Funding is crucial to a non-profit because without access to necessary funds, an organization ceases to operate. Although there are numerous funding opportunities available in the market, an organization must first adhere to the expectations and eligibility criteria of the grantor. Sample grant eligibility criteria include:

- Public service to a community in need in a particular area
- Display organizational success
- Ability to measure and record results of organization’s impact on community
- Express the same vision, mission and strategy of the grantor

There has been a shift in donor expectation, as donors are becoming more sophisticated and are no longer giving for the sake of giving.1

Diversifying Fundraising Methods

Organizations often rely heavily on one type of fundraising method and are stumped when those funds aren’t available. 88% of non-profit organizations rely on corporate gifts and grants. To prevent over-reliance, organizations must diversify its fundraising methods. Expanding an organization’s fundraising methods will allow the organization to increase the possibility of receiving funds.

Financial Issues Faced by Non-Profit Organizations in the U.S. in 2011

<table>
<thead>
<tr>
<th>Issue</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declining contributions</td>
<td>52%</td>
</tr>
<tr>
<td>Limited number of funders</td>
<td>48%</td>
</tr>
<tr>
<td>One type of fundraising</td>
<td>34%</td>
</tr>
<tr>
<td>Investment returns declining</td>
<td>34%</td>
</tr>
<tr>
<td>Over-commitment to projects</td>
<td>16%</td>
</tr>
</tbody>
</table>

Successful Data Recording

Grantees are the determiners of how funds are distributed and which organizations will receive the funds. Funders are focused on programmatic outcomes as a major criteria for evaluating an organization’s success.1

- Develop a method to record key performance indicators
- Utilize software that will help record and exhibit results to grantees

Fluxx, a cloud-based platform, helps both grantors and grantees, develop its communication by building capacity, increasing visibility and improving collaboration in the giving relationship. Grantseeker, one of Fluxx’s programs, serves as a one-stop hub for managing grants and sharing with funders the organization’s impact.2

Ideal Situation

1. Allow easier access non-profit organization funding
2. Eliminate the researching process of funds that an organization is eligible for
3. Develop a portal that will serve as a one-stop-shop for grants

Research Question

What are the potential strategic recommendations non-profit CEOs, program managers and grant committees able to utilize to better approach these issues?

References