



RETHINKING STEWARDSHIP
New Strategies for a Changing World

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PRESENTATION OUTLINE

- The Changing World: Challenges
Tom's Top Five List
- The Changing World: Opportunities
*Strategies to Create a Culture of
Generosity in Presbyterian Churches*

Questions for Discussion

- What is the biggest stewardship challenge in your congregation?
- What was the best part of your Fall 2009 stewardship program?
- What part of your 2009 stewardship program would you do differently?

Challenges:

Tom's Top Five List

Reality #1

Over \$307.65 billion was given to
charities in 2008

Giving By Sector

| | | |
|--------------------|--------------|--------------|
| Religion | 33.4% | +1.6% |
| Education | 14.1% | -9.0% |
| Human Service | 9.7% | -15.9% |
| Foundations | 9.1% | -19% |
| Health | 7.6% | -10% |
| Public Society | 7.4% | +1.5 |
| Arts/Culture | 4.5% | -10% |
| International | 4.3% | -9.1% |
| Environment/Animal | 2.3% | -9.0% |

Good News/Bad News

- Good News:

More money is given to religious causes than to any other sector

- More Good News

Religious giving was one of two sectors to see an increase in 2008

- Bad News:

In the last 40 years, religion's share of the philanthropic pie has declined from 51% to 33%

Reality #2

The environment in which today's stewardship programs exist is both competitive and challenging

The Competition

| <u>Year</u> | <u># of Nonprofits</u> | <u>Amount Given</u> |
|-------------|------------------------|---------------------|
| 1988 | 400,000 + | \$150 billion |
| 2008 | 1.4 million + | \$305 billion |

Charitable giving has doubled in the past 20 years, but the number of nonprofits has tripled!!!

The Challenges

- Since 9/11 donors are giving to half as many charities as they did before then
- The top 400 charities receive more than 25% of all contributions; the other million plus organizations split the remaining 75%
- Last year continued a trend in which fewer and fewer donors are providing most of the contributions to many big organizations, including churches

Reality #3

One Size Does NOT
Fit All

Differences Matter

- Donors in their 70s think about philanthropy differently from those in their 30s and they give by different means as well
- Different donors give for different reasons
- Most churches' support comes from a small group of givers

Today's Generations

| <u>Generation</u> | <u>Birth Years</u> | <u>Generation Type</u> |
|-------------------|------------------------|----------------------------|
| GI | 1901-1924 | Civic |
| Silent | 1925-1942 | Adaptive |
| Boomer | 1943-1960 | Idealist |
| Thirteener ("X") | 1961-1981 | Reactive |
| Millennial | 1982-2002 | Civic |

Donor Motivation

- The Communitarian: Doing Good Makes Sense
- The Devout: Doing Good is God's Will
- The Investor: Doing Good is Good Business
- The Socialite: Doing Good is Fun
- The Altruist: Doing Good Feels Right
- The Re-payer: Doing Good in Return
- The Dynast: Doing Good is a Family Tradition

Harold Seymour's Donor Types

- Those who see a need and respond without being asked
- Those who respond when told to do so
- Those who respond when persuaded
- Those who may or not respond, even when heavily encourages
- The inert fifth-nothing could ever get them to give

Church Donor Types

- Converted-giving to God, church leaders
-10-15% of members, 65% of money
- Committed-giving to the church, active in service
-30-45% of members, 35% of money
- Uncommitted- not giving
-30-45% of members, NO giving

Reality (and Understatement) #4

Churches and pastors
are uncomfortable
talking about money

Reality #5

The GI generation (which contains the most faithful and generous donors in many congregations) is passing from the scene

Opportunities

*Strategies for Creating a
Culture of Generosity in
Presbyterian Churches*

Recommendation #1

Build your stewardship program
on the generosity of God

Recommendation #2

Create a strategic plan in order to define clearly your church's mission and the specific steps necessary to carry out that mission, then (AND ONLY THEN) create a stewardship program to fund the strategic plan

Recommendation #3

Don't assume that church members will give financial support to the church—

Do create a compelling case for support

Quotes of the Day

- “People don’t give to the church because it HAS needs, they give to the church because it MEETS needs.” (Bob Shelton)
- “The reality of human life is that people don’t like to give away money. They will, however, give generously if they know that they are changing lives or making a difference.”
(Bob Hartsook)

Recommendation #4

Highlight the Church's Strengths:

- make community building a central feature of stewardship efforts (Duke study)
- put faces on mission moments (narrative budgets)

Recommendation #5

- Take seriously the different giving motivations and generations within your congregation
 - Segment the members of your congregation by generation
 - Design materials that address the concerns of that generation
 - Include different generations on the stewardship planning committee

Speaking to the Generations

- GI and Silent:
 - Emphasize planned giving
 - Fear management
 - Encourage them to share stories and values with younger generations
- Boomer/13er:
 - Earn trust
 - Provide choice and control in giving
 - Educate about stewardship
 - Model sacrifice: set an example with church giving

Recommendation #6

Develop separate strategies for each donor type:

-Converted

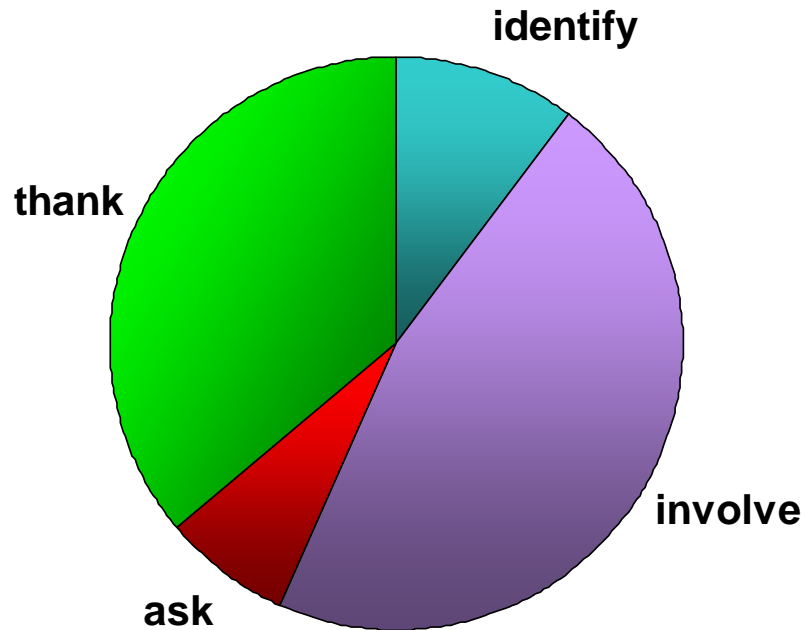
-Committed

-Uncommitted

Recommendation #7

Remember that Christian stewardship is an on-going process and that the “ask” is but one small part of that process

The Stewardship Process



Recommendation #8

Make planned giving an integral part of your stewardship program

Planned Giving Realities

- Bad News: Less than half of adults have a valid will or other estate plans
- More Bad News: Only about 8% of Americans leave a bequest to charity
- Good News: Bequest receipts doubled from 1985-1995 and doubled again between 1995-2005
- Surprising News: Income from bequests has been the fastest growing source of gift income over the past 40 years

Source: Robert F. Sharpe, Give and Take, July 2007

Demographic Trends

- 1 in 8 people in the US is over 65
- Those over 50 control 75% of US wealth
- 70% of those over 85 are women
- There were 70,000 100-year-olds in the US in 2005
- and.....

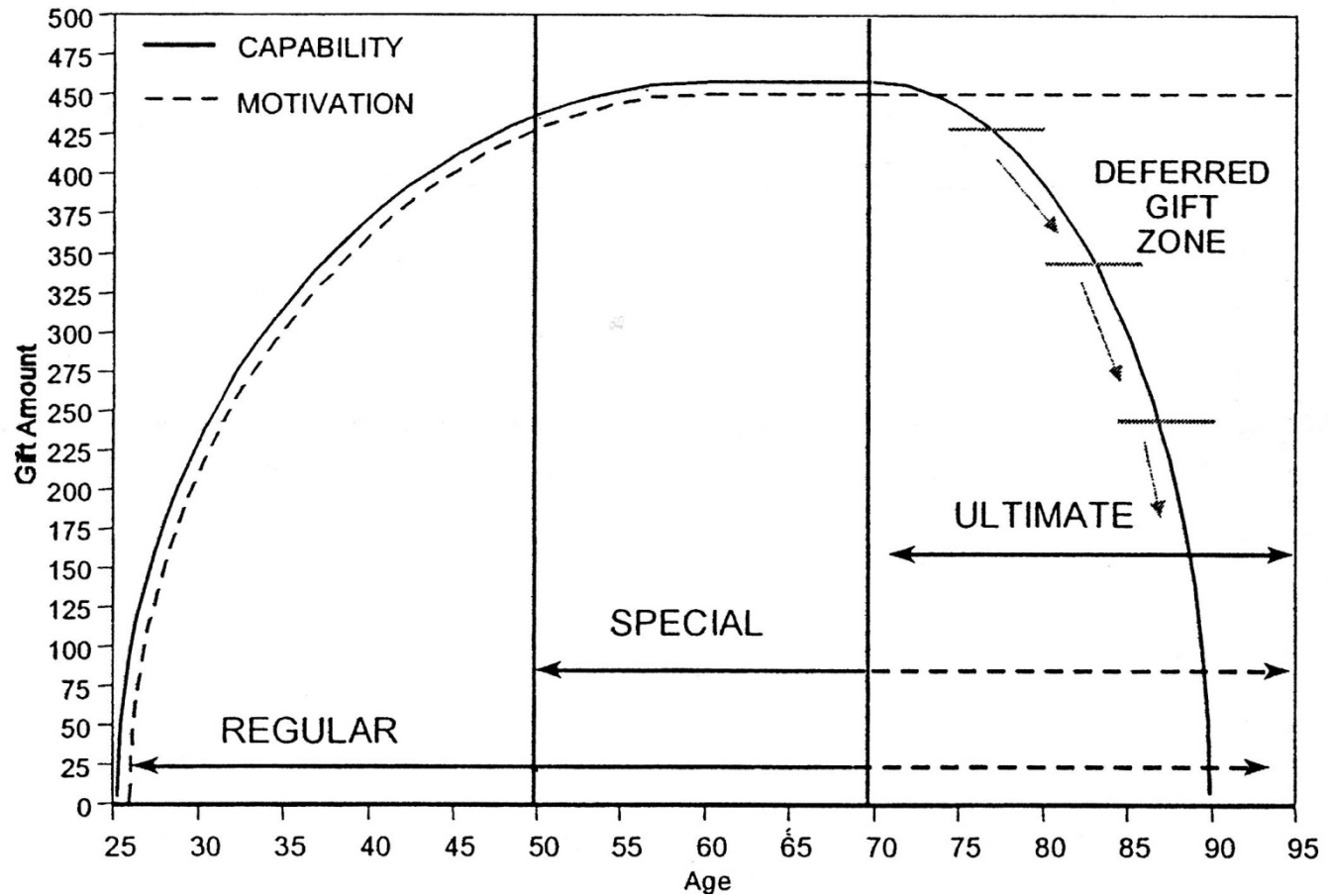
By 2050 the Census Bureau
estimates 1 million 100 year-olds

Source: Alexander Macnab and Co.

Remember

- Donor giving patterns change over the course of their lifetimes
- A small minority of Americans leave a charitable bequest
- Donors choose the bequest recipient in the last five years of their lives

The Later Years



One Final Thought

“He who deliberates fully before taking a step will spend his entire life on one leg”

-Chinese Proverb

Questions and Comments

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