We believe there is a better way forward for face-to-face fundraising.

Now, let's make it so.

The **Irregular Giving** Project

Contents

1. Introduction

This report is the outcome of the "Irregular Giving Project", which was begun by Fundraising Partners Consultancy during the pause in face to face fundraising which began in March 2020 due to the COVID19 pandemic.

The Irregular Giving Project sprang from a realisation, based on the work of Fundraising Partners and consistent feedback from respected members of the non-profit sector, that face to face fundraising in Australia is in danger of becoming unviable within the foreseeable future.

Facing this possibility and recognising the critical contribution of face to face fundraising to charity income, Fundraising Partners decided that allowing face to face fundraising to continue to decline in quality and in results was not an acceptable option.

The Irregular Giving Project was launched to investigate whether things were as bad as they seemed, why this was and, most importantly, how we can do better and ensure the long-term viability of this essential form of fundraising.

This report is the first result of the Project – it reflects what we've been told by more than 150 people in our sector. It shows that change is possible. When done well face to face fundraising can still be the cornerstone of high-quality regular giving fundraising for many years to come *if* we change and if we change soon.

With gratitude to everyone who has participated (so far…) for their commitment and expertise.

Adam Watson MFIA
Peter Coleman PhD, MFIA
Paul Tavatgis MFIA

> *"There is an urgent need to change"*
>
> Senior charity fundraiser

1.1. Purpose

The purpose of this report is to:

Report back	Further research
Present the initial findings of the Irregular Giving Project.	Identify areas where further research is needed.

Recommend action	Prompt further debate
Make recommendations for immediate action at all levels of the sector.	Suggest ways to continue the discussion.

Launch the manifesto	Support change
Propose a short and powerful set of statements on values in face to face fundraising for adoption by the sector.	Provide a template for change.

1.2. Scope

As the discussions began, it became clear that it wasn't just face to face in Australia that was a matter for concern. Accordingly, the scope of the project grew to encompass:

New Zealand

The participant list grew to include colleagues from the sector in New Zealand.

The issues facing fundraising in New Zealand are similar, but different enough to warrant a separate approach.

Telephone Fundraising

We suspected, and discussions confirmed, that issues in regular giving are not just about face to face fundraising.

Much of the content in this report applies as much to telephone and other regular giving fundraising channels.

1.3. Key findings

These are our major findings. A more detailed analysis has been included in subject specific sections in the body of the report.

1. **There is a genuine threat to the viability of face to face fundraising**. This is caused by increasing costs, increasing donor attrition, and decreasing quality of fundraising.

2. **A major cause of these issues is the expectation of constant growth**. This seems to be driven by charity boards and CEOs who in some cases do not understand or respect fundraising as a profession**.**

3. **Charities need to re-apply their values to face to face fundraising** Demands for growth mean that face to face fundraising has become a sales business driven by short term financial measures. This needs to change and we recommend adoption of a new manifesto to express those values.

4. **Outsourcing to sub-contractors is almost universal and seems to be accelerating negative trends**. Sector wide intervention is recommended to establish higher standards and improve the quality of outsourced fundraising.

5. **Attrition is rising and we lack a common process to measure this and understand the causes.** A sector wide effort is needed to standardise reporting and understand causes before intervention is possible.

6. **There is a clear requirement for sector-wide action**. We need to decide what the best approach is for this.

7. **It's not just face to face fundraising**. Other regular giving channels, most notably telephone fundraising, are advanced on a similar path. This should be recognised, and sector-wide efforts taken to address these issues.

1.4. Key recommendations

This is a summary of highest priority recommendations drawn from the detailed set of recommendations in the main report. All recommendations are also listed in Appendix Two for easy reference.

Recommendation
1. Convening a forum of charity fundraising directors to act as a permanent forum for discussion of sector wide issues (recommendation V6)
2. Adoption by the sector of the manifesto for the values of face to face fundraising. (recommendation V2)
3. A review including a gap analysis of the training and professional development resources available to fundraisers working in regular giving and face to face fundraising. (recommendation V10)
4. A research project to assess best practice in face to face fundraising in global markets and follow up to engage with Australian and New Zealand practitioners and share findings. (recommendation V14)
5. Establishment of minimum benchmarks for the quality of outsourcing due diligence to be incorporated into charity and agency accreditation. A consistent standard of due diligence will create a more level playing field for suppliers doing the right thing. (recommendation B3)
6. Sector-wide collaboration to develop a standard attrition reporting process and vocabulary. Noting the complexity of this task, this should be as simple as possible in providing a useful output for use by all members. (recommendation A2)
7. Consideration should be given to the development of a sector-wide qualification for face to face fundraisers incorporating core skills and providing a nationally accredited and transportable qualification. (recommendation I3)

Recommendation
8. All parties should review the traditional split of training between charities and agencies. Charities may wish to consider applying greater scrutiny to the "sales" training provided by suppliers to ensure that this is consistent with their value and goals. (recommendation I7)
9. A sector-wide discussion process to discuss alternative business models and generate inspiration and promote innovation. (recommendation B10)
10. There should be a benchmarking process for reporting agency and potentially sub-contractor attrition levels to allow charities to make informed decisions about outsourcing face to face fundraising. (recommendation A7)
11. A sector-wide discussion process to review the history of inhouse fundraising in Australia and assess its effectiveness given the current market environment. Subsequently, the results of this review to be shared with all organisations interested in this model. (recommendation B11)

Fundraising Partners is prepared to support any sector, collaborative or organisational efforts to support the implementation of these and all other recommendations made in this report.

1.5. Thank you to the contributors

The Irregular Giving Project and the contents of this report rely on the generous and expert participation of more than 100 people from the fundraising sector in Australia, New Zealand and globally.

Individuals participated on an informal basis and not as representatives of their employers. As a result, where we have included statements or opinions from participants, we have not identified them by name, unless they have given us permission to do so.

We would like to thank everyone who has contributed so far. A full list of participants is included as Appendix One. We'd also like to acknowledge the IVE Group and Fiona McPhee for their generous sharing of benchmarking data.

2. The manifesto

The heart of the fundraising profession is its values. This manifesto is a simple statement of the values that we heard expressed throughout the discussion by fundraisers in all roles. Let's adopt and live these values.

Some things need not return to 'normal' — some things were well and truly broken before.

This is our chance to fix that.

Here is where we start...

- **We are passionate fundraisers** who inspire donors to make long-term connections with causes they love.

- **We are proud advocates** of face to face fundraising.

- **Every donor has chosen** to make a personal connection with our cause — we will treat them as passionate individuals, not as numbers on a spreadsheet.

- **Honesty and integrity** are more important to us than expediency and profit.

- **Everyone involved in face-to-face** fundraising is responsible for upholding these values.

We believe there is a better way forward for face-to-face fundraising.

Now, let's make it so.

www.irregulargiving.me

The
Irregular Giving
Project

3. The issues

Why this project and why now?

The data, our personal experience, and conversations with sector colleagues demonstrated that face to face fundraising was threatened by higher costs, lower retention, and thus lower net returns. This was all against a background of generally poor-quality interactions between fundraisers and members of the public.

We asked these questions:

> **Is the decline of face to face fundraising inevitable?**
>
> No, it is not inevitable. Evidence from Australia and overseas shows that face to face fundraising works just as well as ever.

> **Are we happy that fantastic causes are too often being represented so poorly to the public?**
>
> An emphatic NO!

> **Does the COVID19 created pause in fundraising give us an opportunity to rethink, reimagine and reinvent face to face fundraising?**
>
> Yes. This was a chance to make good use of a bad situation.

3.1. Falling retention, falling income

Donor retention is falling

IVE's 2020 Benchmarking report captures sector trends from 54 charities. According to this report, we are only able to keep 44% of new face to face donors giving for one year, even excluding "donors" that don't make a first gift. Retention has fallen by 16% in only eight years. For regular givers from telephone fundraising, retention has fallen by 28% over the same period!
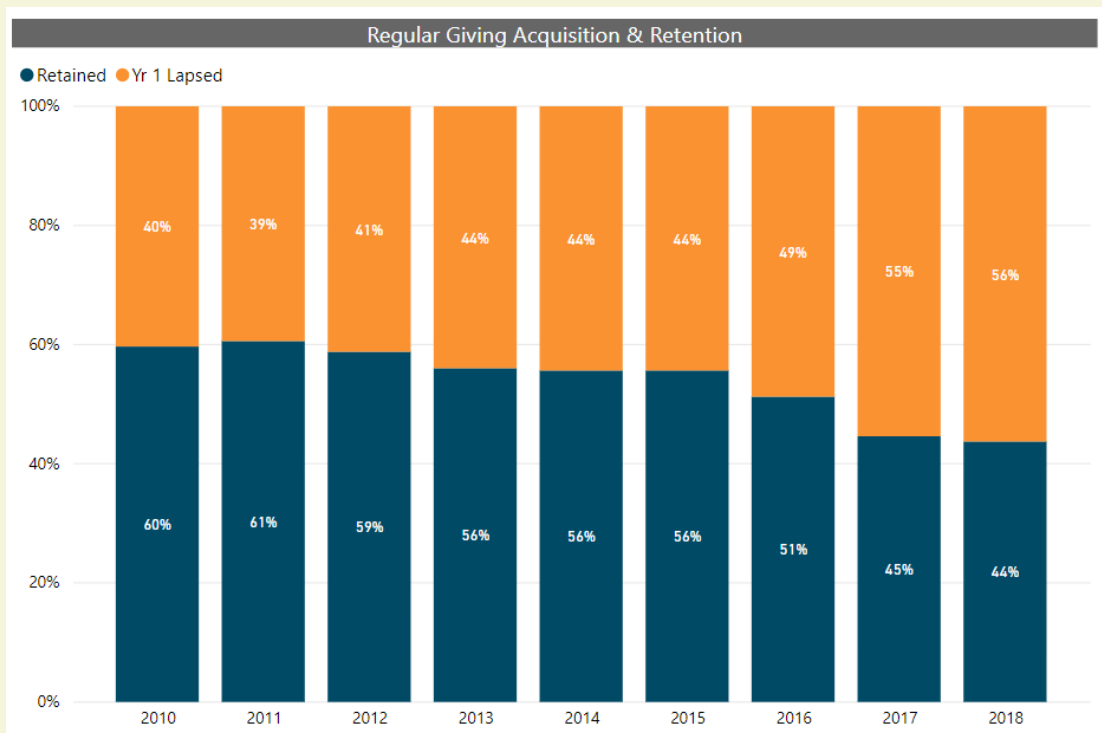
Source: ive benchmarking 2020

> *"People are in denial. They have the data, but they don't want to actually look at it."*
>
> Senior Charity Fundraising Manager

Recruitment is declining and income is falling

Total income is declining as more recent donors end their donations sooner and charities fail to make up for attrition from longer-term donors.

Total Recruits by Gift Type

● Child Sponsorship ● Regular Gift

Year	Child Sponsorship	Regular Gift
2008	19K	119K
2009		122K
2010	9K	125K
2011		164K
2012		200K
2013		233K
2014		238K
2015		253K
2016		226K
2017		212K
2018		248K
2019		238K

Income by Year and Gift Type

● Child Sponsorship ● Regular Gift

Year	Child Sponsorship	Regular Gift
2008	$8M	$56M
2009	$9M	$68M
2010	$12M	$82M
2011	$11M	$101M
2012	$10M	$125M
2013	$10M	$154M
2014	$12M	$177M
2015	$11M	$199M
2016	$10M	$208M
2017	$10M	$215M
2018	$10M	$204M
2019	$11M	$200M

Source: ive benchmarking 2020

It's not just face to face fundraising

Regular donor retention is falling across all key channels

Telephone RG Retention
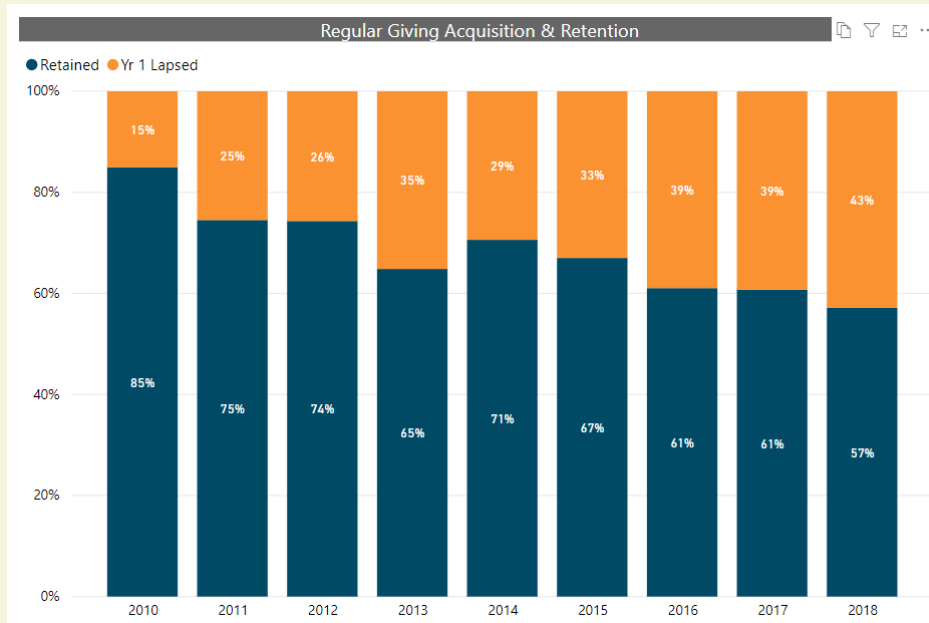
Digital RG Retention

Source: ive benchmarking 2020

3.2. Increasing costs

We did not have access to any reliable sector-wide data on the costs of face to face fundraising. Our best available information suggests that costs are rising.

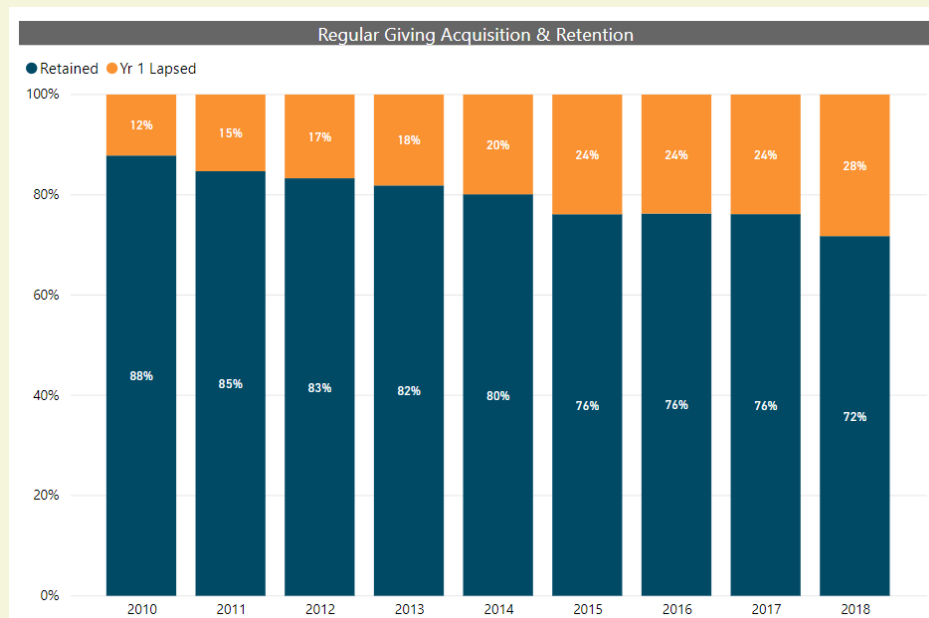|	
1	Outsourced agency costs are increasing steadily. Headline rates are now between thirteen and fifteen times the annual gift.
2	Agency refunds, clawbacks and guarantees for cancelling donors have been shrinking and now may not even include a "no debit" refund.
3	There is an annual wage increase built in for agency and in-house fundraisers engaged as employees.
4	Face to face fundraising is now more compliant with minimum regulatory standards. Costs of minimum compliance, that were previously possible to avoid, are now built into agency fees.
5	Face to face fundraisers have mostly transitioned from being paid on commission to a wage. This has shifted the financial risk of poor donor retention away from the individual fundraiser and onto the charity and the agency.

3.3. Lower fundraising standards

Without access to any sector-wide evidence of the actual quality of face to face fundraising interactions we rely on nearly 100 Fundraising Partners mystery shopping interactions and the comments from participants in the Irregular Giving Project.

There is a mass of anecdotal evidence to suggest that the quality of interactions between face to face fundraisers and potential donors is decreasing. This is in fundraising terms, rather than compliance where the picture is more positive based on the report provided below by the PFRA.

The PFRA has made changes over the past few years to improve the delivery of its compliance program. These have included a simplified Standard, which sets out the expectations for both fundraisers and members more clearly. Most significantly however, July 2019 saw the introduction of a new penalty system to encourage better compliance. Members would now be subject to tiered financial penalties on a monthly basis.

The PFRA has always tried to balance its enforcement and education work and all income from penalties is ring-fenced in a member training fund to raise standards through better skills. The PFRA will be delivering a comprehensive training programme for all members (covering employment law, the Australian Consumer Law and privacy law). There may be scope for expanding this program based on the needs of members.

Accreditation, which began in 2018 underlines the PFRA's approach of driving long-term change. This was the most comprehensive assessment of members' fundraising skills and competencies ever undertaken and was designed to address structural gaps in both capacity and capability. 2020 will see the launch of a new online accreditation platform to streamline both the submission and review process.

The impact of these reforms is improved compliance with the number of breaches falling each year since 2017. The PFRA is now focussed on allocating more of its resources 'upstream' to prevent problems occurring in the first place, with the knowledge that its 'downstream' enforcement systems are working effectively.

4. Systemic vs. symptomatic issues

Our analysis of more than 800 individual contributions has shown that issues of concern to participants fall into two clear categories. We have used a medical analogy to better understand the issues.

Systemic issues

The underlying disease suffered by the "patient". Curing the disease is difficult due to complicated underlying factors.

Solutions are usually "top down" and harder to achieve. However, if these solutions are implemented, they are longer-lasting.

Symptomatic issues

The outward signs that the patient has a disease. Treating the symptoms may offer short term relief but it will not solve the underlying problem – and the symptoms will always return.

Solutions are usually "bottom up", easier to achieve but usually temporary.

The discussions with participants from across the sector regularly focussed on "symptoms". Participants regularly found these discussions frustrating because solutions never seem to work or seem impossible to implement.

This frustration stems from an inability to overcome systemic issues within face to face fundraising, fundraising, and the non-profit sector more broadly.

"There is a lack of organisational commitment at Board level. They don't like face to face fundraising and aren't supporting it sufficiently."

Senior Sector Consultant

4.1. Systemic issues within fundraising

Lower retention, higher costs and poorer quality are not the problems we need to solve. They are symptoms of systemic issues in fundraising and the non-profit sector generally.

4.1.1. Many boards and CEOs don't understand, and some even dislike, fundraising. They expect permanent growth.

Many charity boards do not understand fundraising and have little fundraising experience. This is compounded by reluctance either through fatigue or unwillingness from some fundraisers to explain the inner workings of programs that are in decline.

There is a constant push for growth in income by many charity Boards and CEOs in an environment where competition for donors is increasing. This feeds a "volume at any cost" approach for fundraising teams.

There is a culture of measuring success in the short-term where annual targets are critical measures. Short term results measured in terms of "how many regular donors do we have" are more relevant than long-term net income.

The push for volume means that outsourcing decisions are based on the ability to deliver numbers not quality. Fundraising outsourcing is often driven by expedience without consideration for quality.

Fundraising is "the other" in too many charities. Fundraising is too often seen as "a necessary evil". Face to face fundraising even more so.

Face to face fundraising is often not liked by senior management and is "disowned". Disliking face to face and ignoring the channel disconnects it from the charity and the cause, making it even more dislikeable.

4.1.2. Charities enable a dysfunctional outsourcing market

More than 90% of regular giving acquisition is outsourced to commercial agencies. The quest for numbers at the cost of quality creates a vicious cycle in the outsourcing market in face to face fundraising.
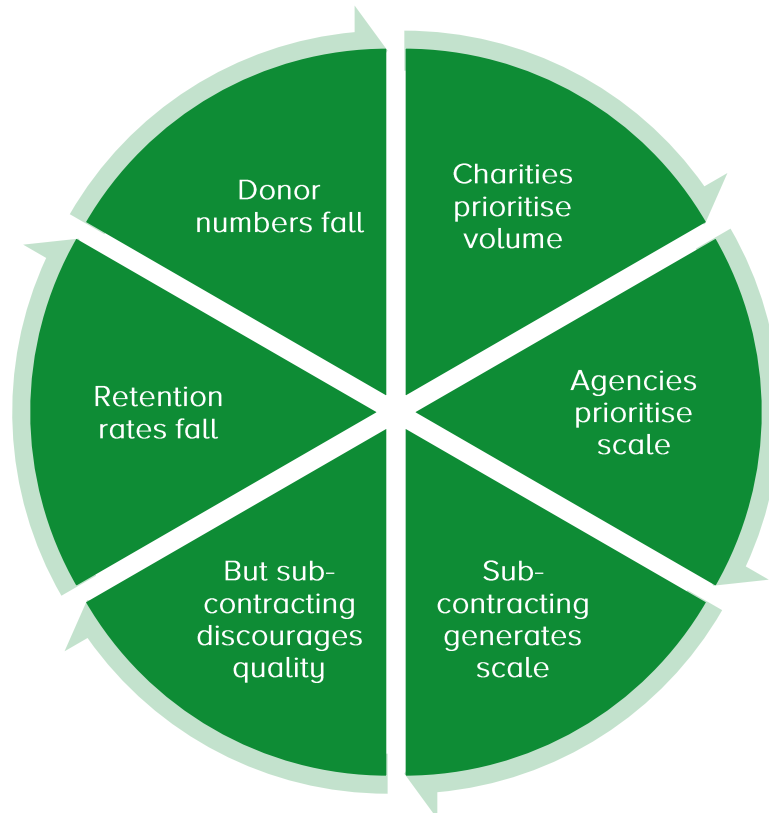
Face to face fundraising in Australia and New Zealand is unique insofar as it is dominated by agencies which sub-contract to smaller companies.

These sub-contractors are responsible for the recruitment and management of most of the face to face fundraising workforce. Competition for sub-contractors or "poaching" by agencies creates an environment which drives up costs and discourages quality and innovation.

> *"What does sub-contracting do for us?"*
>
> Charity individual giving manager

4.2. Symptomatic issues

The systemic issues identified create various symptomatic issues. These symptomatic issues are the ones that most fundraisers spend considerable time discussing and trying to solve.

Although we have recognised that these issues cannot be eliminated without solving the systemic issues that create them, it is still useful to understand these issues and to attempt solutions even as we work to fix the systemic issues.

To make it easier to analyse the issues and recommend solutions, we have broken them into four areas.

1	Values, strategy and knowledge
2	Attrition and processes
3	Business and billing models
4	In the field

> *"Front loading is crazy. Why is a donor signed up in July somehow worth more than a donor signed up in May?"*
>
> Charity individual giving manager

4.3. We now know what we don't know

A major insight gained early in the process was that there are many areas where we don't know enough to come to useful conclusions and recommendations.

Face to face fundraising carries with it a body of "ancient wisdom" that is based on assumptions, myth, and legend. Many of our contributions reflected that.

There are also personal or organisational insights that may be unique or may have wider relevance. Unfortunately, we just don't have reliable evidence to verify these.

As a result, several recommendations are in support of further research to allow us to test our assumptions and increase the evidence base for future discussions.

1	What can we learn from overseas markets?
2	What can we learn from other fundraising channels?
3	What can we learn from similar processes in the commercial sector?
4	Do we already have data we are not using
5	If we lack data, how can we fill that gap?
6	How can we best pool organisational knowledge to benefit the whole sector?

4.4. Possible approaches for sector-wide action

Many solutions to systemic issues will be most effective if implemented on a sector-wide basis. That is to say that all charities engaged in face to face fundraising cooperate in making the same change at the same time.

We understand that this sort of change is the most difficult. It is hard to coordinate change where there are many organisations involved. There are, however, pre-existing structures that could more easily facilitate sector-wide change. These are:

The PFRA

Fundraising Institute Australia

The Face to Face User Group

Of these groups, the PFRA may be best placed to support change given its specific focus on face to face fundraising, high level of membership coverage and already established processes for setting and measuring of standards for fundraising.

It should be noted, however, that the PFRA currently has a remit which is restricted to compliance and has limited staffing and financial resources. Any expansion in its role would need to be advocated for and supported by members through the PFRA Board and backed with increased resources if required.

If current structures are either unsuitable or unable to support sector-wide change then new collaborative structures will need to be developed for this purpose. One option could be the establishment of a fundraising directors' forum to ensure change is driven at senior levels.

5. Values, strategy, and knowledge

These are the top-level factors that are most likely to have a sector-wide or organisation-wide influence on face to face fundraising. These are the issues most closely caused by the systemic issues we have identified.

The key elements are:

1	Values and goal
2	Charity fundraising strategy
3	Knowledge, professional development, and training
4	Brand, proposition, and communications
5	Learning from overseas

5.1. Values, strategy and knowledge issues

5.1.1. Values and goals

1. **Disconnection.** There is a disconnect between the values of the charities and the actual implementation of face to face fundraising.

2. **Distance**. This disconnect is caused, in part, by an outsourcing structure that creates distance between charities and their fundraisers.

3. **Lack of integrity, sincerity, and kindness.** The current outsourcing process significantly dilutes the integrity and sincerity of the fundraising message as it is relayed to potential donors.

4. **Churn and burn,** is rife in all relationships: charities with fundraising staff, charities with suppliers, suppliers with sub-contractors, and fundraisers with donors.

5. **Face to face has become sales, not fundraising**. Most outsourced face to face is run as a sales business, not as the profession of fundraising.

5.1.2. Charity Strategy

1. **Unsustainable growth.** CEOs and Boards are boxed in to delivering service levels based on precarious and unsustainable growth in income.

2. **Lack of investment in alternatives.** Face to face fundraising is still the only channel capable of delivering large numbers of new regular donors at a viable cost.

3. **Under resourcing of fundraising**. Charities spend significantly less on resourcing than commercial businesses do in supporting their subscription-based customer models.

4. **Face to face is sometimes seen as a necessary evil**. Some charities use the channel because they must, not because they want to.

5. **Strategy is short term.** The annual target is the dominant measure of success, a situation incompatible with measuring success of a channel designed to provide long-term income.

5.1.3. Professional development and training

1. **Professional education.** Despite the best efforts of under-resourced sector bodies, fundraising as a profession lacks the professional education basis of comparable commercial professions. Face to face fundraising is even more poorly served.

2. **No charity knowledge base**. There is no shared knowledge base representing historical lessons or best practice in face to face fundraising. High performing organisations and individuals have the willingness, but very limited opportunities, to share their knowledge with colleagues.

3. **Charity fundraising teams do not have the skills they need**. Job descriptions cover a range of skills and knowledge impossible for one individual. One charity staff member may have a role that in the commercial sector would be covered by multiple individuals with specialised skills.

4. **Face to face fundraising is under-represented at conferences**. This is also true of regular giving more broadly. The proportion of time for training or conference sessions is not consistent with the proportion of donors engaged through regular giving.

5.1.4. Brand, proposition, and communications

1. **Proposition.** Outsourced face to face fundraising often fails to incorporate carefully designed propositions into the actual "pitch" delivered to potential donors.

2. **Fundraisers not included**. Face to face fundraisers are often not included in the development of regular giving "products" and propositions.

5.1.5. Learning from overseas

1. **It's different in other countries.** Australia and New Zealand have a unique market structure. There are no other markets where sub-contractor companies have such a dominant position in face to face fundraising.

2. **It's the same in other countries.** The process of face to face fundraising does not change dramatically in other markets. It is possible to achieve better outcomes than we are experiencing here because other markets show that this is possible.

3. **Limited opportunities to learn.** Poor resourcing and limited sharing mechanisms mean that most charities have no access to best practice from international markets.

4. **We don't know enough**. Australia and New Zealand are relatively insular and there are opportunities build closer connections and learn from colleagues in other markets.

5. **Do we expect too much?** Other markets seem to accept similar retention rates, break even periods and ROI. Are our expectations higher or are the alternative income sources in Australia and New Zealand better than overseas?

> *"The Australian market is really not that mature. The actual problem is a lack of charity knowledge of how to manage their agency."*
>
> INGO face to face specialist

5.2. Values, strategy, knowledge recommendations

No.	Level	Recommendation
V1	Sector wide	Consideration by the PFRA of an extended remit to include standards to maintain the viability of face to face fundraising.
V2	Sector wide	Adoption by the sector of a manifesto for the values of face to face fundraising. This could be adopted by the sector wide bodies. A proposed manifesto is included in Section 2.
V3	Sector wide	Initiation of a formal discussion hosted by sector-wide bodies into the role, understanding and status of fundraising within the non-profit sector.
V4	Sector wide	As a goal of the formal discussion on the role of fundraising – engagement with non-profit CEOs and Board members to better understand their views of fundraising. This could include surveys.
V5	Sector wide	As an output of the engagement with CEOs and Boards – development of a program of resources and engagement to build better connections with, and understanding of, fundraising in general, and regular giving fundraising specifically.
V6	Sector wide	Convening a forum of charity fundraising directors to act as a permanent forum for discussion of sector wide issues
V7	Sector wide	Increased effort to include CEOs and Boards in fundraising conferences and in other forums.
V8	Sector wide	A sector-wide collaboration to develop materials for fundraising teams to use in their communications with CEOs and Boards.

No.	Level	Recommendation
V9	Sector wide	A sector-wide collaboration to develop resources to engage with senior non-profit finance management to better present the long-term nature of regular giving and how targets and results are measured.
V10	Sector wide	A review including a gap analysis of the training and professional development resources available to fundraisers working in regular giving and face to face fundraising.
V11	Sector wide	A project to develop a best practice knowledge base for face to face fundraising implementation across all key areas. This could be sponsored by sector-wide bodies and supported by the face to face User Group.
V12	Sector wide	Engagement by sector-wide bodies with charity human resource managers and professional bodies to discuss the skills expected in fundraising teams and identify gaps in capacity to be filled by better training.
V13	Sector wide	Engagement with conference organisers to discuss provision of increased allocations for coverage of regular giving and face to face fundraising.
V14	Sector wide	A research project to assess best practice in face to face fundraising in global markets and follow up to engage with Australian and New Zealand practitioners and share findings.
V15	Sector wide	All sector wide recommended best practice measures should be integrated into fundraising staff training and professional development resources.

No.	Level	Recommendation
V16	Collaborative	For those charities within global networks, development of a consistent research survey to tap into knowledge from other markets
V17	Collaborative	Adoption of the manifesto by the face to face user group
V18	Collaborative	Research into pooling training resources by groups of charities or agencies in a "train the trainer" model to maximise return on limited resources.
V19	Collaborative	Research into pooling expert resources lacking or in limited supply for individual organisations. For example business analysis, data analysis, database management.
V20	Organisational	Adoption of the manifesto by individual charities and fundraising agencies.
V21	Individual	Adoption of the manifesto personally by fundraising professionals.

6. Business models

Business models were often the starting point for our discussions. There is a perception that financial arrangements are the key to resolving the underlying issues. Our conclusion is that business and financial models are important, but they are a consequence of systemic issues.

The key elements are:

1	Business models

2	Billing models

3	Charity / agency partnerships

4	Compliance

6.1. Business model issues

6.1.1. Business model issues

1. **Sub-contractors are dominant.** Other than small in-house programs and some micro agencies, all face to face fundraising in Australia is delivered by sub-contractor companies.

2. **Sub-contractors drive costs higher** because charities and agencies are competing for volume, sub-contractors can sell their services to the highest bidder.

3. **Sub-contractors drive quality lower** because a charity or agency that intervenes to drive quality is seen as "too hard to work with" and there is always another agency ready to offer less stringent conditions and another charity ready to hire that agency.

4. **There are too many profit margins.** There are often three levels of profit within a supply chain – each level increases the cost to the charity and reduces the funds available to pay for innovation.

5. **New business models are risky,** in part because recruitment and retention of skilled face to face fundraising leaders is inhibited by financially led "poaching" by agencies and sub-contractors.

6. **There is limited appetite for risk or risk capital** available to develop and test new business models. The establishment of Rippling is an indication that there is an appetite for innovation, but is there the money or the willingness to test other models?

7. **In-house and "hybrid" models are more difficult in Australia,** especially when compared to the UK and the USA. This may be a result of the difficulty of scaling teams in an environment where sub-contractors are dominant.

6.1.2. Billing model issues

1. **Financial risk has reverted to charities and agencies,** whereas in the days of commission-only payments to fundraisers, the fundraisers carried the financial risk of poor quality.

2. **Lower margins limit innovation**, driven by increased sub-contractor costs. Most agencies no longer have the profit margin or cash flow to risk on new billing models.

3. **Rewards for better retention** have begun to emerge as a potential change in billing models. These rely on charities and agencies taking a risk, and on available cash flow to fund them.

4. **13x the gift should be enough** to properly fund high quality face to face fundraising, but it does not seem to be. We do not understand how the funds are allocated, but it is possible that the additional layers of sub-contractors are pushing prices higher.

6.1.3. Charity / agency partnerships issues

1. **Charities need to improve outsourcing**. The annual value of outsourced face to face fundraising contracts in Australia and New Zealand is more than $160 million, even before other channels are included. The quality of outsourcing strategy, contract management and due diligence is too low to properly manage budgets of this size.

2. **Outsourcing and contract management is not a recognised skill set**. Professional education and recruitment do not equip charity fundraisers to be effective in this role.

3. **Partnerships are short term**. "Churn and burn" extends to relationships between charities, suppliers, and sub-contractors. Short term results dictate the length of relationships and make the development of real partnerships difficult.

4. **Outsourcing is too "set and forget".** There is limited time and opportunity for charity fundraisers to engage with their outsourced teams.

5. **Agencies resent charities getting "too close"** and often frustrate charity fundraisers who do want to create a genuine partnership.

6.1.4. Compliance issues

1. **Compliance has been outsourced** to sector bodies such as the PFRA. Charities now see this as a lower priority for them.

2. **Complex supply chains make compliance harder to monitor**. Risk has been outsourced from the charity to the agency to sometimes multiple levels of sub-contracting.

3. **Due diligence is a tick box** designed to cover the charity but not to determine whether a supply chain is truly compliant.

4. **Charity fundraising teams lack skills or knowledge** in compliance and due diligence.

5. **Fundraisers are probably still being underpaid** but complex supply chains and superficial due diligence allow this to happen.

6. **Sub-contractors lack basic business skills** apart from how to recruit and sell. They do not understand and often resent their obligations as directors and as employers, deliberately failing to implement proper compliance and business management processes.

7. **Face to face fundraising has not examined the risks of sexual harassment**. The face to face workplace often has limited supervision, young and vulnerable workers and low quality WH&S processes. This presents a high risk for this issue and anecdotal evidence suggests there are problems which require action.

6.2. Business model recommendations

No.	Level	Recommendation
B1	Sector wide	A strategic review by sector-wide bodies of the role of sub-contractors with the goal of establishing minimum standards for the engagement of sub-contractor companies.
B2	Sector wide	A review by the PFRA of the member accreditation process in the context of the ongoing requirement for charities to perform their own due diligence and for these two processes to be better integrated.
B3	Sector wide	Establishment of minimum benchmarks for the quality of outsourcing due diligence to be incorporated into charity and agency accreditation. A consistent standard of due diligence will create a more level playing field for suppliers doing the right thing.
B4	Sector wide	Development by the PFRA of updated best practice guidance for the engagement of outsourced agencies and supply chain management.
B5	Sector wide	Review by the PFRA of member processes for the prevention, reporting and elimination of sexual harassment within face to face fundraising.
B6	Sector wide	In cooperation with the FIA, review the training available regarding contract and supply chain management. Where necessary, improve coverage of this, drawing on any lessons available from government and commercial sectors.

No.	Level	Recommendation
B7	Sector wide	PFRA to consider the option of including unannounced audit processes as part of accreditation processes.
B8	Sector wide	Sector-wide collaboration to develop a universal supplier reference check process and encourage all members to collaborate in providing high quality information on supplier performance.
B9	Collaborative	Research into the actual cost breakdown of face to face fundraising to better understand the impact of sub-contractors on cost models.
B10	Collaborative	A sector-wide discussion process to discuss alternative business models and generate inspiration and promote innovation.
B11	Collaborative	A sector-wide discussion process to review the history of inhouse fundraising in Australia and assess its effectiveness given the current market environment. Subsequently, the results of this review to be shared with all organisations interested in this model.
B12	Collaborative	Development of pooled best practice outsourcing management processes.
B13	Collaborative	Research into other sectors' practices for managing outsourced supply chain for integration into pooled best practice resources.
B14	Organisational	Review of WH&S practices by all organisations to ensure that minimum standards, at least, are in place to ensure the safety of face to face fundraisers, with a focus on safety from sexual harassment.

No.	Level	Recommendation
B15	Organisational	Review outsourcing due diligence processes to ensure that they meet the goal of ensuring effective fundraising and compliance in supply chains.
B16	Collaborative	Organisations could collaborate in developing billing models to best account for the recruitment of younger donors.
B17	Individual	Be alert to WH&S and sexual harassment concerns within your own organisation and, if necessary, report these to the appropriate authorities.

7. Attrition and processes

Donor attrition was at the core of many discussions. Falling donor retention rates are perceived as the main cause of the decreasing viability of the channel and a lot of effort goes into the many different approaches to solving this problem. As attrition continues to rise – these efforts are currently not being met with success.

The key elements are

1	Measurement and reporting

2	Donor stewardship

3	Data management and donation processing

4	Donor retention factors

7.1. Attrition and process issues

7.1.1. Attrition measurement and reporting issues

1. **Measurement of attrition is inconsistent**. There is no common measurement of attrition or vocabulary across the sector. This prevents organisations making meaningful comparisons with each other.

2. **Agency attrition performance is not benchmarked.** Charities are unable to make informed decisions about which agencies to hire or retain. They have limited information about a critical measure that will determine net returns.

3. **Attrition reporting is often based on poor data models.** This prevents accurate reporting or may cause charities to base decisions on inaccurate or misleading data.

4. **Agencies have limited understanding and visibility of attrition.** Attrition is not a high priority for agencies, and they have a limited understanding of measuring and reporting attrition. This is even more true with sub-contractors.

5. **Attrition management is not integrated into the outsourcing process**. Data models, contracts, reporting, contract management and program management are not seen as part of a "joined-up" process.

6. **We can improve our understanding of key attrition drivers**. We use donor age as the main measure for donor attrition, but there are other key factors such as the fundraiser, sub-contractor and agency which aren't being measured and applied as much as they could be.

7.1.2. Donor stewardship issues

1. **Donors are too often seen as numbers not people**. The culture of sales and short-term targets removes the passion and sincerity from the relationship between the cause and the donor.

2. **Initial donor contact processes are poor**. First contacts after signing up are often a rushed and amateurish "verification call". Donors start to lose any inspiration for the cause too quickly.

3. **Donor surveys capture useful information but follow through is limited.** Some models provide predictors of attrition, but charity/agency use of the data is ineffective.

4. **"Acquisition", "Processing" and "Retention" are often disconnected.** These may be different teams within charities and there is a lack of consistent process and understanding between them.

5. **There is limited evidence that complex donor journeys have significant impact**. It is possible that there is an over-reliance on donor stewardship to try and make up for poor quality in acquisition.

6. **Donors do not experience a consistent message.** The sign-up process often does not reflect the proposition and donor communications do not match the "sign up" experience.

7. **There is a lack of personalisation**. Donors receive "one size fits all" communications that may not reflect their personal interests or concerns.

8. **"Verification" calls are a negative.** Good quality welcome calls are rare, and a first post signup contact is usually neutral *at best* for the donor.

> *"Onboarding journeys make little statistical difference. Problem is incentivising someone for quality and tenure."*
>
> Senior charity fundraising manager

7.1.3. Data management and donation processing issues

1. **Charity face to face managers often struggle with data management.** They must often learn skills on the job and lack access to expert resources such as business analysis, data management and data analysis.

2. **Changing a CRM is complicated and time consuming**. This limits the ability of fundraising managers to change data models and obtain the information they need to manage their programs.

3. **Best practice is not shared**. Some charities have better performance than others, but best practice is hard to establish and there is no mechanism to share it.

4. **Payment options are limited**. The commercial sector provides many more options for customers to pay in convenient ways. Testing of alternative payment options for face to face fundraising has been limited.

5. **Giving options are limited**. There has been little testing of alternative giving options, particularly for younger donors. Agency business models restrict testing because anything other than a regular gift above $25 a month is not commercially viable.

6. **End of life processes are poorly applied.** This creates a false impression of attrition rates and donor numbers and creates artificial work in "saving" donors who have already ended their commitment.

7.1.4. Donor retention issues

1. **Face to face fundraising has many variables.** This makes measurement and testing of different factors very difficult.

2. **The fundraiser/agency is more important than donor age.** Donor age is a key factor. But is also the easiest to measure and becomes the only measure charities use for managing attrition when there are other factors that are not being applied.

3. **Attrition is rising across all age bands**. With the rate of year one attrition in older age groups rising faster simply signing up older donors is not a solution.

4. **Attrition was rising even with "commission only".** Attrition has been increasing since 2010. Billing and payment models are not a silver bullet.

5. **Agency business models prevent control of attrition**. Reporting is limited, agency buy-in is limited, control and influence is difficult. This is compounded by the extra layer of management at sub-contractor level.

6. **Retention is not a priority for agencies**. The values of many agencies and sub-contractors are focussed on sales, not inspiring a connection to the cause. "Pitches" are rushed and are based on getting to the sign up as soon as possible.

7. **We're asking the wrong people for donations**. Fundraisers are often working in locations or approaching potential donors who do not have the ability to sustain a long-term gift.

8. **Face to face fundraisers do not understand attrition.** 75% of face to face fundraisers surveyed incorrectly believe that more than 60% of their donors gave for more than 12 months.

9. **It is possible to do better**. Bad retention is not inevitable. Some charities in Australia and New Zealand, and some markets overseas, have better results.

7.2. Attrition and process recommendations

No.	Level	Recommendation
A1	Sector wide	The PFRA could consider extending the PFRA's remit to include standards for the quality of face to face fundraising. These standards might be advisory rather than mandatory and might not be assessed by the PFRA's Quality Assurance program. They would however provide a benchmark for members to use in assessing the quality of fundraising.
A2	Sector wide	Sector-wide collaboration to develop a standard attrition reporting process and vocabulary. Noting the complexity of this task, this should be as simple as possible in providing a useful output for use by all members.
A3	Sector wide	The proposed standard attrition reporting model should include reporting actual debits made and a future survival analysis.
A4	Sector wide	The PFRA could use the consistent attrition reporting process to provide regular (perhaps quarterly) benchmark reports to members on attrition performance.
A5	Sector wide	The standard reporting model should be included in a downloadable template model for all PFRA members to use outlining what a regular giving attrition report should include at a minimum.

No.	Level	Recommendation
A6	Sector wide	There should be a pooled resource of best practice knowledge on attrition management, payments processing and all other factors associated with donor management. This should be based on best practice from charities with highest performance levels and available to all organisations.
A7	Collaborative	There should be a benchmarking process for reporting agency and potentially sub-contractor attrition levels to allow charities to make informed decisions about outsourcing face to face fundraising.
A8	Collaborative	There should be a coordinated approach to applying these recommendations to other regular giving channels where attrition is rising rapidly, most notably telephone fundraising. This could be facilitated by the FIA or the Phone User Group.
A9	Collaborative	Organisations should consider a joint project to research the effectiveness and practicality of diverse donor payment methods. This could be facilitated by a data service provider such as EverGiving.
A10	Collaborative	Organisations should consider a joint project to research the effectiveness and practicality of diverse donor gift options. This could include gift frequencies, gift amounts and gift levels appropriate to different donor demographics.

8. In the field

Many of the participants have experience as face to face fundraisers. We also undertook a survey of face to face fundraisers, led by Henri Muniz of Public Outreach. Often the view from the "front line" of face to face fundraising goes unheard and we want to make sure this is not the case in this report.

Key elements include

1	Fundraiser recruitment

2	Fundraiser training, management, and motivation

3	Quality control

4	Fundraiser professional development

8.1. In the field issues

8.1.1. Fundraiser recruitment issues

1. **Fundraising is not sales**, but most agencies operate on the basis that it is and their recruitment, training and management is focussed on sales, not on long term fundraising.

2. **Recruitment sends the wrong message**. Agencies are advertising for sales roles because "like recruits like" and most agency owners and managers are salespeople, not fundraisers.

3. **False hope, parties and "OTE" are too common**. Recruitment advertising is superficial, financially focussed and presents a misleading impression of the potential rewards.

4. **Fundraisers feel misled by recruitment.** 40% of fundraisers surveyed felt that their role did not match what was advertised.

5. **The wrong people are hiring fundraisers.** Recruiters are instructed by field managers to advertise non-compliantly, in ways that discriminate. Factors such as keenness to party and physical appearance are often more important than work ethic and skills.

6. **Connection to the cause is not a major factor**. Recruitment does not look for people who are passionate as well as having the appropriate skills.

"Ads for 'beers' and 'megabucks' aren't going to attract professionals"

Charity face to face fundraising manager

8.1.2. Fundraiser training, management, and motivation issues

1. **No sector level training for face to face fundraising. Most training for face to face** fundraisers is limited, poorly designed, and poorly delivered. There is no skills recognition and no transferrable qualification available to face to face fundraisers.

2. **No recognition of face to face fundraisers.** Face to face fundraisers are not valued by charities, the fundraising profession or the wider community. Face to face fundraising is not seen as a "proper job".

3. **There are no bad fundraisers,** only bad leaders. Poor fundraiser performance is almost entirely driven by inadequate training and leadership.

4. **Charities outsource training to agencies.** Contact with charity staff is limited due to overstretched staff or low priority for training. Agencies sometimes make charity contact difficult.

5. **Training is often low quality**, both from charities and from agencies. "Sales" training is often based on old school "3, 5 and 8 step" programs.

6. **Short term and financial incentives are ineffective.** Cash is short term and less than 60% of fundraisers surveyed indicated that financial incentives are "important" or "very important" motivations.

7. **Face to face fundraisers do not feel appreciated by charities**. Less than 30% of fundraisers surveyed said they felt appreciated by the charities they represent.

8.1.3. Quality control issues

1. **Connection between fundraisers and charities is low**. This is caused by lengthy supply chains and often a lack of motivation or time for charity and agency staff to establish high quality contact with fundraisers.

2. **Charities often do not know what is happening in the field.** Quality control processes are patchy. Mystery shopping and auditing of calls is time consuming and many charities do not apply these.

3. **"Cancel any time" and "we're not looking for cash today"** are still heard too frequently. "Sales pitches" are designed to "get the sale to the iPad as soon as you can" and are often misleading.

4. **Charity propositions often melt away** as soon as they get into the hands of agency trainers and leaders. Pitches are short and focussed on getting a signature, not on inspiring passion for a cause.

5. **Accountability is low** for poor quality. Layers of agency and sub-contractors make it difficult to hold individual fundraisers, teams or leaders accountable for concerns and issues.

6. **Objective welcome calling** is not used enough. Quality control is often managed by the agency and does not provide charities with an objective picture of what is happening in the field.

> *"Recognition should be the term not 'incentive'. We need to emphasise respect and professionalism, not targets.*

Senior charity fundraising manager

### 8.1.4. Fundraiser professional development issues

1. **Lack of recognition that face to face fundraisers are part of the charities and the profession.** This also applies to telephone fundraisers. These are the people who have the skill of making the "ask". There are no awards for being the best in these jobs.

2. **No charity career path for face to face fundraisers**. Face to face fundraisers struggle to develop careers in the charity sector because their experience is too narrow and not valued by recruiters. This is compounded by poor education opportunities offered by their employers and by the sector generally.

3. **No structured training for face to face fundraisers.** Fundraiser training is outsourced to agencies and sub-contractors who do not have the resources, skills or knowledge to run well planned and structured training other than sales training.

4. **No qualifications or skills recognition.** There is no qualification or recognition of learning for face to face fundraisers. This makes it less attractive as a role because future employers have no evidence of transferrable skills.

5. **"Become a sub-contractor and get rich"** is the limit of ambitions that we offer to face to face fundraisers. The only option is "get rich", and the option to "change the world" has gone.

8.2. In the field recommendations

No.	Level	Recommendation
I1	Sector wide	The PFRA could consider extending the PFRA's remit to include standards for the quality of face to face fundraising. These should be adopted by members as a minimum standard for assessment of fundraising quality in the field
I2	Sector wide	A sector-wide standard should be established for the minimum quality, frequency, and content of training for face to face fundraisers.
I3	Sector wide	Consideration should be given to the development of a sector-wide qualification for face to face fundraisers incorporating core skills and providing a nationally accredited and transportable qualification.
I4	Sector wide	The FIA could consider how best to incorporate face to face and telephone fundraisers in the professional development path for professional fundraisers. This could include increasing awareness of career progression options within fundraising.
I5	Sector wide	The manifesto for face to face fundraising should be adopted and included in training for all face to face fundraisers
I6	Sector wide	Sector bodies should give consideration to formal recognition of face to face fundraisers as professional fundraisers.

No.	Level	Recommendation
I7	Collaborative	All parties should review the traditional split of training between charities and agencies. Charities may wish to consider applying greater scrutiny to the "sales" training provided by suppliers to ensure that this is consistent with their value and goals.
I8	Organisational	Charities should include regular monitoring of supplier recruitment advertising for compliance and consistency with their values.
I9	Organisational	Charities should establish clear minimum standards for their face to face fundraising and implement credible and effective processes for assessing and reporting on these standards.
I10	Organisational	Charities should consider adoption of more rigorous initial quality control processes that should include objective or trustworthy assessment of the interaction with the donor.
I11	Organisational	Charities should review their recognition and incentive processes for face to face fundraisers to ensure that these are not short-term and that they enhance the connection between the fundraiser and their cause.

Appendix One – Participants
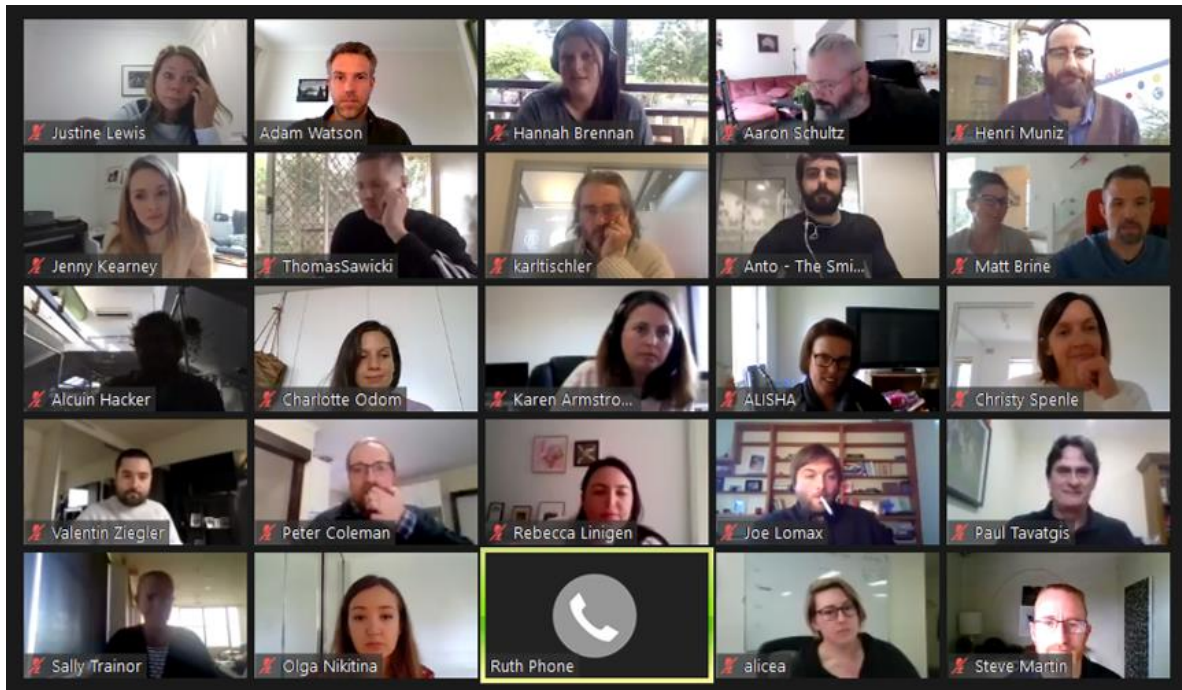
Special thanks to:

Webinar facilitators	Ally Murray – The Wilderness Society
	Jenny Kearney – Cancer Council NSW
	Ruth Wicks – More Strategic
	Tom Duggan – Plan International Australia
	You got the ball rolling and the conversations started. Thank you for your time, knowledge, and know-how.
Data support	Fiona McPhee and ive Group
	Thank you for your enthusiasm and the data that puts many of the issues in context.

Manifesto design and production	Karl Tischler – Marlin Communications Mark Anscombe – WWF-Australia
	For your time, skills, inspiration, enthusiasm, organisation and willingness to make the Project happen. Thank you.
Fundraiser survey	Henri Muniz and Public Outreach
	Thank you for your time and patience. We are often guilty of not hearing the voices of the fundraisers, so we greatly appreciate your network.

Project participants and registrations

Aaron Schultz	David Theobald	Kay Mac	Sandra Kelman
Adam Walsh	Dermot Carney	Lauren James	Sara Leftovic
Alan White	Duncan Staddon	Leanne Riches	Scott Nicholson
Alcuin Hacker	Elsbeth De Ridder	Louis Loucaides	Sebastian Grodd
Alice Anwar	Emma Wills	Luciano Grenni	Shannon Fleming
Alisha Bartlett	Emy Meyer	Lucille Bagatella	Shannon Gilmore
Ally Murray	Erin McCabe	Luke Dyer	Sherry Bell
Andrew Jung	Felicity Reid	Lyndsey Rice	Shona Clayton
Andriana Georgiou	Fiona McPhee	Maila Vete	Stacey Scott
Andy Stoddard	Fundraising Partners	Marcus Blease	Steffi Chang
Andy Tidy	Gabby Edmond	Mark Alcorn	Steve Martin
Angela Norton	Genevieve Watson	Mark Anscombe	Steven Harris
Anne Marshall	Georgina King	Mark Gallen	Taleen Khalili
Antolin Hermida	Graham Roe	Martin Paul	Tegan Shankley
Arunkumar Thangapandian	Greg Simmons	Mary Assumptions	Tess Conrad
Ashley Rose	Hannah Allsopp	Matt Brine	Thomas Sawicki
Audrey Hii	Hannah Brennan	Matt Gilbert	Tiffany Ng
Auginstina Gonzalex	Harsh Singh	Matt Keating	Tom Duggan
Augstina Gonzalez	Helen Wright	Meenakshi Verma	Tracey Deakin
Ben Holgate	Henri Muniz	Melissa Cantaro	Troy Muir
Ben Lapham	Jacob Smith	Michele Jones	Valentin Ziegler
Benjamin Brogan	James Goodridge	Michelle Inglis	Valentine Barnave
Beth Campbell-Bruce	James Sammons	Mike Stewart	Vanessa Byrne
Brooke Rodely	Jenny Kearney	Mila Styran	Vaughan Thomas
Brooke Rodley	Jess Winchester	Nathaniel Links	Victoria Burns
Cara Morrison	Joe Lomax	Nicola Garrard	Vikram Chowdhary
Caroline Forbes	John Burns	Nicole Hagan	Viren D'Souza
Cath Hoban	John Finlay	Olga Nikitina	Yvette Petersen
Charlotte Odom	Jonathan Storey	Philippa Sellens	Zelina De Vera
Chris Chaplin	Jordan Duxbury	Phoebe Brasher	
Christina Cantaro	Joshus McNeil	Rachael Hurley	
Christina Enotiades	Julie Young	Rachel Brine	
Christina Hoey	Justine Lewis	Rachel Moore	
Christy Spenle	Kaci Ferguson Sykes	Rebecca Linigen	
Coby Hailes	Karen Armstrong	Reinaldo Estrella	
Damon Wooley	Karen Mutch	Rianna Brodie	
Dan Cameron	Karina Rottinger	Ronan Hanley	
Dan Geaves	Karl Tischler	Roxy Lynda	
Daniel McDonnell	Kate Burtt	Ruth Wicks	
Darcy Denyer	Katherine Ho	Sally Trainor	

Appendix Two – Full recommendations

No.	Level	Recommendation
V1	Sector wide	Consideration by the PFRA of an extended remit to include standards to maintain the viability of face to face fundraising.
V2	Sector wide	Adoption by the sector of a manifesto for the values of face to face fundraising. This could be adopted by the sector wide bodies. A proposed manifesto is included in Section 2.
V3	Sector wide	Initiation of a formal discussion hosted by sector-wide bodies into the role, understanding and status of fundraising within the non-profit sector.
V4	Sector wide	As a goal of the formal discussion on the role of fundraising – engagement with non-profit CEOs and Board members to better understand their views of fundraising. This could include surveys.
V5	Sector wide	As an output of the engagement with CEOs and Boards – development of a program of resources and engagement to build better connections with, and understanding of, fundraising in general, and regular giving fundraising specifically.
V6	Sector wide	Convening a forum of charity fundraising directors to act as a permanent forum for discussion of sector wide issues
V7	Sector wide	Increased effort to include CEOs and Boards in fundraising conferences and in other forums.
V8	Sector wide	A sector-wide collaboration to develop materials for fundraising teams to use in their communications with CEOs and Boards.

No.	Level	Recommendation
V9	Sector wide	A sector-wide collaboration to develop resources to engage with senior non-profit finance management to better present the long-term nature of regular giving and how targets and results are measured.
V10	Sector wide	A review including a gap analysis of the training and professional development resources available to fundraisers working in regular giving and face to face fundraising.
V11	Sector wide	A project to develop a best practice knowledge base for face to face fundraising implementation across all key areas. This could be sponsored by sector-wide bodies and supported by the face to face User Group.
V12	Sector wide	Engagement by sector-wide bodies with charity human resource managers and professional bodies to discuss the skills expected in fundraising teams and identify gaps in capacity to be filled by better training.
V13	Sector wide	Engagement with conference organisers to discuss provision of increased allocations for coverage of regular giving and face to face fundraising.
V14	Sector wide	A research project to assess best practice in face to face fundraising in global markets and follow up to engage with Australian and New Zealand practitioners and share findings.
V15	Sector wide	All sector wide recommended best practice measures should be integrated into fundraising staff training and professional development resources.

No.	Level	Recommendation
V16	Collaborative	For those charities within global networks, development of a consistent research survey to tap into knowledge from other markets
V17	Collaborative	Adoption of the manifesto by the face to face user group
V18	Collaborative	Research into pooling training resources by groups of charities or agencies in a "train the trainer" model to maximise return on limited resources.
V19	Collaborative	Research into pooling expert resources lacking or in limited supply for individual organisations. For example business analysis, data analysis, database management.
V20	Organisational	Adoption of the manifesto by individual charities and fundraising agencies.
V21	Individual	Adoption of the manifesto personally by fundraising professionals.
B1	Sector wide	A strategic review by sector-wide bodies of the role of sub-contractors with the goal of establishing minimum standards for the engagement of sub-contractor companies.
B2	Sector wide	A review by the PFRA of the member accreditation process in the context of the ongoing requirement for charities to perform their own due diligence and for these two processes to be better integrated.

No.	Level	Recommendation
B3	Sector wide	Establishment of minimum benchmarks for the quality of outsourcing due diligence to be incorporated into charity and agency accreditation. A consistent standard of due diligence will create a more level playing field for suppliers doing the right thing.
B4	Sector wide	Development by the PFRA of updated best practice guidance for the engagement of outsourced agencies and supply chain management.
B5	Sector wide	Review by the PFRA of member processes for the prevention, reporting and elimination of sexual harassment within face to face fundraising.
B6	Sector wide	In cooperation with the FIA, review the training available regarding contract and supply chain management. Where necessary, improve coverage of this, drawing on any lessons available from government and commercial sectors.
B7	Sector wide	PFRA to consider the option of including unannounced audit processes as part of accreditation processes.
B8	Sector wide	Sector-wide collaboration to develop a universal supplier reference check process and encourage all members to collaborate in providing high quality information on supplier performance.
B9	Collaborative	Research into the actual cost breakdown of face to face fundraising to better understand the impact of sub-contractors on cost models.

No.	Level	Recommendation
B10	Collaborative	A sector-wide discussion process to discuss alternative business models and generate inspiration and promote innovation.
B11	Collaborative	A sector-wide discussion process to review the history of inhouse fundraising in Australia and assess its effectiveness given the current market environment. Subsequently, the results of this review to be shared with all organisations interested in this model.
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B14	Organisational	Review of WH&S practices by all organisations to ensure that minimum standards, at least, are in place to ensure the safety of face to face fundraisers, with a focus on safety from sexual harassment.
B15	Organisational	Review outsourcing due diligence processes to ensure that they meet the goal of ensuring effective fundraising and compliance in supply chains.
B16	Collaborative	Organisations could collaborate in developing billing models to best account for the recruitment of younger donors.

No.	Level	Recommendation
B17	Individual	Be alert to WH&S and sexual harassment concerns within your own organisation and, if necessary, report these to the appropriate authorities.
A1	Sector wide	The PFRA could consider extending the PFRA's remit to include standards for the quality of face to face fundraising. These standards might be advisory rather than mandatory and might not be assessed by the PFRA's Quality Assurance program. They would however provide a benchmark for members to use in assessing the quality of fundraising.
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A5	Sector wide	The standard reporting model should be included in a downloadable template model for all PFRA members to use outlining what a regular giving attrition report should include at a minimum.

No.	Level	Recommendation
A6	Sector wide	There should be a pooled resource of best practice knowledge on attrition management, payments processing and all other factors associated with donor management. This should be based on best practice from charities with highest performance levels and available to all organisations.
A7	Collaborative	There should be a benchmarking process for reporting agency and potentially sub-contractor attrition levels to allow charities to make informed decisions about outsourcing face to face fundraising.
A8	Collaborative	There should be a coordinated approach to applying these recommendations to other regular giving channels where attrition is rising rapidly, most notably telephone fundraising. This could be facilitated by the FIA or the Phone User Group.
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I1	Sector wide	The PFRA could consider extending the PFRA's remit to include standards for the quality of face to face fundraising. These should be adopted by members as a minimum standard for assessment of fundraising quality in the field
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I4	Sector wide	The FIA could consider how best to incorporate face to face and telephone fundraisers in the professional development path for professional fundraisers. This could include increasing awareness of career progression options within fundraising.
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I6	Sector wide	Sector bodies should give consideration to formal recognition of face to face fundraisers as professional fundraisers.

No.	Level	Recommendation
I7	Collaborative	All parties should review the traditional split of training between charities and agencies. Charities may wish to consider applying greater scrutiny to the "sales" training provided by suppliers to ensure that this is consistent with their value and goals.
I8	Organisational	Charities should include regular monitoring of supplier recruitment advertising for compliance and consistency with their values.
I9	Organisational	Charities should establish clear minimum standards for their face to face fundraising and implement credible and effective processes for assessing and reporting on these standards.
I10	Organisational	Charities should consider adoption of more rigorous initial quality control processes that should include objective or trustworthy assessment of the interaction with the donor.
I11	Organisational	Charities should review their recognition and incentive processes for face to face fundraisers to ensure that these are not short-term and that they enhance the connection between the fundraiser and their cause.

Appendix Three - Methodology

a)   The Irregular Giving Project

The project started as a small-scale discussion and unexpectedly grew to include more than 150 professional fundraisers from a wide range of roles, locations, experience, and knowledge. We sought their input in a range of ways including:

- Group discussions held via webinar conferences

- Small group follow up sessions with area experts

- A lively and active Facebook group

- One on one discussions with key individuals

b)   Fundraiser survey

To ensure that we captured the views of the actual face to face fundraisers – a group of people who are often unheard in discussions about the channel. We worked with Henri Muniz of Public Outreach to run a set of surveys of current fundraisers. We have incorporated some of these results into the report but will publish full results separately.

c)   Anecdote vs evidence

Most of the content of this report is based on discussion and opinion from our participants. We have also been very generously given access to some top-level results from the ive Group benchmarking report.

However the bulk of our findings are in areas where data or other objective and rigorous analysis is just not available and where we did not have the time or resources to carry out research. This is a limitation of this report and why so many of our recommendations can be read as "further research needed".