
The Evolution of the Sector

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It's obvious to say that we live in a rapidly changing world and that the future is going to operate on dramatically different rules than the world we're used to.

On the economic front, we appear to be enjoying some modest expansion after years of tepid growth. And yet, as the price of oil decreases and the anxiety of European central banks increases, we can imagine that the economic uncertainty of the last decade hasn't completely left us. It could be that in a globalized economy, uncertainty is the new normal.

We are at the cusp of a massive donor base transition as the largest generational transfer of wealth in history begins. Those in the Greatest Generation are walking into their twilight years. The activism of the Baby Boomers is transferring to the ready but perhaps reluctant leaders in Generation X, followed closely behind by the Millennials, who are chomping at the bit to assert themselves philanthropically.

We've seen the continued increase in the importance of tracking, managing, and learning from data as computer models and the expectations of our constituents become more and more sophisticated. Our donors, educated by and acclimated to the mass personalization available to them from Netflix®, Amazon®, and Apple®, wonder why we can't seem to keep up.

We've watched social media mature as the *de facto* standard for how we communicate with one another. It's more obvious than ever that we live in a peer-to-peer world. We get our news from Facebook®, we decide where to eat based on Yelp®, we share our lives on Instagram®, and we experience parental inadequacy through Pinterest®. We've become part of a new age in which a centuries-old communal fabric has been digitized and accelerated.

Politically, the recent elections and the tiresome campaigns leading up to them reminded us that authenticity and impact are more critical than ever. Our donors and participants are yearning for change that extends beyond sound bites. They are looking more and more to our sector for visions of what is possible.

If one thing is clear, it is that the next ten years will bear only a passing resemblance to the past ten.

We need to realize that our constituents are also a product of this evolving world. These economic, geopolitical, generational, technological, and business trends are not only transforming our landscape—they're transforming the worldviews of our constituents too. In other words, if we spend too much time trying to get our bearings, we'll lose the chance to be a part of the change in which our donors are already participating.

What does that mean for us?

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For one, it probably means—and I'm sorry to say this—that we need to move more quickly. Hierarchical management, multilayer approval processes, strict branding guidelines without underlying common values—none of these really fit into a networked, global, interconnected, peer-enabled world. By the time you decide what you want to do and approve what you want to say, your constituents have already done it and said it.

Secondly, it means that we'll increasingly find that our constituents expect sophisticated sharing, social, and networking tools. We're a long way past asking three of our friends for a gift; our constituents are often more aware of peer-to-peer tools than we are. In this new world, we need to look for ways to peer-enable all of our efforts.

Next, it means that we as fundraising leaders need to do a better job of watching and listening. Very often the largest and most successful programs start not at headquarters but with volunteers in the field. The Ice Bucket Challenge was the latest in a long line of campaigns that surfaced directly from constituents. If your organization is searching for new ideas on experience, acquisition, or retention, you'll likely find inspiration at the local level.

And finally, it means that as fundraising leaders we need to be advocates for investments in mission delivery. The world is now one of complete transparency, unlimited choice, and vast data. These dynamics mean that our constituents are well aware of what we're asking them to do and what we're actually doing.

Authenticity is the new imperative, and change is the new case for support. Our constituents are more inspired and more informed than ever before.

In an environment of massive change, magical technology, limitless data, instant celebrity, and prompt obscurity, what matters more than ever is simply impact. Impact is the real silver bullet of fundraising. As fundraising leaders we must get involved with the delivery side of our organizations. What are we doing with the money? How are we measuring it? To what extent are our programs moving the needle?

This is the ultimate implication of donor-driven fundraising: Our donors are not parting with money to make a gift; our donors are giving a gift to make a difference.

There is plenty to do. The world is changing, but it isn't going to improve without us. Now is our time. Let's make the most of it.

Download a free copy of the complete eBook, *npEXPERTS: The Future of Fundraising*
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