

Trends You Need to Address in 2017

The nonprofit world will face momentous changes in the coming year. Sumbon CEO Abhay Tewari (sumbon.com) provides a list of the top trends for 2017, along with ways to stay on top of these changes.

DONOR TRENDS

1. **Expect the political environment to have a serious impact** on donations. The first big concern is going to be tax law changes. Shifts in tax deduction legislation alone can reshape how much people are donating. But other donor trends will also play a key role in 2017. Donors will tend to give to more liberal causes in reaction to the political climate turning more conservative. Many liberals are likely to see Republican control as a call to action, with the results being a push to give money to cause-focused charities, such as Planned Parenthood.
2. **Donors will demand more information** on how their money is being used.
3. **Donors will start looking at favorite charities as a portfolio** to be managed, rather than a one-off event.
4. **Donor advised funds will continue to increase** in importance as a tool for giving.
5. **Millennials will receive more and more attention from nonprofits** as their income grows.

ACTION STEPS TO ADDRESS UPCOMING CHANGES

1. **Spend more time engaging with your donors and telling them** where their money is being used; this will be critical both to keep current donors and to expand your donor base.
2. **Focus on using technology** to your advantage, and match donors' expectations of technology.
3. **Be authentic, as the perception of fake news** will cause donors to be leery of the big story. Nonprofits will need to do a better job of disseminating the right information about their work.
4. **Invest time and effort on talking to the younger generation of donors** in the channels where they want to be reached. This may mean changing your style of engagement and fundraising.
5. **Social media will become even less reliable as a way to build your brand** because of Facebook's and Twitter's ever changing algorithms on what posts users see. You'll need to rely on your own branding efforts.

For more actions you can take to keep abreast of these trends, see these articles at NonprofitWorld.org:

- Will Donor Advised Funds Revolutionize Philanthropy?** (Vol. 19, No. 2)
- Here Come the Millennials – and Their Money** (Vol. 34, No. 3)
- The Story behind the Numbers: How Financial Information Showcases Your Impact** (Vol. 34, No. 1)
- Why Can't More Nonprofits Achieve Brand Status?** (Vol. 33, No. 2)
- How Mobile Marketing Can Work for You** (Vol. 32, No. 4)
- Top Five Ways to Engage Donors with Social Media** (Vol. 33, No. 3)
- Breakthrough Tips to Boost Your Fundraising** (Vol. 33, No. 2)
- Why Telling the Right Brand Story Matters So Much** (Vol. 32, No. 3)



Conference Highlights New Board Strategies

A recent conference, the National Association of Corporate Directors Global Board Leaders' Summit, offered governance tactics geared to small- and medium-sized organizations. Gary Patterson attended the conference with the goal of "finding value for smaller organizations that, unlike their larger counterparts, don't have the luxury to invest substantial amounts in governance and compliance." His overview of the Summit points to three trends that will likely create changes in nonprofit boards in the near future:

Boards will see the critical need to provide more extensive training for existing directors. This should improve the organization's ability to discover blind-spot opportunities and risks.

Organizations will outsource more support. For example, small- and medium-sized organizations will understand they need access to skilled expertise in cyber, digital, and risk management areas. With more pressure to re-evaluate which directors should be retained, more of these specialized areas will fall under the microscope.

There will be greater turnover at the director level. With more cost-effective methods for evaluating the board expertise needed, shortfalls will become increasingly obvious.

For further information, visit <http://blog.nacdonline.org/2016/09/three-ways-to-build-a-strategic-asset-board/>, where you can download a detailed report on "Building the Strategic-Asset Board." Appendix D of the report provides a multiyear board succession planning matrix to compare to your current process of selecting and evaluating directors. Appendix F is a new-director onboarding checklist.

"Probably the main cost-saving gem for many readers of this report is the 14-page Appendix H: Board and Committee Evaluation Templates," Patterson says. "Getting that first draft of any evaluation policy normally involves far too much time and expense. Many organizations will be pleasantly surprised at how little effort and time are needed to create an evaluation process when you use this as your first draft." 

