strategies applied in years past.

#### **Question 1**

Question 1 was as follows: How vital are major donors, an annual fund, and foundation grants in achieving the mission or vision of your organization?

Each participant agreed that developing fundraising strategies should be intentional and is critical in fulfilling the mission of an organization. Fundraising strategies were vital to day-to-day operations, serving participants, improving services,

and long-term operations. Participant 5A was once told, “No money, no ministry.” This is true for any organization. An organization that does not obtain contributions regularly will fail to succeed. All organizations need financial stability to continue services.

## **Question 2**

Question 2 was as follows: What are the key strategies for implementing a successful individual donor program?

Two of the eight (25%) participants believed that a successful individual donor program begins with strong donor management, by first recording donations, next tracking the data, and finally being good stewards. Participant 3L commented, “Being a good steward, means providing an impact report, engaging the donors, and showing gratitude immediately.” Donor management is critical to developing fundraising strategies.

Six of the eight (75%) participants believed that building relationships was the key strategy. The initial step is sharing the mission and vision with potential volunteers and engaging them in service, mentorship, and other activities. Overall, the participants of this study believed that meeting with potential and existing donors is most successful when meeting in person. The individual meetings should be consistent and take place in a casual setting.

The conversations should not only be focused on the business of the organization but shared personal interests. The participants of this study found that strong relationships provided multiple benefits. Some of the benefits included, but were not limited to,

increased donations, connections to these donor networks, an expansion of business partnerships, increased volunteers, and resources from local churches.

### **Question 3**

Question 3 was as follows: What are the key strategies for implementing a successful annual fund program?

The annual fund is funds applied to the regular or day-to-day expenses. The most productive way to build that fund is typically through an annual campaign. Eight (100%) of the participants in this study actively participated in annual campaigns. The annual campaigns were as unique as the organizations.

An annual campaign takes on a distinctive look: a gala, a walk/race, engaging with and creating new business partnerships. The participants in this study determined that realistic planning included identifying goals and understanding the cost to achieve the goals. Many believed that separating donors or creating new donors specifically for annual campaigns was essential for growth, sustainability, and preventing burn out. The common thread with the other fundraising strategies continued to be relationships.

### **Question 4**

Question 4 was as follows: What are the key strategies for implementing a successful foundation funding program?

Only two (25%) of this study's participants had been a recipient of foundation grants. Both were members of an organization that was a recipient of funds from major donors and/or endowments. These funds allowed them to distribute funds to nonprofit

organizations in a competitive grant process. The funds awarded allowed nonprofit organizations to cover administrative and programmatic costs.

Another two (25%) of this study's participants understood the importance and benefits of grants but had not pursued any applications to move their organization forward. The remaining 50% of the participants had received funds through grants. One of the organizations believed that hiring a grant writer was the best investment that could have been made.

The participants agreed that building relationships with foundations is beneficial when the organizations' visions are in alignment. The foundation grants are also found to be a simpler process, and less documentation is required. Overall, the funding received can provide opportunities for diversity in funding and strengthen the organization.

### **Question 5**

Question 5 was as follows: Is there anything else you want to tell me about strategies for implementing a successful annual fund, major donor, and foundation funding program?

The participants in this study shared a myriad of responses to this question. All eight (100%) of the interview participants noted that more than one fundraising strategy was needed to increase funds, cover daily expenses, increase awareness, grow their network, and establish long-term stability. Two (25%) of the participants suggested that an organization should always reassess its board of directors. The members of the board represent major donors, which leads to their networks and an increase in donors. Board



members provide oversight and guidance and hold the organization accountable for its actions.

The funds gained as a result of the fundraising strategies used play a pivotal role in empowering donors and creating long-term giving. The participants in this study offered giving options through businesses, memorial gifts, stocks, endowments, and legacy giving, to name a few. These options ensure growth that expands beyond the present into the future. Although there are numerous fundraising strategies, all the participants in this study concurred that relationship building is key.

### **Findings**

This qualitative data analysis encompassed five distinct codes. As seen in Figure 2, the distribution of codes represents the patterns discovered with major donors that play a significant role in annual funds, volunteerism, serving on the board of directors, and other fundraising strategies. Also, major donors represent a relationship between donors and an organization's leadership, fulfilling the organization's mission and establishing trust. This ensures that the contributions made are making an impact (Shawna Bullard, 2023).

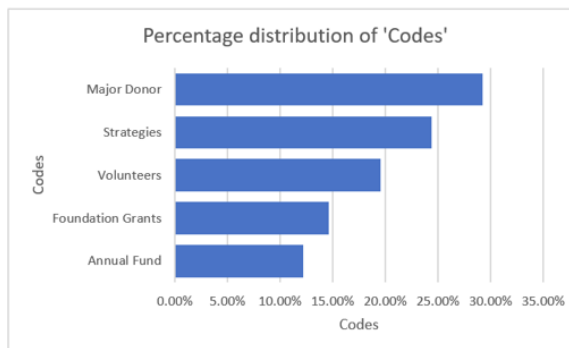
Major donors are more inclined to connect with an individual or organization whose values and interests align. Also, when a mutual interest exists, those same donors create buy-in or a sense of belonging. This creates relationships that go beyond the immediate financial need. These relationships have more depth and allow for sustainability for the program/organization.

## Figure 2

### *Distribution of Codes*

*% distribution of 'Codes'*

Codes	Count of Codes
Major Donor	29.27%
Strategies	24.39%
Volunteers	19.51%
Foundation Grants	14.63%
Annual Fund	12.20%
<b>Grand Total</b>	<b>100.00%</b>



*Note.* Figure 2, Distribution of Codes represent the main ideas repeated in the qualitative research. Each code represents the fundraising strategies that are most used by participants in this research study. This is my own work. Delve software was used to organize and analyze the data. *Qualitative Data Analysis Software*. Delve. (n.d.). <https://delvetool.com/>

## Deliverables and Recommendations

In this study, I aimed to determine what fundraising strategies are needed for a growing nonprofit organization to implement annual funds, major donors, and foundation fundraising efforts to increase and diversify its funding sources. This guiding question directed this study of the fundraising background, current strategies, and options that can lead the organization to an increase and diverse funding.

As previously seen in Figure 1, the theory of change describes inputs, activities, outputs, and outcomes. The objective is setting goals, documenting inputs and activities, and tracking change. The next step is to measure those outputs, which describe the results of those activities. The outcomes represent growth opportunities and identify gaps and their impact. In this study, the impact showed what fundraising strategies work and what

the social impact is. The social impact or fundraising strategies are the conduit for positive change that attracts donors and provides evidence of effectiveness. Relationships are, therefore, the key element to every fundraising strategy, and the depth of that relationship increases and diversifies funding.

The research results confirmed that relationship development is critical to fundraising strategies. Regardless of the donation amount, donor relations are essential because it is never known how each donor will give and how their gifts will develop. A donor may begin with a small monetary donation or commit to volunteering for a few hours a month. Relationships become more effective once trust is established and transparency is consistent. Relationships are critical to every strategy, major donor, annual fund, and foundation fundraising. Nonprofit organizations must be intentional about introducing to each potential donor at every event. Relationship-based fundraising is based on long-term dialogue with donors (*Why fundraising is really about Relationship Building 2023*). Shared visions create a sense of belonging. Relationships strengthen once a donor is more invested in the initiative or program.

The consensus in this study was that relationships based on mutual respect and cooperation will promote growth and sustain the organization long term. The study revealed that simple acknowledgments made significant impacts on relationship development and increased donations. For example, send thank you notes or emails out immediately upon receipt of a gift, share impact stories, use handwritten notes because they always add a special touch, survey donors for feedback that can improve or increase services, or encourage donors to become involved with those individuals/families who

being receiving assistance with their monetary donations. It is important to make it personal, show appreciation, and establish accountability and transparency. The recommendations for this study include developing SMART goals, establishing metrics for an impact report, and providing best practices to develop relationships.

### **Evidence of Trustworthiness**

One of the first teams to create standards for qualitative research was Guba and Lincoln. They began with the concept that valid values are required for all research (2015). Guba and Lincoln created distinct standards for every example to assess the study's validity. Criteria are dependability, objectivity, and internal and external truth. Later, these criteria were composed by Lincoln and Guba in 1985 as transferability, credibility, reliability, and confirmability (Lub, 2015).

The criteria above assist with adding value to qualitative research and determining trustworthiness. Confirming trustworthiness says that the data gathered are significant and sound. In this study, member checking was present through the interviews conducted. There was feedback from the participants on the accuracy and relevance of the findings. The participants responded to the questions and confirmed the information shared through additional examples to validate the accuracy of this information.

Sources of evidence for the study came from three sources: literature, organizational records, and individual interviews. The literature provided definitions and examples of fundraising strategies. Organizational records confirmed the existing fundraising strategies used. The personal interviews provided information that encompassed the research participants' experience, the strategies that they have used, and

their best practices. The best practices shared include successful outcomes and are transferable and ideal for a growing nonprofit organization. The critical element for all fundraising strategies was found to be relationship development.

### **Strengths and Limitations of the Study**

The findings in this study were consistent with the literature of previous studies. The results also provided clarity on the importance of the strategies. One of the strengths of this research is the semi-structured interviews. The open-ended questions initiated the conversation, leading to other questions, clarifications, and flexibility during the interviews. Multiple data collection was used, including organizational records and interviews. The research results revealed some best practices not limited to a small organization but any size program.

There were some limitations to this research. The outcomes of this study cannot be generalized to all nonprofit organizations. There was a small sample size of participants who consented to participate in the research. Many potential participants needed to possess adequate experience.

There was a total of eight participants in this study. The limitation is that a small sample can sometimes reduce the strength of the research and increase the margin of error (Deziel, 2019). One significant rule is that researchers have the task of interpreting what is heard or seen; whether that feedback is good or bad, it may be interpreted differently by another person. Different interpretations would make the qualitative research subjective.

## **Summary**

This study, like many others, is not free of limitations. Research is a tool to ensure that the rules do not prevent achieving the goals. The strengths should promote new questions and build a framework for better practices and new knowledge. Section 5 will provide details for a fundraising plan with best practices gained in this study.

## Section 5: Discussion and Recommendations

### **Introduction**

The final section of this professional administrative study documents the integration, synthesis, and evaluation of the literature and interview data as it relates to the study research question: What fundraising strategies are needed for a growing nonprofit organization to implement an annual fund, major donors, and foundation fundraising efforts to increase and diversify its funding sources? The literature and the results of the study interviews revealed that diversified funding is necessary for any nonprofit organization.

Diversity in fundraising allows flexibility in planning, setting goals, and goal attainment. In addition, diversity creates stability, better partnerships, and overall growth. For these reasons, an organization should never depend on one funding stream. Fundraising strategies go beyond earning donations, moving the organization's mission forward, and increasing its influence or social impact in the community.

In this study, there was a fundraising gap that impeded growth. Closing this gap can promote growth as new fundraising strategies are applied. Having more funds and donors can lead to a greater social impact. This impact can have positive effects on individuals, families, and the overall community. Generally, social impact is seen through goal attainment, favorable outcomes, activities, and policy change. For this study, social impact and positive change involve increasing homelessness awareness, decreasing homelessness in the local area, and providing safe and affordable housing for youth, older adults, and survivors of violence and abuse.

Developing a fundraising plan is necessary for organizing actionable goals to implement fundraising strategies promoting growth and diversity. In addition, an organization must know its audience when conducting fundraising to ensure clarity in communication, provide an understanding of expectations in goal achievement, obtain feedback to assist with best practices in future fundraising activities, and remember that relationship development represents potential donors, financial sustainability, and mission fulfillment.

The strategies needed to implement an annual fund, major donors, and foundation fundraising vary from organization to organization. An annual fund should set goals and consider the lower givers, midlevel givers, and the major givers. The next step is building relationships and laying the foundation for the following year.

In this study, one of the participants shared one of the most unique and successful strategies for implementing an annual fund. The strategy involved developing corporate partnerships where the staff of those partners are on loan for a few weeks during the summer/fall of the year to raise funds for various initiatives. These volunteers are trained for two weeks in sales and public speaking. There are a total of 150 volunteers that make up this campaign cabinet.

Corporate partnerships also utilize volunteers to make up to nearly five hundred visits to for-profit and nonprofit organizations, share information on the myriad of services offered to the community, and request donations. Overall, they have gained 5,000 donors as a result of these partnerships. The number of company participations



measures the success of this fundraising strategy. According to Participant B, in 2022, \$39 million was raised and prepared.

The strategies to implement major donors begin with a plan strengthened by cultivating the donors acquired. Another study participant found that recruitment was successful, starting with one-on-one relationships. Building relationships begins with orientation and encouraging each to volunteer in one of three areas:

- Providing lunch
- Develop a mentor relationship with the participant.
- Serving as a guest speaker

Once volunteers understood the mission and committed to serving, many began donating to the organization. Nurturing the volunteers increased volunteer hours and donations. According to Participant G2, donations grew from a few hundred dollars to as much as \$10,000 to \$100,000 from a single donor.

### **Recommendations**

Every nonprofit organization needs to be financially viable to ensure long-term success and meet its mission. This includes a fundraising plan that details strategies to cultivate, solicit, and obtain funding from a variety of funding sources. The fundraising plan tells an organization where they are, where they must be, and how to get there (Donahue, 2023). A fundraising plan is crucial for a growing nonprofit organization as they create strategies.

The initial steps include setting goals, analyzing previous events, building a solid consideration for the activities and campaigns to raise funds, donor development, and

monitoring and evaluating the activities to determine if revisions are required. Specific, measurable, achievable, realistic, and timely SMART goals are vital for an organization's success (Rees, 2022b). Some examples of SMART goals are as follows:

- **Specific:** Define specific goals; for example, major donors - establish long-term relationships by engaging individuals to serve as mentors, board members, or volunteers.
- **Measurable:** Develop criteria that measure vital performance. An example is measuring the number of donors serving to increase the number of donors by 5% each and measure donor retention.
- **Achievable:** Develop attainable goals. For example, set an attainable fundraising goal. Set short and long-term goals.
- **Realistic:** Develop goals that could be more ambitious and the goals that are relevant to the mission. An example is to increase the number of grant proposals annually to increase sustainability.
- **Timely:** Create a timeline for activities and campaigns; this will support the metrics of measuring progress and outcomes. An example is setting activities and special events monthly, quarterly, and annually.

### **Summary**

The participants in this study's research shared many of their best practices that can be useful for a growing nonprofit organization. These include setting the following SMART goals:

1. Build a dedicated team.

2. Reevaluate the board of directors.
3. Reevaluate donor software.
4. Consider investing in a grant writer.
5. Know your audience.
6. Develop performance measures to track, monitor, and analyze progress.
7. Recruit individuals who can serve in multiple roles: volunteers to serve in different activities, mentors, and assistance with marketing.
8. Meet with potential volunteers one-on-one and share the organization's mission before engaging them in activities.
9. Build a donor base.
10. Demonstrate the needs and earmark the funds in different areas. Assign donors to donate in specific areas to prevent burnout.
11. Serve in excellence: Develop measures where accountability and transparency are present.
12. Create an impact report so the community knows how their dollars are making a difference.
13. Create a unique way to tell the organization's story differently. Many share an electronic newsletter, and some continue to provide a hard copy. Other examples are sharing the organization's story with local churches on a social media platform.
14. Develop a relationship with the local chamber of commerce, and sharing through their membership connections.

15. Be intentional by acknowledging donations immediately. Consider handwritten notes.
16. Consider donor feedback through a survey. These results will assist in the development and readjusting of plans.

The list of best practices is endless, but of all the strategies and methods used, the one standard method was relationship development. Relationships may begin with a short pitch about why funds are needed and where the funds will be applied, but only once there is buy-in. It is, without a doubt, the most significant investment for any organization. The relationship builds trust, and both parties become aligned through sharing mutual interests.

Relationships foster a sense of belonging and expand internal growth. More than a one-time donation, relationships expand external relationships that offer access to major donors and unavailable funds. Relationships also build long-term giving in the form of endowments or planned giving in a will.

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## Appendix A: Interviewee Request

To: Interviewee

From: Student

Re: Request for Research Participation

This letter requests your participation in a research study I, Student, will conduct. As a Public Administration Doctoral candidate at Walden University, my dissertation focuses on fundraising strategies for a growing nonprofit organization. You are eligible if you have experience with fundraising/fund development, specifically working with an annual fund, major donors, and foundation grants with successful outcomes.

This dissertation research will be conducted through one-on-one interviews. The research interviews will be conducted via Zoom and audio recorded, lasting no more than 30-40 minutes. Follow-up interviews may be necessary to provide clarity in the information obtained during the initial interview but should not exceed 20 minutes. Your responses will remain confidential. This research is entirely voluntary, and you can discontinue your participation at any time.

If you are interested in participating in this research and have questions, please contact me @

XXX or [XXX@waldenu.edu](mailto:XXX@waldenu.edu).

Thank you.