

Helping Hand

A Fundraising Newsletter to Help Those
Who Help Others

Alexander Haas
TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES

First Things First



April 29, 2021

www.fundraisingcounsel.com



from the home office of
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Help, I've Fallen into Zoom and Can't Get Out...

Plenty has been written about the impact of the pandemic on our work lives. One positive surprise has been the success with which our development teams have adapted to remote working, particularly using videoconference tools (Zoom, FaceTime, Teams, GoToMeeting, etc.) to connect with prospects and donors. Many have worked through this medium well, very well in fact. From direct solicitation to special events, several clients and former clients have reported record fundraising years for 2020.

One of our senior partners was an earlier adapter of this technology; his enthusiasm began with Skype long before COVID 19. Perhaps it had to do with reducing travel to some extent. I never shared his passion for this channel—I found it tiring and uncomfortable—but it was easy to avoid back then when others were not as familiar with communicating in this fashion. After a year of zooming he now reports he's finding repeated videoconferencing tiring as well. Further, he reports that he was on a call recently where one of the participants, who displayed a still picture instead of using his camera, fell asleep. The others could hear him snoring. Anecdotal evidence from fellow colleagues and clients alike indicates a similar disdain for working exclusively via videoconferencing. A recent peer-reviewed article in the American Psychological Association's *Technology Mind and Behavioral Journal* articulates why many of us are finding the technology exhausting, and how to mitigate its effects. Here are some take-aways from his article which help to explain our reaction (via the *Washington Post*).

We're not used to so much eye contact.

Constant eye-contact is problematic for our brains as this isn't a normal occurrence in our pre-technology brain. Videoconferencing gives us much more than our recommended daily allowance of intense and up-close facial contact. Without realizing it, we are absorbing and continuously analyzing all the non-verbal feedback that this high definition medium offers. Fatigue, anxiety, and a desire to escape are natural responses to the overstimulation. Limiting the number of hours of

videoconferencing per day, setting meetings for 50 minutes or less (instead of an hour), eliminating evening sessions to provide downtime, are ways to counteract its impact. There's nothing wrong with asking before scheduling each call, "Do we have to see each other and share screens, or would an audio call suffice?"

We're not used to constant self-evaluation.

In our previous pre-pandemic meetings, we might have briefly checked in a mirror before entering a room to ensure our appearance was satisfactory. Now, we're confronted continuously with our own face as part of the video meeting. Except for those among us who have narcissistic tendencies, it's stressful and uncomfortable to judge our appearance unceasingly. And, just as when shown a group photo, your eyes will immediately go to your own face, a videoconference that includes your face, will draw your attention to your image, where you will evaluate and re-evaluate your appearance, facial expressions, clothing, gestures and even background setting. If you are highly critical of your own appearance, this can be detrimental to your self-confidence as well as your ability to pay attention to meeting content. Turning off your own face, using the "hide myself" feature can allow others to see you, but eliminates your face from your screen.

We're stuck in one spot.

The efficiency of videoconferencing is that we can have back-to-back meetings with zero commute times—one can be in eight locations in one day without ever leaving the living room. It's been said that sitting is the new smoking when it comes to unhealthy habits. This technology encourages couch-potato tendencies. I recently guest lectured for a college course, where two of the attendees were seated in their beds. Any accommodation which gets you moving is a healthier option. Just before the pandemic, walking meetings had become popular. When possible, one of my colleagues schedules his daily walk with audio calls, a good strategy to move more during the workday.

We're not used to so much mental effort.

As our brains are wired for in-person meetings, the computer version has a heavier cognitive impact. Remembering to mute, un-mute, to limit gestures, to avoid reacting to distractions in the workspace (animals, children, lawn service activity, etc.) takes a toll on the mental load. There's less in-meeting downtime, where one might have talked about the weather or social activities. The intensity has increased. Again, anything which limits the time connected to others in this fashion can reduce the brain-strain.

Hopefully, the new normal post-pandemic world will help us achieve a better balance between in-person meetings and audio/video connections, making us effective and efficient without sacrificing a healthy lifestyle.

News You Should Know

5 Economic Indicators Point to a Brighter Year for Nonprofits.

Experts say five key indicators can help nonprofits forecast their fiscal health this year on both the revenue and spending side of the ledger. And those indicators generally point to an improved outlook after a very tough year for nonprofits.

Here are the key points

1. **The GDP grew** by 4.3% in the fourth quarter of 2020, many economists expect it to easily eclipse that mark this year. This broad measure of economic output is considered by many economists to be the most important measurement of the health of the economy, and it's looking good.
2. For many small nonprofits, **regional indicators may be more important than national measures**. Regional indicators in the South and Midwest suggest donors are more confident about the economy than donors in other parts. These areas have been more resistant to shutting down businesses amid the pandemic, so donors in those regions may feel more confident about the economy than donors in other parts of the country.
3. **The stock market has been relatively unscathed** by the pandemic, and the S&P 500 Index has been near an all-time high, at 3,971. The stock-market performance is particularly important in predicting giving by private foundations, individuals, and corporations.
4. **Government stimulus packages have benefits for nonprofits**. The new stimulus law includes expanded eligibility for forgivable Paycheck Protection Program loans, a program that has been crucial for keeping many nonprofits afloat. And Congress may not be done yet. Some prominent Democratic lawmakers are pushing a bill that would provide an additional \$50 billion to help nonprofits boost hiring and weather increased demand for services.
5. **Unemployment rates are declining**. February's jobless rate was 6.2%, well down from its pandemic-era peak of nearly 15%. High demand for services had been stretching budgets of many nonprofits.

You should read it all for yourself [here](#). *COP*, 3-30

Nonprofits' Online Revenue Jumped 32% in 2020

Online fundraising revenue rose a record 32% in 2020 — up from a 10% increase in 2019 — while the number of online gifts rose 28%, based on data from a new study.

Key Findings

- Nonprofits dedicated to alleviating hunger and poverty were the biggest beneficiaries of the surge, rising 173% year-over-year increase.
- Wildlife/animal welfare rose 56 %, health rose 38%, civil/human rights rose 34%, and disaster relief/international aid rose 29%.
- Online revenue for large organizations grew 38%, while midsize and small organizations saw increases of 29% and 30%.
- Nonprofits engaged in COVID-19 relief efforts, either directly or through advocacy, saw a 40% increase in online revenue, compared with 22% for those that were not.

The study also found that nonprofit spending on digital ads jumped 33% in 2020 — with 31% of that spending concentrated in December, environmental groups cutting spending by -14%. Those increasing ad spending: health 88%, hunger/poverty 79%, and wildlife/animal welfare 46%. According to the report, nonprofits grew their mobile messaging audience by 26% in 2020 and saw click-through rates of 6.3% for fundraising messages and 10% for advocacy messages. Survey report [here](#). *PND*, 4-23

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We'd Like You to Know

Nonprofits Regain Jobs But Faces Long Recovery

The nonprofit sector regained 81,000 jobs in March, the largest monthly rebound since August, an analysis of *Bureau of Labor Statistics* data by the **Johns Hopkins Center for Civil Society Studies** finds.

The gain represents 8.9% of the jobs that were lost as of February 2021 and 4.9% of jobs losses as of June 2020. Gains in social assistance were up more than 10,000 jobs in March, or 8.9% on a month-over-month basis; religious, grantmaking, civic, and professional, up more than 3,100 jobs, or 3.9%; and health care, up nearly 5,000 jobs, or 2.1%.

However, the nonprofit workforce has shrunk 6.6%, or nearly 830,000 jobs, from February 2020 levels, with the largest declines in arts, entertainment, and recreation (-31.8%); educational services (-11.8%); religious, grantmaking, civic, and professional (-9.8%); social assistance (-6.9%); and health care (-3.6%).

New Report Offers Insights Into Mission-Aligned Investing

A report from the **Nathan Cummings Foundation** examines the challenges of and opportunities for mission-aligned investing and offers resources for institutional investors interested in shifting to such a strategy.

In 2018, the foundation announced it would "align 100 percent of [its] nearly half-billion dollar endowment with [its] mission of creating a more just, vibrant, sustainable, and democratic society," with a focus on the climate crisis and growing inequality. Based on a landscape study of the field and the foundation's own experience implementing a "total-enterprise approach to impact," the foundation just released a report, *Values Proposition: How and Why We Transformed Our Investment Model to Align Our Capital with Our Mission*.

The report shows that while there is no negative correlation between the percentage of mission-aligned assets in a portfolio and the financial performance of that portfolio, the use of traditional measures of performance can serve to screen out younger and more diverse fund managers, stifling innovation and growth.

The report also notes:

- Portfolios designed to create impact invariably start with an organization-wide commitment to an inclusive, anti-racist approach.
- But by not truly engaging fund managers on issues of diversity and inclusion, ESG, and impact, traditional investment advisors often function as a barrier between investors and their values.
- Impact measurement and management is still "a work in progress," with most impact portfolio managers aligning their metrics with the United Nations Sustainable Development Goals and only a few fully integrating more widely accepted ESG or impact metrics or measures of social, racial, or economic justice.
- The report outlines the foundation's journey from the board's unanimous decision to shift its entire portfolio into impact investments to the lessons it has learned along the way.

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We'd Like You to Know...

Transforming Institutions



Chesapeake Regional Health Foundation in Virginia, is a returning Client Partner.

For more than 30 years, Alexander Haas has been a fixture in the nonprofit community. We are honored to have worked with some of the largest, and some of the smallest, organizations that help make our country a better place to live.

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