

NONPROFIT PULSE 2024:

Tracking change in Europe
& the development of AI

A joint report published by:



FOREWORD

Welcome!

I am delighted that EFA has come together once more with Salesforce on the Nonprofit Pulse report, and that we are joined this year by the UK's Chartered Institute of Fundraising. This year too, we are pleased to include thought leadership commentary on our survey findings from expert practitioners across the continent. There is immense value in working together and sharing expertise and experience, and this is echoed in this year's findings, which show rising collaboration between nonprofits.

Having a pan-European view of the nonprofit sector with its trends and changes, challenges and opportunities, helps us all. As individual nonprofits, we can use this data to benchmark where we are and identify where we need to be. For national fundraising associations, networks like our own, and others supporting the sector, this data provides insights we can use to inform our work.

This year, our research highlights the continuing impact of the cost-of-living crisis across Europe, which for many nonprofits has meant another year of increasing demand for their services coupled with decreasing income. These challenges continued to place greater pressure on spend and resources, impacting workload and recruitment, and staff wellbeing. At the same time, digital acceleration in fundraising continued, and AI rose to the fore, with the sector now beginning to explore its potential.

Used well, AI presents a powerful opportunity for nonprofits. Some have already dipped their toe in the water, and this is the time to take measured steps to discover just what AI can do for your organisation. To look too at how to blend what we already know works well in fundraising with these new tools that can make things happen faster, more intelligently, and through deeper levels of insight.

In this report, we share what 2023 meant for Europe's nonprofits, in terms of economic and social influences as well as ongoing digitisation and the advent of AI. Read on to learn how to ensure your own organisation is in the best possible position to benefit from the advantages.



**Charlotte Rydh, President,
European Fundraising Association**

CONTENTS

04 **Introduction**

05 **What has changed?**

- The impact of continuing economic turmoil
- Biggest challenges

11 **Fundraising focus**

- Strategy changes
- Fundraising channels

17 **Technology & digital**

- Digital continues to grow
- AI – looking to the future
- Data protection & cybersecurity

32 **Key takeaways**

33 **Conclusion**

35 **Acknowledgements**



INTRODUCTION

About this report

2023 presented another year of challenge across Europe with economic difficulties persisting as the cost-of-living crisis and war in Ukraine both continued. At the same time, digital technology advanced further and AI came into clear focus.

This fourth edition of the Nonprofit Pulse study comes from the European Fundraising Association (EFA) and the UK's Chartered Institute of Fundraising (CIOF) in partnership with Salesforce. Once again, the report looks at the changing landscape for European nonprofits, along with key challenges and opportunities. It explores the headline findings of an online survey of 671 charity respondents.

For the first time, it also shares insights from a panel of experts from across Europe, discussing the changing nonprofit landscape and what the survey findings mean for the sector in 2024 and beyond.

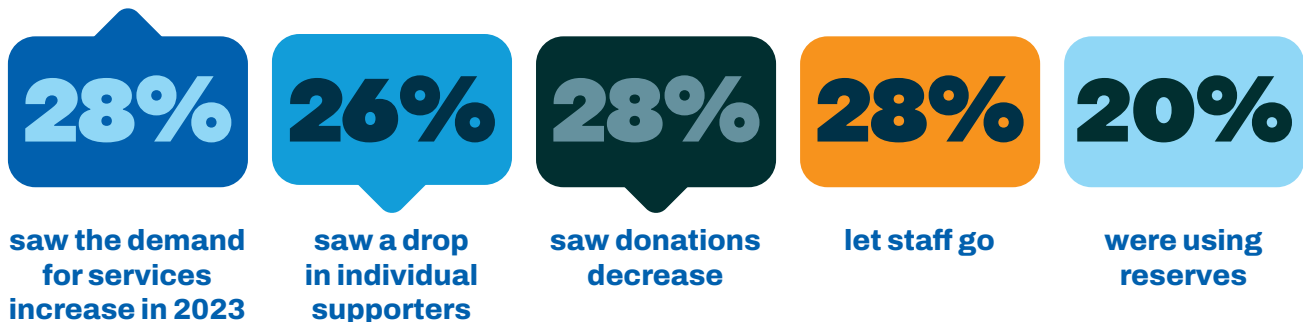
Survey participants came from 20 European countries, with the greatest proportions from the UK (27%), followed by Germany (21%), France (18%), and Netherlands (17%).

The majority of respondents were manager level or above, in a fairly even spread of organisation size, including a fifth in small charities, and a fifth in very large charities. As in previous years, respondents covered a broad range of causes, with the strongest representation from nonprofits supporting children and young people, human/social services, and health related causes.

WHAT HAS CHANGED?

The impact of continuing economic turmoil

Across Europe, nonprofits are still experiencing fallout from the ongoing cost-of-living crisis. 2023 saw the crisis impacting everything from service delivery and resources to staffing levels and staff wellbeing. Service demand and costs continue to rise, while organisations are reporting a tight squeeze on donations and funding, with many seeing diminishing government support.



As a result, 20% of survey respondents said they were concerned about the future, with 14% changing the way they deliver services and 12% cutting back on them. Just 6% were unaffected.

“

In France we saw a 20% increase in food aid last year. Nonprofits here find themselves in the difficult position of dealing with increasing needs, while public funding is decreasing and they are relying on donations to fill this space. It's a problem that is set to continue with inflation and the cost of living still rising. So, for nonprofits, there is a huge gap between what they need to provide their services and what they get from donations and public funding, which is forcing many to use their reserves.



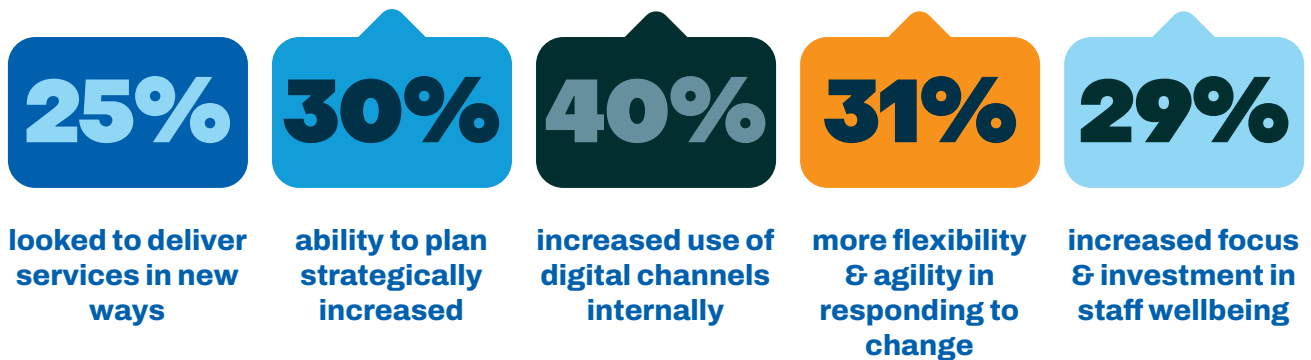
”

Laurence Lepetit, Chief Executive, France générosités

But as we already know, this is a sector that meets its challenges head on. The last year saw nonprofits further develop and refine their multichannel approaches, enabling them to reach more people more relevantly, to encourage support.

Many also reported that their ability to plan strategically, and their flexibility and agility to respond to change and crisis grew and strengthened.

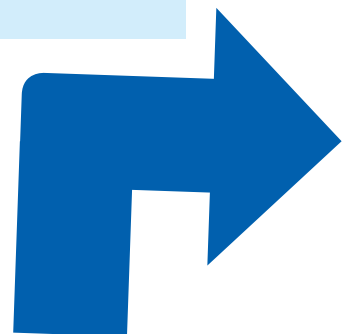
At the same time, acknowledging the difficulties faced by staff, both professionally and personally, employee relations and wellbeing and quality of organisational culture rose up the agenda for a significant proportion of respondents.



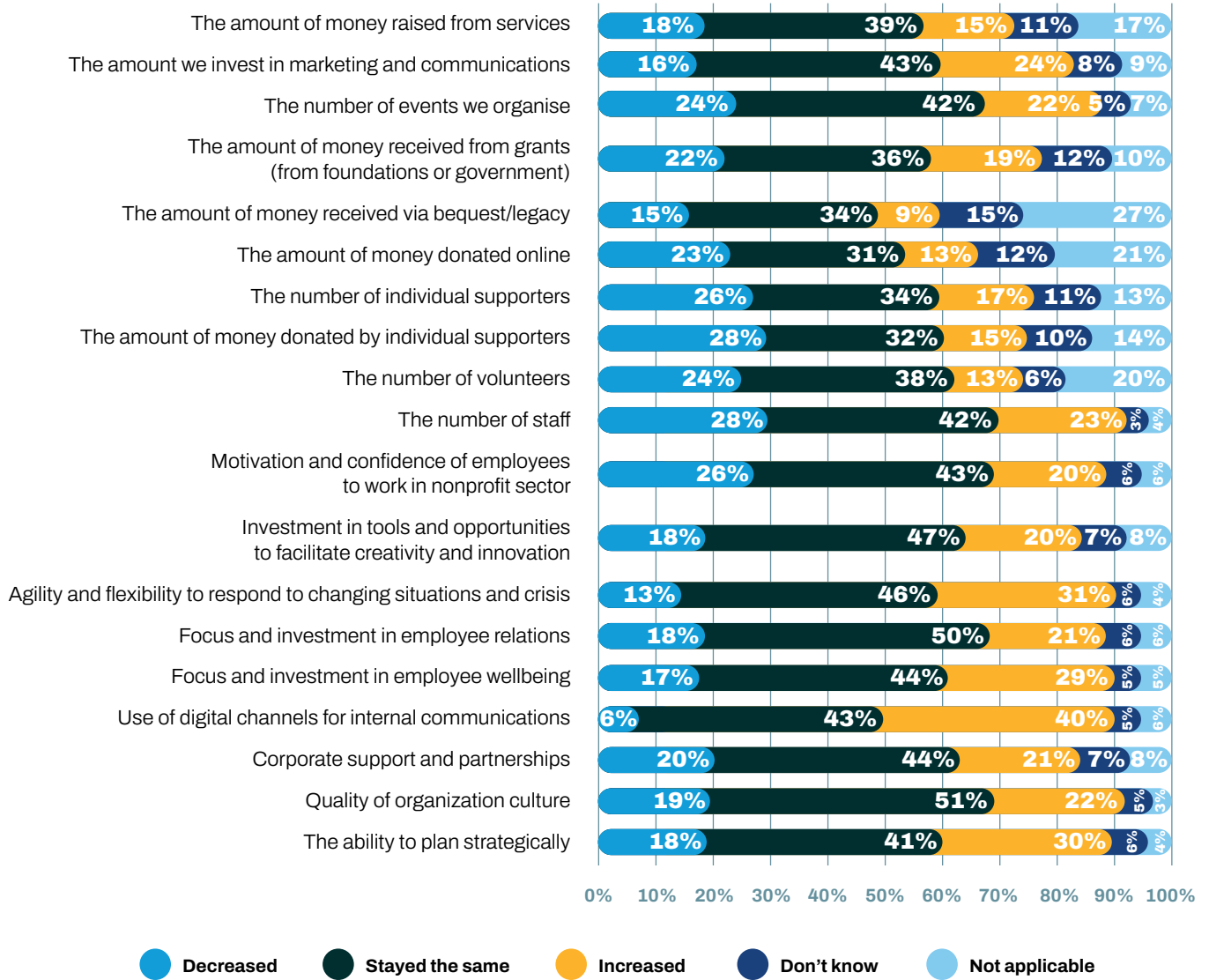
The focus on wellbeing during COVID and then the cost-of-living crisis over the last couple of years has been one of the positives that have come out of this difficult time. For our members, it's a top priority in terms of healthy culture and staff retention, but also in their recruitment, with applicants more likely now to ask and talk about wellbeing in interviews and when seeking new roles.



Katie Docherty, CEO, Chartered Institute of Fundraising



Since 1st January 2023 how has your organisation changed?



Our biggest challenge in Slovakia is with our new government, which is destroying the rule of law and undermining some of our basic principles. There are fears about where this will take us, and we expect to see harder and harsher steps taken against NGOs. The environment and atmosphere are significantly deteriorating, creating a serious threat to civil society and civic space.

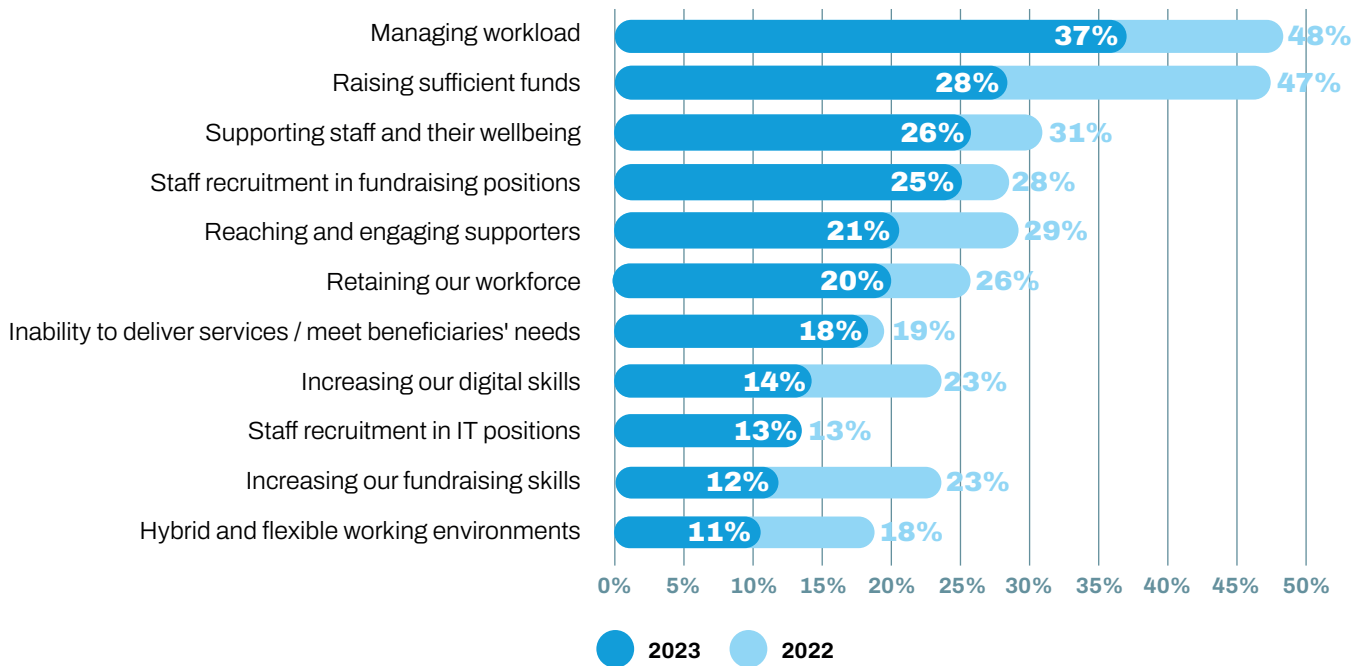


Eduard Marček, Chair, Slovak Fundraising Centre

Biggest challenges

With nonprofits across Europe struggling to keep enough money coming in while service demand continues to rise, it's no surprise that raising funds, workload, and staff wellbeing remain some of the biggest challenges reported by nonprofits. However, it's also worth noting that while each one is a problem for a significant proportion of survey respondents, the percentages highlighting them as such have fallen in comparison with the previous year, suggesting some improvement.

Which of the following issues are most challenging for your nonprofit right now?



Some easing of pressure but challenges remain

Certainly, across 2023 we saw further settling down since 2022 when the impact of COVID was still fresh and not yet entirely behind us. By 2023 the pace of change prompted by the pandemic years, and the corresponding urgency to respond fast, had lessened, digital skills levels had risen significantly, and public fundraising had opened up once more, offering some recovery. That said, this is not a time to be complacent, as the proportions of nonprofits currently affected by these 'biggest challenges' remain a worry.



In Poland, we've seen many services or products literally double in price over the past year. The impact has seen the average crowdfunding donation fall by 30%. People are calculating everything anew and looking to reduce their expenses, and for some this includes donations.



Robert Kawalko, President, Polish Fundraising Association

Workload and wellbeing a rising concern

Rising costs and falling donations at the same time as significant growth in demand for services inevitably means more must be done with less. At the same time, critically stretched finances mean some organisations have been forced to cut staffing levels, which only compounds the challenge for smaller teams needing to achieve ambitious fundraising targets to meet increased demands.

As more is expected from fewer people the challenges of managing workload grow, making the workplace a more pressurised environment. This can be detrimental to wellbeing, staff retention, and organisational culture. It is ever more apparent that there is a crucial need across the breadth of the nonprofit sector to address staff burnout and a growing skills gap. A key issue now is how we manage recruitment and retain our skilled and experienced fundraisers.



20%
Workforce
retention



26%
Supporting staff
& their wellbeing

“

Recruitment for fundraising positions is a problem in France, particularly where digital and legacy roles are concerned. Digital skills are in demand across all sectors, and nonprofit salaries can't match those in commercial organisations, while with legacy roles we struggle to compete with notaries. In response, we're working to make sure that in schools, students are aware that the nonprofit sector can provide a meaningful career, and that they can see the wider benefits and opportunities this can provide.



Laurence Lepetit, Chief Executive, France générosités

”

“

The rising cost of living has strained charities' resources and hindered their ability to deliver services effectively whilst also increasing demand. In turn this is impacting workload, and with it, recruitment and retention.



We see charities prioritising employee wellbeing for the first time because there's so much burnout. In Ireland we see staffing levels reduced, with no real pipeline of young fundraisers to become managers and then directors. There's work to be done by all organisations to become more agile and to try and collectively find a solution for these issues.

Scott Kelley, Chief Operating Officer, Charities Institute Ireland

”

FUNDRAISING FOCUS

Fundraising strategy

2023 saw fundraising strategy remain unchanged for just a small minority of nonprofits while many more were adapting through digital development and growing channel diversification.



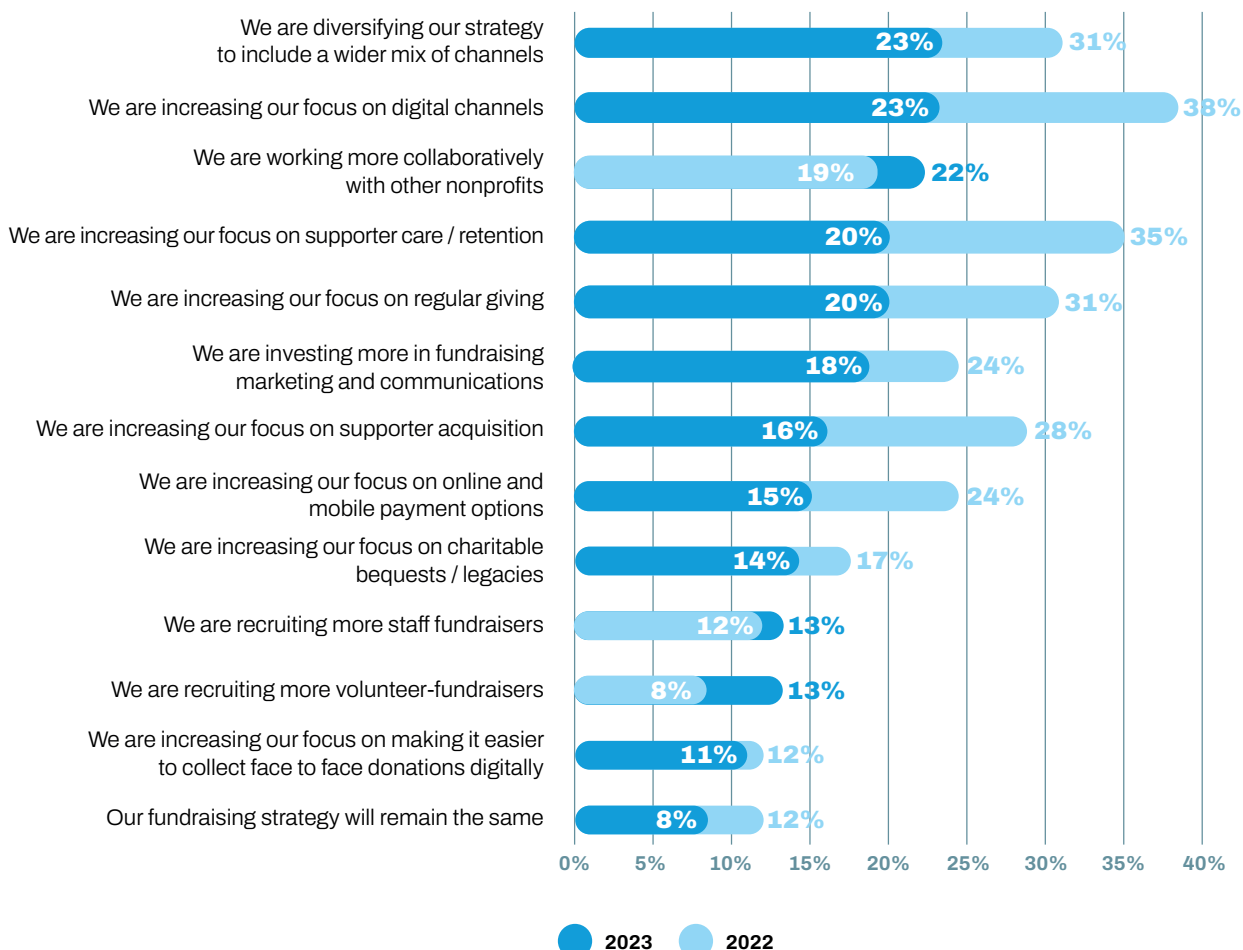
20%
increased their focus on supporter care and retention



20%
increased their focus on regular giving

Collaboration also moved to the fore as an area of focus for the first time, and with people right across Europe experiencing economic pressures and worsening finances due to sharply rising inflation and living costs, supporter care and retention along with regular giving were top priorities.

How is your fundraising strategy changing in 2023?





Diversification is a word we're hearing a lot from charities at the moment, whether it's from small organisations looking to become more resilient and seeking ways of doing so, or larger charities looking to expand their portfolios.



Diversifying successfully takes robust supporter insight, and a commitment to 'test and learn'. In the UK, charities have also seen success using behavioural economics, particularly during the cost-of-living crisis; for example, giving people the option of reducing their direct debits instead of cancelling their support altogether. Being more flexible in times of crisis is key to sustainable fundraising.

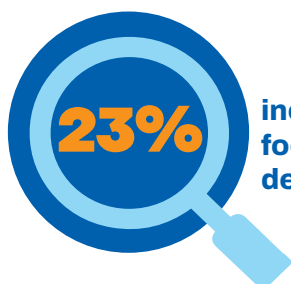


Katie Docherty, CEO, Chartered Institute of Fundraising

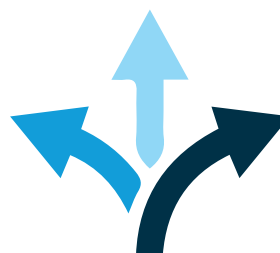
Digital development remains top area of focus

2023's data shows that 23% of respondents say that both digital and channel diversification remained top areas of focus. However, this is a significant drop from the previous year, when 38% of respondents identified them as such. In 2022, 38% of respondents were increasing their focus on digital channels and 31% diversifying their strategy to include a wider mix of channels. More nonprofits were also increasing their focus on digital channels in 2022, because in the immediate aftermath of the pandemic much activity was entirely online. Events for example went from online only during COVID's height, to hybrid, and are now increasingly in person as confidence has returned.

We might also assume that the dramatic acceleration in digital is naturally levelling off as it reaches saturation with more and more organisations adopting digital fundraising and the broader channel reach this can provide.



increased their focus on digital development



23%
diversified to include more channels



A key reason for collaboration growing is because of the associated savings. In Poland, the situation for nonprofits has improved over the past year and we are seeing more and more organisations with sufficient reserves, which provides a sense of security. As a result, fundraising is no longer such a competition and relationships within the sector have become stronger and more open. Increasingly, managers understand the potential of collaboration – they see that they can save money and energy by sharing the work.

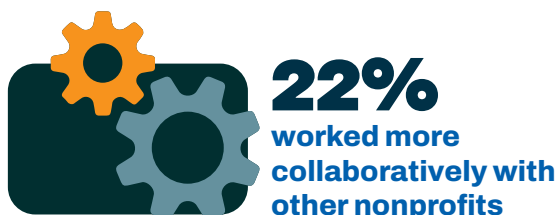


Robert Kawalko, President, Polish Fundraising Association

Collaboration rises to the fore

The rise in collaboration in 2023 is also worth noting and is a real positive. When resources are as stretched as they are currently for so many nonprofits across Europe, working with others is a valuable way of making more of what is available, and finding solutions to common challenges. Digital has also made it far easier to find support and combine forces by removing the barrier of location and precious travelling time/costs – quite simply, remote access is enabling meetings that may never have happened without it.

As a result, in recent years, we've seen increasing collaboration among nonprofits on policy issues and legislation changes. More recently, with the cultural shifts that have arisen because of COVID, conversations have been taking place around how to tackle shared problems, from the skills gap and staff shortages to the staging of successful hybrid and online events, and how to use AI. The nonprofit community is known for a willingness to share knowledge and expertise, and the rise of digital communications has served to make this so much easier.

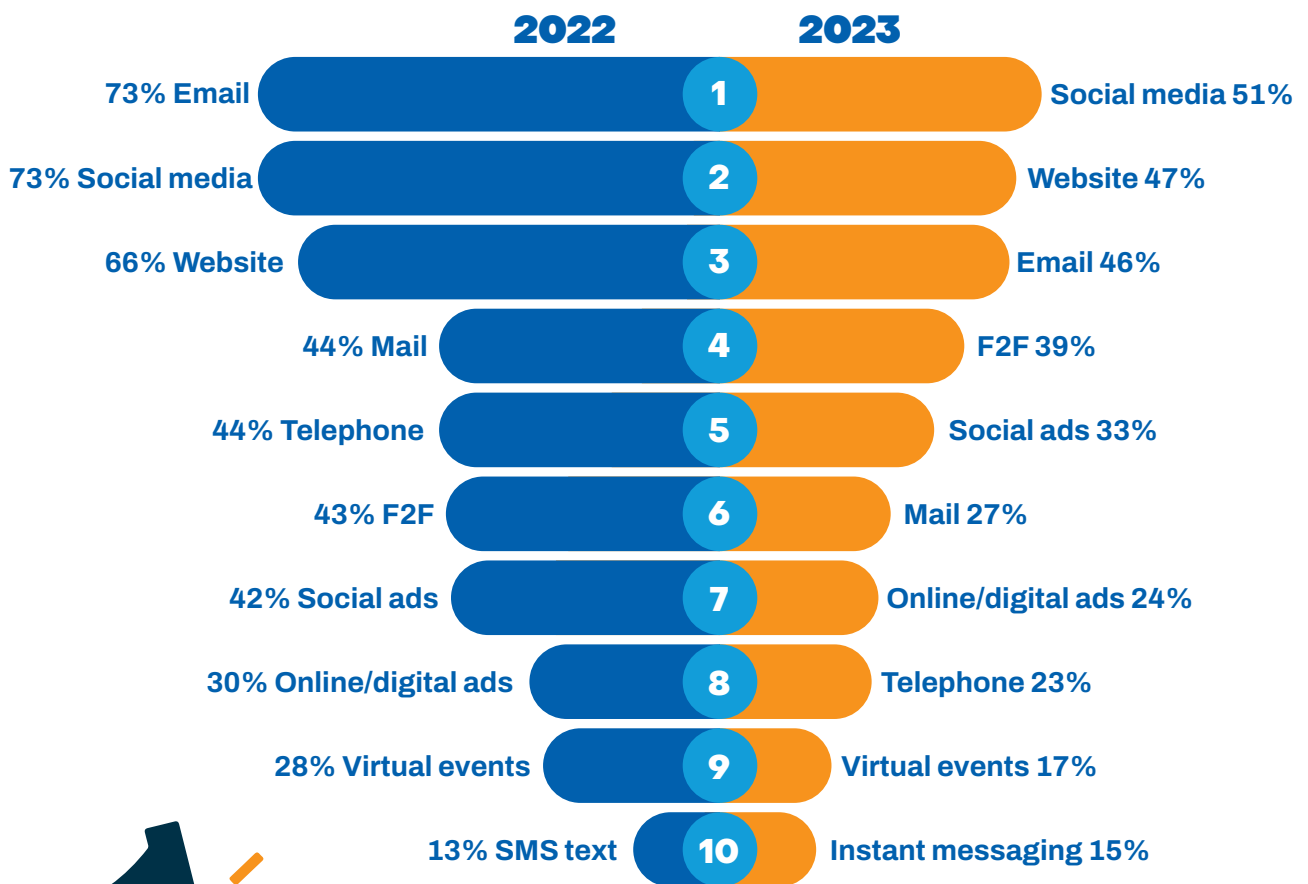


Fundraising channels

In 2023, the most popular channels for fundraising and engagement across Europe were social media (51% of respondents), website (47%), email (46%), and face-to-face (F2F) fundraising (39%).

Looking at the year-on-year comparison, the top three fundraising channels have remained the same, although the order has changed and the percentages have fallen while new channels have made it into the list. This suggests greater diversity and breadth in channel usage.

Top 10 Channels



“

Donors aren't giving as much because of the financial pressure they're under, so nonprofits have to be more agile in their strategies and channels in order to encourage support. We've seen an increase in face-to-face fundraising as well as a greater focus on the supporter experience, and there is also a shift, with the ageing population, to looking at younger donors and how to engage them.



”

Scott Kelley, Chief Operating Officer, Charities Institute Ireland

Online channels remain high performers

For nonprofits, email is a high performing channel for communication while websites of course are a common source for those seeking information. Use of social channels is still on an upwards trajectory with the public and hence with nonprofits too, becoming an ever more crowded and competitive space, although what the data doesn't reveal is which social media channels nonprofits are using.

Survey participants also reported growth in the use of social ads, while instant messaging has made it into the top 10 channels for the first time, and SMS text has dropped out.



Mail & telephone use declines while F2F rises

Other changes to note include a decline in the use of telephone and mail. In 2022 nearly half of nonprofits still relied on these channels, while in 2023 this dropped to 27% for mail, and 23% for telephone.

In contrast, face-to-face (F2F) has risen to become the fourth most popular channel. F2F has been building its way back up post pandemic and is flourishing once again, now with the addition of new smart technologies supporting operational processes and instant donation payments.

Telephone has most likely fallen for the simple reason that when use of F2F came to an abrupt and then prolonged halt during the lockdown years, many nonprofits switched to telephone, with usage still high in 2022. Now, with F2F fully opened back up again, this has dropped to rebalance as we might expect.



One of the biggest learnings from COVID, with its lockdowns and the move to remote working, is just how deeply a lack of human interaction impacts people's wellbeing. Its value in fundraising must also not be forgotten. Most of the strongest fundraising techniques and channels, like face-to-face and events, are all about direct human interaction.



Ilja De Coster, Fundraising & Data Strategist at The DonorVoice, and Founder & Vice President of Fundraisers Belgium

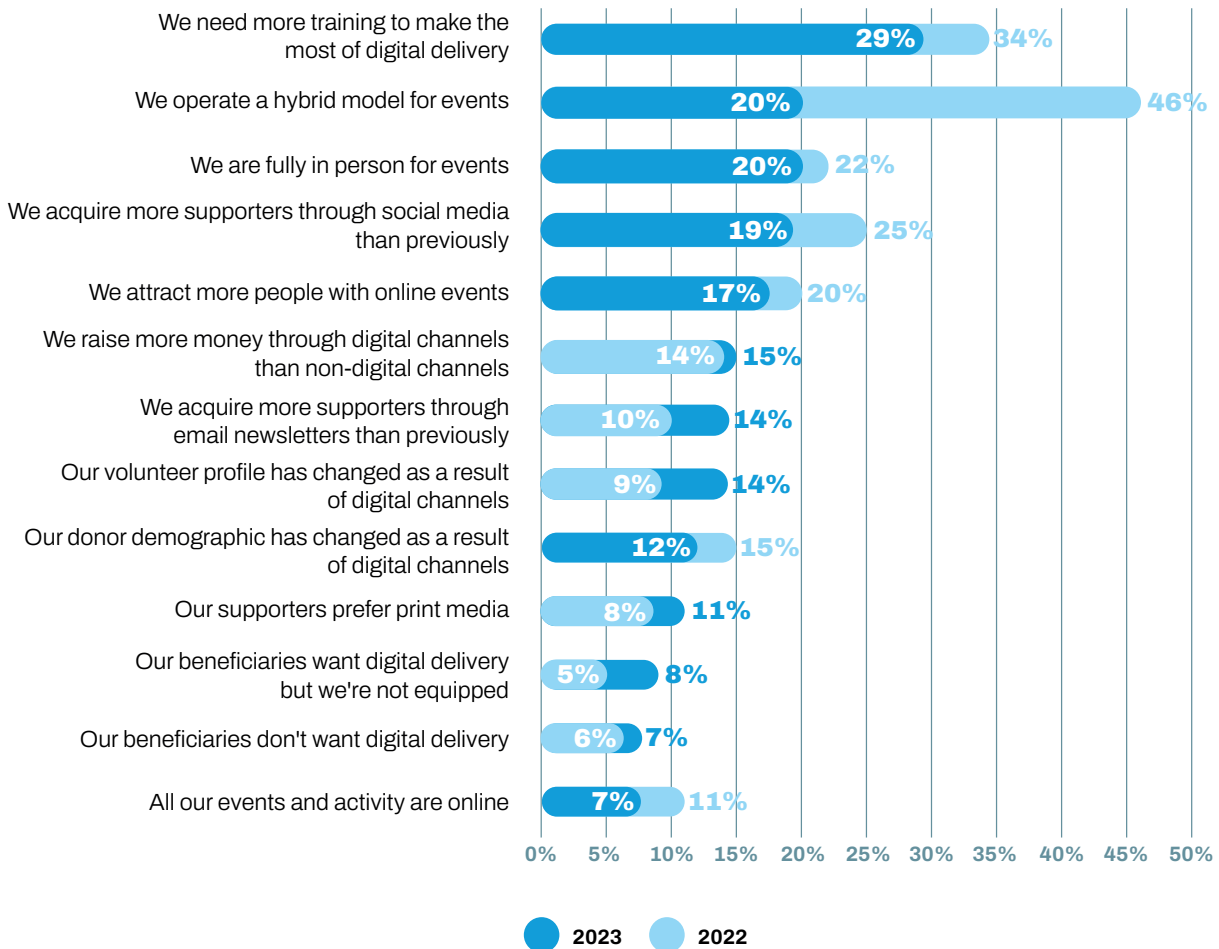


TECHNOLOGY & DIGITAL

Digital continues to grow

Reliance on digital continued to grow in 2023 for Europe’s nonprofits and their donors, with 19% of survey respondents saying they acquired more supporters through social media and 17% through online events. 15% were receiving more donations via digital channels than non-digital.

Which of the following do you agree with when it comes to digital delivery and engagement?



Changing donor & volunteer demographics – an area to watch

As marketing strategies change to put more emphasis on online and social channels, the ongoing effectiveness of these newer channels and strategies will be something to monitor. It is likely to be some time before it becomes truly apparent how they are delivering on long-term results. While this activity is successful in reaching large numbers of people at low cost, and is very measurable, there is also the risk of excluding those who don't want to engage online or aren't as competent with these channels. This will inevitably have an impact on who nonprofits are reaching in terms of both donors and volunteers, and on stewardship strategies.

In fact, in 2023, 14% saw their volunteer profile change due to digital channels and 12% said the same of their donor demographics. While the percentages are relatively low, this is an area that is likely to develop, potentially signifying the start of a trend as charities increasingly operate digitally.

Digital skills deficit

Unsurprisingly, alongside tremendous growth in digital, the need for training to make the most of digital delivery remains high priority – identified by 29% of participants. This remains a substantial issue right across the sector, with a lack of digital skills now affecting all areas within a nonprofit organisation.

“

Skills remain one of the key challenges for nonprofits, and there is a clear need for more ongoing training, as well as reflection on how we function as fundraisers and what we do. That ongoing learning internally, in terms of having a learning culture in your organisation that involves testing and experimenting and really learning from that, is something I don't see enough.



”

Ilja De Coster, Fundraising & Data Strategist at The DonorVoice,
and Founder & Vice President of Fundraisers Belgium

Balancing a digital approach

Also worth noting and converse to the general growth in digital, is the return to in-person events. Previous reports showed a massive shift to virtual and hybrid events as nonprofits were forced to stop in-person activity during the pandemic years. Now we are seeing fewer hybrid events with a fifth operating this model in 2023, down from almost half in 2022. 20% said all their events were fully in-person.

20%

drop in hybrid events from 50% in 2022

While remote access certainly has its place in enabling participation, nonprofits have also found that online events can struggle to provide as strong results in terms of money raised and relationships built as in-person activities. It seems we are seeing a return towards in-person interaction and the energy, emotion, empathy and inspiration this can bring when people come together.



GO!





AI – looking to the future

2023 was the year the world really started to sit up and take note of AI, in both the opportunities and the challenges it presents. With free and user intuitive versions of AI content generation tools like ChatGPT giving access to all, this side of AI is something many have been exploring and experiencing certain levels of success with – for example, we are seeing AI generated social media posts, and funding awarded on the back of successful AI bid writing.

Predictive AI, however, is more complex, requiring investment in technology and specialist skill sets, and so presents somewhat more of a challenge despite enormous promise.

The need to be fully accountable for actions and spend means nonprofits understandably take a cautious approach to adopting anything new. But just as it's now difficult to imagine our lives without the internet and social media, in the future the same will be true of AI. With technology continually advancing, this can be seen as its next major evolutionary chapter, and one to be embraced or risk being left behind.



Both generative and predictive AI require investment in technology but more importantly, an investment in your people and their skills. Think how much more impact we can have as a sector with more technical data skills and higher productivity (brought about by Gen AI). Yes, it's daunting and there are risks and ethical concerns to think through carefully but they are completely dwarfed by the opportunity that's in front of us.

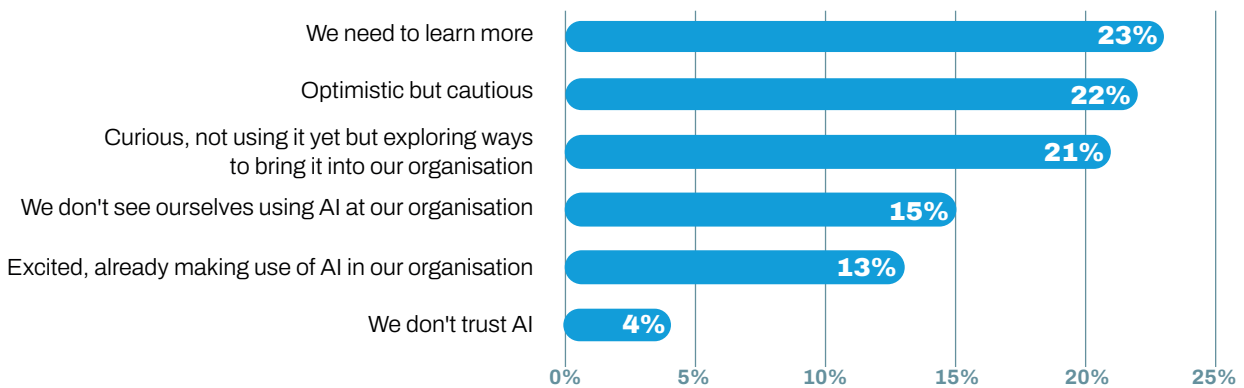


Magid El-Amin, Director of Evidence and Insight, Catch22

Early days for the sector

To gauge nonprofits' current sentiments on using AI, this year's report includes a focus on the topic. As is natural with any major shift affecting the sector, the responses show that while there are some frontrunners, with 13% excited and already using AI, it's still early days.

Which option from the list below best represents your organisation's sentiment on AI?



Overall, almost half of respondents said they were 'optimistic but cautious' and wanting to learn more, and it is encouraging to see such a large proportion of the sector moving forward and embracing tools that will help to futureproof their organisations.

Of concern though is the 15% that said they didn't see their organisation using AI at all. This could be down to lack of understanding of its potential and possibilities, concerns over AI's associated risks, and perhaps also lack of access through not having sufficient skills or budget to move forward. This indicates that awareness and understanding still needs to be built within the sector of the benefits AI can bring and of how to use it, how to get started and where AI is already being successful for nonprofits.



“

Saying that ‘we don’t see ourselves using AI at all’ is not a valid response in that every organisation has an interaction with AI in one way or another, perhaps without realising it. It’s more a lack of understanding of what AI is.



We need to understand its many different forms and which ones are relevant, which are not, how it’s already being used, and how it’s having an effect and might have an effect. Opting out isn’t going to be an option. AI is already there every time you reload your Facebook feed or type in a search into Google or interact in many cases with government or with funding agencies. Even when you recruit people for jobs, you’re going to be engaging with people who have used AI to write those job applications.

”

Nick Scott, AI Consultant





Generative AI vs. Predictive AI

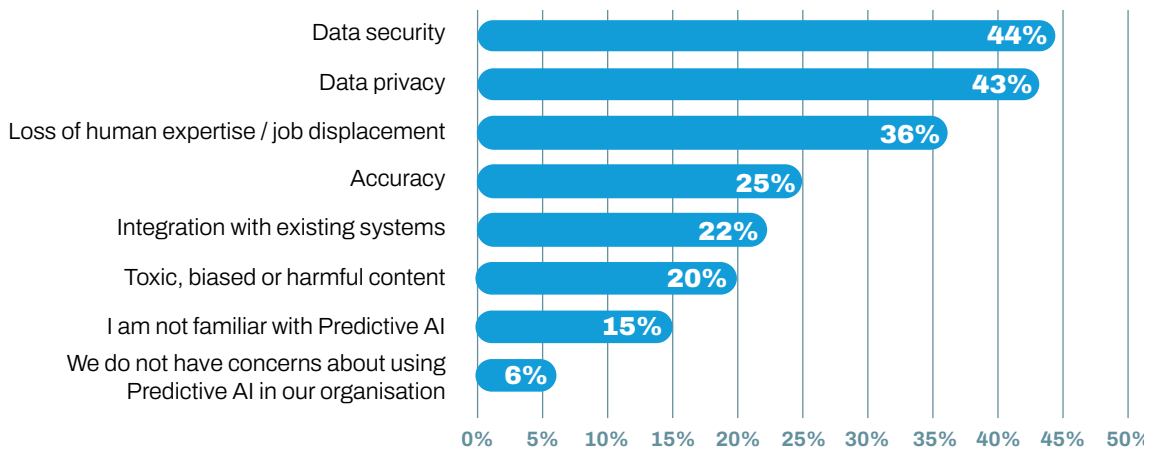
When talking about AI, it's important to both understand and differentiate between its two forms:

Generative AI is used for content creation

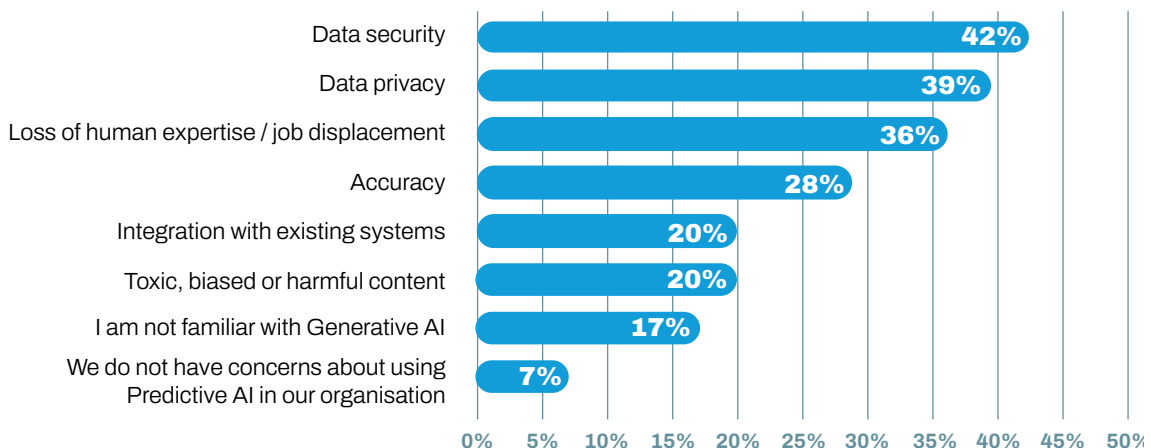
Predictive AI uses data to forecast future outcomes and automate processes.

Top concerns for our survey respondents for the use of both were data security, which was highlighted by almost half in each case, and privacy at a similar proportion. Just over a third were concerned about the potential for losing human expertise and jobs, followed by accuracy at roughly a quarter. Ethics is another area for nonprofits to consider, throwing up several challenges from how AI uses data and generates images, to how to avoid it embedding bias.

Concerns related to using Predictive AI in your organisation



Concerns related to using Generative AI in your organisation



These are all valid concerns, and as we move forward it will be important for us to engage with AI and work to ensure it both develops and is used in the most responsible ways possible.

It's important to remember that, rather than being a replacement for humans, AI is a tool that can help us do things better. While it will inevitably change how we do many things, ultimately that human element will always be needed to guide AI, and to ensure it's used safely and well.

“

It's absolutely essential that we are concerned about loss of human expertise and job displacement because if even half of the worst predictions came true, as a sector we would be picking up the pieces of the impact on society. But this must be accompanied by learning and understanding and not just an outright rejection of AI. It must be about how we influence AI to avoid the worst impacts on society. Charities are among the best organisations placed to represent the needs of people in our society who otherwise might get left behind.



”

Nick Scott, AI Consultant



Powerful potential for nonprofits

In fact, there are many positives for nonprofits associated with the use of AI, and we're only just seeing the tip of the iceberg.

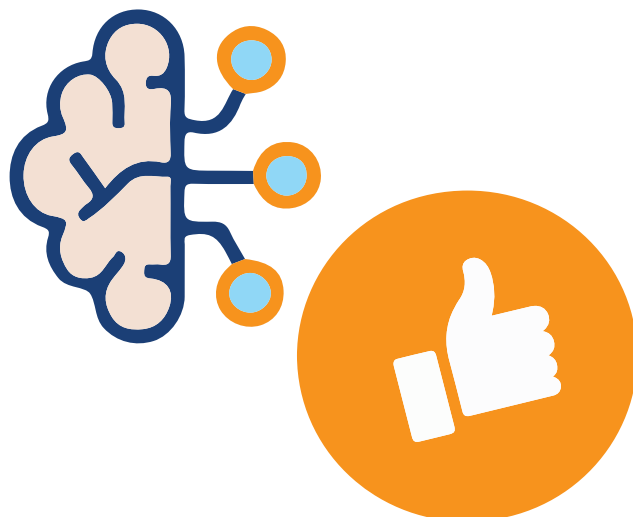
While it can't replace the human element of fundraising, or solve every operational issue, there is much it can help fundraisers with.

Generative AI can make tasks like writing funding bids, reports, and simple creative content easier and faster. It needs to be 'trained' by whoever is using it to get the best from it – you must help it to understand what you want it to do, your key messages and positioning, tone of voice, and look and feel. The better the training, the better it functions.

Predictive AI is already used in CRM systems and other tools and has the potential to boost every aspect of the supporter journey, from acquisition to ongoing stewardship. In deepening understanding of their supporters' behaviours, attitudes and expectations it can help nonprofits strengthen relationships and maximise fundraising.

In addition, in a sector where 37% are worried about workload, and 26% about supporting their staff and their wellbeing, AI has enormous value for improving efficiencies and productivity through the automation of tasks, freeing up valuable time to spend elsewhere.

For all these reasons, it's an area every nonprofit should be looking at. This is the time to be exploring its potential, to find out first-hand just what benefits AI can bring.





Generative AI can be a powerful tool for small organisations, increasing productivity and speed of output without requiring extensive technical expertise. Predictive AI can also provide valuable insights from data, allowing for faster and more informed decision making. For example, even if your donor base is small, being able to make quick decisions based on good data is critical.



For larger charities, the ability to analyse large datasets and combine your own data with publicly available data is becoming increasingly important. In the near future, being able to build, test, and deploy machine learning models will be a necessity, not just a nice-to-have. Solving society-wide problems will require new approaches and new ways of thinking.

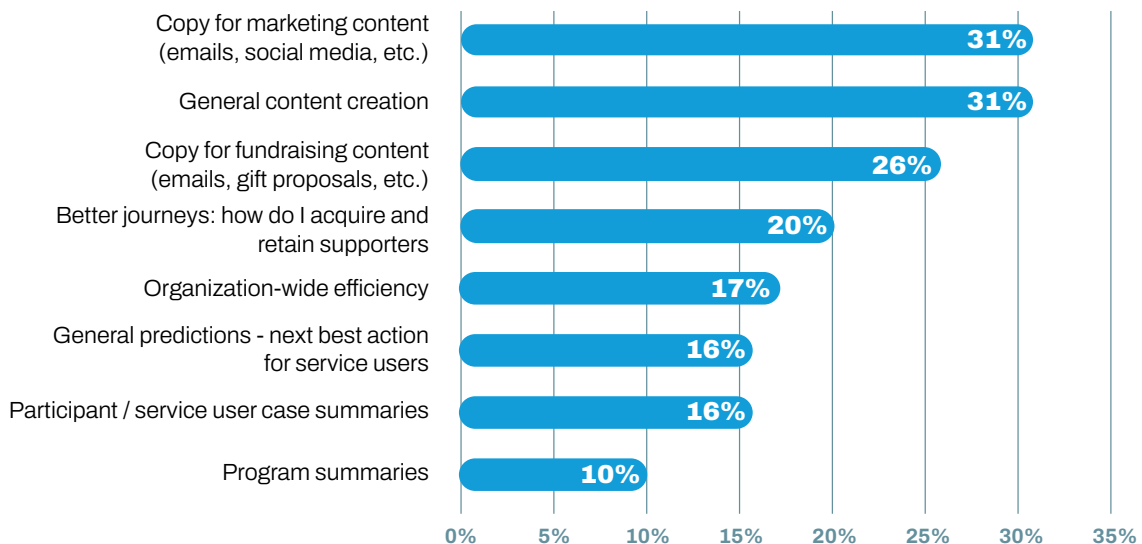


Magid El-Amin, Director of Evidence & Insight, Catch22

Possible use cases

At present, those organisations identifying opportunities to work with AI see it mostly as a content creation tool, with copy for marketing content, general content creation (both 31% of respondents) and copy for fundraising content (26%) the top use cases they are considering.

What are the top AI use cases your organisation is considering?



When it comes to the more complex uses of predictive AI, where it can help feed insight and strategy around the supporter journey and support processes, the sector is less confident in its adoption, most likely due to the greater need for investment and challenges around systems integration. Just 17% of respondents said they were currently considering using AI to improve organisation-wide efficiency.

Making the case for investment

Overall, it's very positive to see such high levels of interest and curiosity in AI. Asked to identify what they needed to help them use AI, the overwhelming response was training and knowledge, with proven case studies. This was followed by board buy-in and investment, which naturally also requires knowledge and proven cases. Also cited as important from a practical standpoint was system integration and of course security.

We are all too aware that any significant change requires investment, and nonprofits of all sizes can struggle with making the case for something new, particularly when finances are tight. Focusing on others' successes and the key productivity gains that can be made – often quite quickly, and many with free tools – will be a key step towards building confidence in AI at a senior level.

“

If you're a fundraiser, you're always going to be asked how much of the money you raise goes to the end service user or beneficiary. Using AI ethically can help ensure that more of every pound goes towards the end user. While there may be an initial investment, the long-term benefits are clear. With faster content curation, accurate data for decision making, and the ability to predict impact and donor behaviour, organisations will be able to make better decisions more quickly. What once took weeks or months will now be possible in a fraction of the time.



”

Magid El-Amin, Director of Evidence & Insight, Catch22



STARTING YOUR AI JOURNEY

One of the greatest barriers for fundraisers interested in using AI is not knowing how to start. Here are 7 tips to help you:

- **Read up.** Generative AI and Predictive AI can help fundraisers in different ways. Understanding what they do and how others are using them will help you assess the risks and potential to make the right choice for your organisation.
- **Experiment with the free and low-cost tools** – like Open AI’s ChatGPT, Notion.ai, and Lumen5. Spend time discovering how they work and how they can help you before trying real work tasks or investing in more sophisticated tools.
- **Educate staff.** Practical training and workshops are invaluable for learning how to implement and integrate AI effectively within your organisation. Seek out these opportunities to upskill your team and build their confidence and trust.
- **Know what you want to achieve.** AI solutions need clear instructions so work best when there is a well-defined outcome in mind. Having this in place at the outset will help you better instruct it, achieving stronger results.
- **Get buy in.** Ensure senior management and all teams involved understand AI’s potential for your organisation by sharing insightful resources, including case studies that show how AI is helping other charities.
- **Keep testing and refining.** Don’t expect an AI solution to get it right first time – to get the best from it, you’ll need to teach it everything from tone of voice to messaging, and to keep refining its outputs to help it deliver what you want.
- **Be safe.** Always abide by fundraising best practice and regulations and share clear guidelines on what tools people can use, and how. Never use personal data when using content generation tools and cast a human eye over everything AI creates.

Data protection & cybersecurity

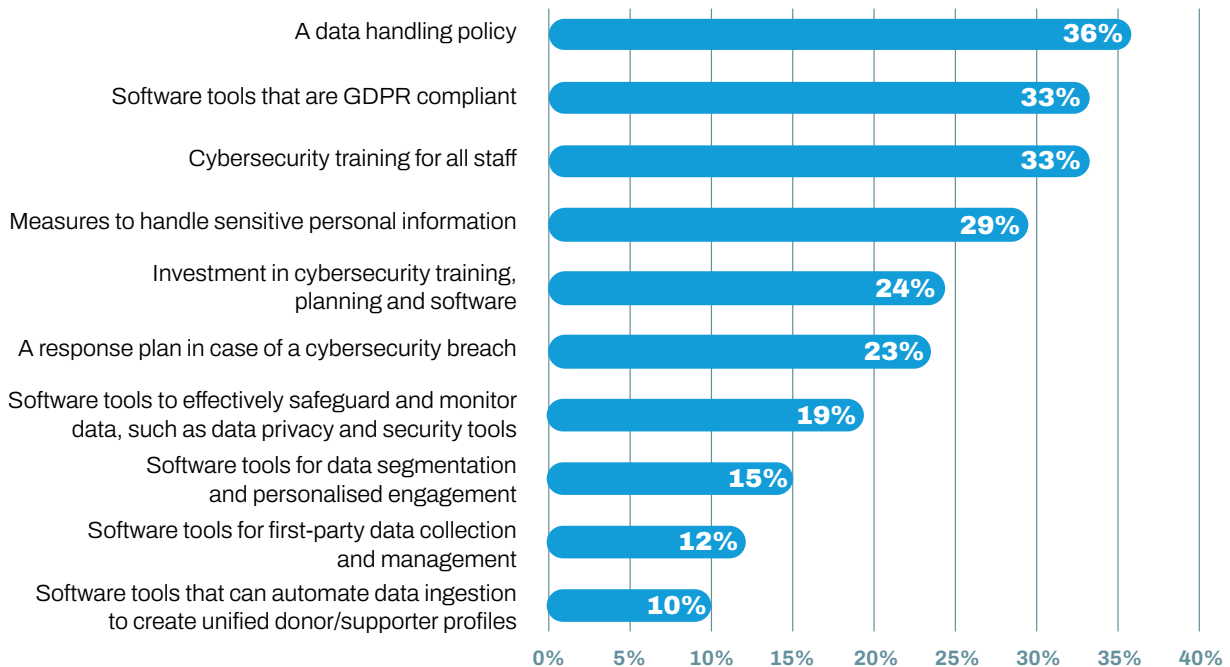
This report also looks once again at data protection and cybersecurity to gauge how prepared Europe's nonprofits are to handle the now ever-present threat of cyberattack, and how well they are protecting their supporters' personal data.



Data protection – room for improvement

Survey findings show that for many, there is still a long way to go. Despite GDPR and other regulatory requirements across Europe, just 36% of survey participants said their organisations have, or plan to have, a data handling policy. A third have software tools that are GDPR compliant, and 29% have measures for handling sensitive personal information.

Which of the following measures do you have in place or plan to have in place when it comes to cyber security and data handling?



I would expect most if not all nonprofit organisations to have a data handling policy. Most are working with GDPR, privacy and personal data, so should have privacy policies formulated and be ensuring they are consistently complying with the rules. Otherwise they are likely to face backlash from all sides: their supporters, the public, and the authorities.



Eduard Marček, Chair, Slovak Fundraising Centre

Cybersecurity low on radar

In terms of cybersecurity, despite the many stories shared in the media of cyberattacks and ransomware affecting nonprofits and other organisations, less than a quarter (23%) have or plan to have a response plan in case of cyberattack, while just 24% have invested (or plan to) in cybersecurity training, planning and software. Only a third have or plan to have cybersecurity training for all staff.

These low percentages are cause for concern and it's a clear area that nonprofits need to be looking at in more detail to ensure they are protecting both themselves and their supporters from potential serious issues such as fraud and identity theft.



Cybercrime is always evolving, but it's also always human error that creates a cybersecurity issue. An organisation can have the tightest policies and security levels, but it just takes one individual clicking on something accidentally to create a critical problem.

This means it has to be a focal point for everyone. And organisations constantly need to be updating their policies and processes and building staff awareness.



Scott Kelley, Chief Operating Officer, Charities Institute Ireland



KEY TAKEAWAYS

- 01 Being flexible & agile is essential for surviving times of crisis**

The organisations that have most successfully managed to continue raising funds and delivering on their mission in recent years are those able to respond to changes quickly. Staying flexible and agile requires a culture of learning and experimentation, and an environment that supports and encourages collaboration across teams.
- 02 Diversification offers resilience & a route to achieving more**

By diversifying to include a wider range of fundraising channels and income streams, nonprofits can reduce their dependency on any one of them. This increases organisational resilience by reducing the impact on income and service delivery if one channel stops working, whether that's suddenly as with F2F during COVID, or a slower reduction in effectiveness over time.
- 03 Collaboration offers a way for nonprofits to move forward & have a greater voice**

Nonprofits are combining resources and expertise to create effective and sustainable solutions to today's big issues, amplifying their impact and reach. Collaboration is also proving a powerful way of ensuring the sector's voice is heard by governments and regulators in important discussions about laws and policies, and societal challenges.
- 04 Organisational culture & staff wellbeing is now a key focus for nonprofits and individuals alike**

Limited resources, ever-increasing demand, and recruitment and retention issues mean burnout is still a problem across Europe's nonprofits. As a result, organisational culture and staff wellbeing are in sharp focus as more nonprofits recognise their role in creating a healthy, sustainable organisation. Nonprofits looking to attract staff are also finding they're a top priority for jobseekers.
- 05 Training & upskilling is essential for getting the most out of digital opportunities**

Digital skills are improving among nonprofits but in a fast-changing landscape, ongoing training and upskilling in new and emerging technologies and techniques is essential, both for fundraisers' professional development, and to ensure organisations can take advantage of the opportunities that arise.
- 06 AI presents enormous opportunities for nonprofits of all sizes**

Nonprofits of all shapes and sizes can benefit from AI now. For those yet to start their journey, this is the time to dip toes in the water. Learn as much as possible about the opportunities, as well as the risks and how to manage them. Providing staff with learning and training opportunities will help to allay any concerns and ensure organisations are best placed to benefit from opportunities it can provide.

CONCLUSION

The nonprofit sector is currently facing its biggest collective set of opportunities, challenges and risks in our lifetime. A perfect storm of rising demand, growing workload and squeezed income means we all now need to do more with less.

**Nonprofits are facing more work, yet with fewer staff.
More financial pressures, yet lower reserves.
And greater need for supporters, while donor numbers are dropping.**

As a result, competition is increasing, and staff are struggling with workload. So, how do we, as a sector, solve these problems? Nonprofits are already collaborating more to ease some of the pressures and increasing their focus on culture and staff wellbeing to help retain skills and valuable experience, but collectively, and within our own organisations, we need to do more.

“

Together, as a sector, we must answer the big question of how we can all do more with less. The answer won't solely lie with technology, but it is a critical lever of change that we cannot ignore.

”



Rob Cope, Executive Director, Membership & Operations,
Chartered Institute of Fundraising, UK

Technology, whilst it can't solve everything, can help. Nonprofit leaders, including Trustee Boards, need to actively engage and question how – not if – they can embrace and invest in it to solve these problems.

AI has the potential to be a great leveller for nonprofits of all sizes. It can support staff and organisations, spot data trends, identify opportunities to generate more engaging content and retain supporters. It can also reduce workload in some areas, such as administrative tasks, creating more time to engage with supporters and connect with the cause.

Key to the adoption of AI will be education and building trust and confidence among both staff and Boards. Senior leaders can help by providing clear guidelines and policies for which AI tools can be used and how, as well as proven case studies. It will also require investment in training and time for testing and experimentation.

There are experts and resources to help too, including Salesforce's online learning platform, [Trailhead](#), its [free AI courses](#), and its ["Ask More of AI" newsletter](#), which offers useful guidance and support along with updates on the latest AI developments.

“

Our fun, free online learning platform Trailhead is ideal for newcomers to AI who want to learn how it works, and how it can help them. It offers accessible modules or “trails” to help teams acquire the essential skills needed to get started with generative AI, explains the difference between this and predictive AI, as well as how to use AI ethically and responsibly for the best results. You’ll also find trails for data analytics and machine learning, with new topics added all the time.



Susan Mahon, Director of Product Marketing, Salesforce

”

As AI enters the mainstream, now is the time for nonprofits everywhere to be assessing the opportunities it brings, to avoid being left behind and to strengthen resilience and impact for their causes.

Thank you to all our contributors:

Ilja De Coster

Fundraising & Data Strategist at The DonorVoice, and Founder & Vice President of Fundraisers Belgium

Katie Docherty

CEO, Chartered Institute of Fundraising

Magid El-Amin

Director of Evidence & Insight, Catch22

Robert Kawałko

President, Polish Fundraising Association

Scott Kelley

Chief Operating Officer, Charities Institute Ireland

Laurence Lepetit

Chief Executive, France générosités

Eduard Marček

Chair, Slovak Fundraising Centre

Nick Scott

AI Consultant

About the European Fundraising Association (EFA)

EFA is a network of national fundraising associations and other bodies working to strengthen and develop fundraising across Europe. Together we represent the European fundraising community with one voice, once collective body, and one shared goal of facilitating better fundraising.

We certify national fundraising qualifications and support their development, and, through our public affairs work, represent the European fundraising community on legal and regulatory matters at an EU level. We also deliver best practice and publish news from across the continent online and in our newsletter Fundraising Europe.

efa-net.eu



Thank you to our sponsor Salesforce for supporting this study.

About Salesforce

Salesforce powers the purpose of people dedicated to solving our world's biggest problems. A global community of nonprofits and educational institutions relies on our technology to help them operate effectively, raise funds, and build more meaningful relationships with those they serve.

We believe business is the greatest platform for change. Our core values – Trust, Customer Success, Innovation and Equality – guide everything we do.

salesforce.org/nonprofit/



About the Chartered Institute of Fundraising

Together we are the future of fundraising. We champion our members' excellence in fundraising.

We support fundraisers through professional development and education. We connect fundraisers across all sectors and skill sets to share and learn with each other. So that together we can best serve our causes and communities both now and in the future.

ciof.org.uk

