

The Cost of Caution

Making the Case for
Fundraising Investment
in Canadian Non-Profits

Written by
Global Philanthropic Canada
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GLOBAL
PHILANTHROPIC™

CANADA

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ABOUT GLOBAL PHILANTHROPIC CANADA

[Global Philanthropic Canada](#) is part of a worldwide network of strategic management professionals. Our Senior Consultants deliver professional and affordable executive-level fundraising counsel to organizations of all sizes. Our proven results-oriented advice helps the nonprofit sector raise more money for mission. Across Canada, our Senior Consultants average 28 years each of strategic on-the-ground fundraising leadership, in healthcare, environmental causes, higher education, arts, and social services. **Collectively, our Senior Consultants have helped raise more than \$8 billion.**

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Anna brings 20 years of experience in the nonprofit sector. She works at the intersection of fundraising strategy and complex proposal development, with a passion for helping non-profit organizations translate ambitious ideas into clear, fundable strategies. Her background spans senior roles across major academic health centres, where she has led development of high-value proposals and donor communications — contributing to transformational gifts of \$5 million and above.

As Director, Business Development & Consultant Support at Global, Anna works alongside the consulting team to develop client strategy, sharpen competitive positioning and set initiatives up for success across a range of non-profit clients, from health care and education to social services and the arts.

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The Survey

The survey was designed by Global Philanthropic Canada to explore the nature, sources, and consequences of resistance to fundraising investment in the Canadian non-profit sector, and to gather forward-looking data on organizational readiness and intent. It was distributed via MailChimp to Global's full client database between April 9 and April 30, 2026.

Seventy-five organizations participated. Responses were reviewed for data quality prior to analysis. Thirty-four entries were excluded based on clear indicators of automated submission, including Latin placeholder text in open-text fields, numeric strings in fields requiring narrative responses, and a cluster of near-identical submissions received within a two-minute window.

The final analytical sample is 41 Canadian non-profit organizations. All Likert-scale results reflect weighted averages on a 1–5 scale (1 = Strongly Disagree, 5 = Strongly Agree). Percentage figures throughout the report reflect the proportion of respondents selecting Agree (4) or Strongly Agree (5). Open-text responses are attributed anonymously with only sector and province information included to protect privacy.

1 - Strongly Disagree

2 - Disagree

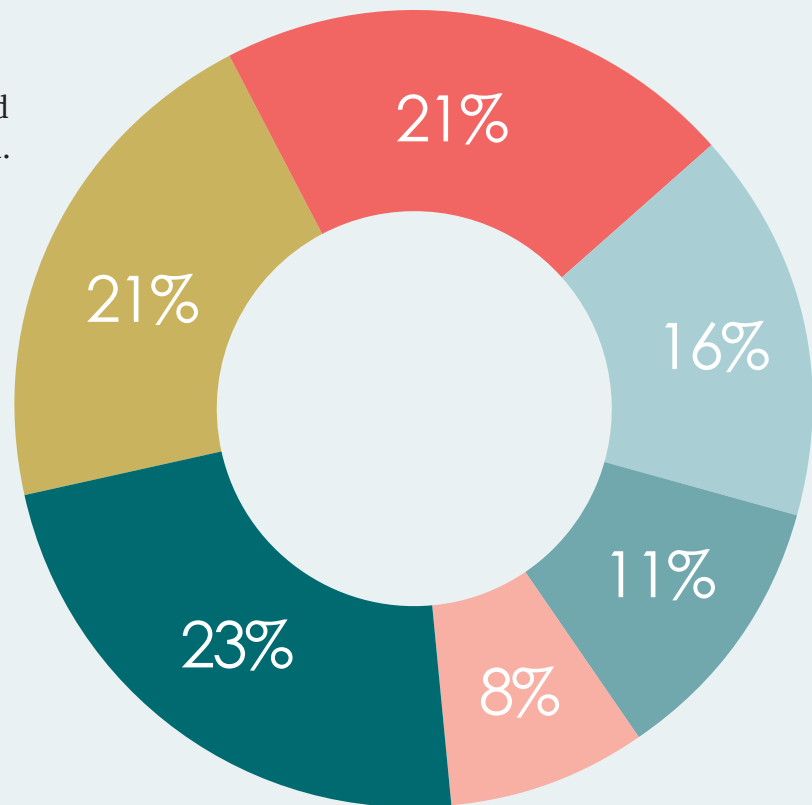
3 - Neutral

4 - Agree

5 - Strongly Agree

Who Responded

The 41 organizations in the analytical sample represent nine provinces, with Ontario (47%) and British Columbia (18%) most heavily represented. Sector coverage is broad: Community & Social Services and Arts/Culture each account for 21% of respondents, followed by Healthcare (16%), Post-Secondary Education (11%), and Religious/Faith-Based organizations (8%), with the remaining 23% distributed across environment, education, independent schools, advocacy, and other mandates. Revenue is evenly distributed across three bands — roughly a third each under \$500,000, between \$500,001 and \$3M, and over \$3M — suggesting that the patterns this report identifies are not confined to any particular organizational size. Nearly half of respondents (47%) have been in operation for more than 50 years.



The Case Studies

Case study participants were recruited through Global’s consulting team. Interviews were conducted in April and May 2026. All interviews were recorded and transcribed; participants were informed that their responses would be used in a published report. Five organizations participated as primary case studies, representing British Columbia, Alberta, Saskatchewan, Manitoba and Ontario.

- Community & Social Services
- Arts/Culture
- Healthcare
- Post-Secondary Education
- Religious/Faith-Based
- Remaining:
 - Environment
 - Education
 - Independent Schools
 - Advocacy
 - Other

EXECUTIVE SUMMARY

Here is one of the quieter paradoxes of the Canadian charitable sector: most leaders know that investing in fundraising works. However, most are either not doing it, or not doing it enough.

The donor base is shrinking. Demand for services is rising. The people doing this work are stretched thin. In this environment, decisions about fundraising investment don't get made in planning retreats with a clear horizon — they get made in the middle of everything else, against tight budgets, with a board focused on protecting the cost of fundraising. Understanding that context is the starting point for an honest conversation about what an overly cautious approach costs an organization over time.



EXECUTIVE SUMMARY

What this report examines

This report makes the case that fundraising investment is not a cost to be minimized; it is the mechanism through which mission is funded and sustained. In an environment of increasing financial pressure, organizations that treat fundraising as overhead rather than strategy are taking a risk they may not fully understand. This piece quantifies that risk and examines the return on investment.

To ground that conversation in evidence, Global Philanthropic Canada surveyed 41 Canadian non-profit organizations and conducted in-depth case study interviews with organizations across British Columbia, Alberta, Saskatchewan, Manitoba, and Ontario. The findings are consistent, cross-sectoral, and in many cases, sobering.

The vast majority of organizations believe that more investment in fundraising would meaningfully improve their financial sustainability. A significant proportion have already missed specific opportunities because the resources weren't there. And yet, commitment to investment is growing, plans are forming, and the organizations that have chosen to act are seeing returns that make the cost of caution look very expensive indeed.



EXECUTIVE SUMMARY

What resistance looks like and where it comes from

Resistance to fundraising investment tends to arrive quietly, wearing the clothes of prudence. A development budget held flat for three years while everything else rises. A major gift position left vacant because the salary is hard to justify. Reliance on government grants. A planned giving program perennially deferred in favour of more immediate priorities.

The report identifies four structural roots beneath this pattern: a governance gap in which boards were never properly equipped for fundraising; a planning horizon problem in which annual budget cycles are misaligned with the timelines over which fundraising returns materialize; a structural trap in which funder-imposed overhead constraints gradually become internalized as organizational values; and a scarcity mindset in which fear of investment perpetuates exactly the conditions it fears.

None of these are failures of character, and certainly not of conviction. They are predictable organizational responses to real conditions, and they can be systematically addressed.

What investment actually returns

[Part 4](#) makes the case with evidence: from research, from sector data, and from the organizations whose stories anchor this report. The returns on fundraising investment — in major gifts, planned giving, annual giving, and infrastructure — are documented, attributed, and in some cases, dramatic.



EXECUTIVE SUMMARY

Where to go from here

[Part 5](#) offers a self-assessment diagnostic to help organizations locate themselves on the spectrum from reactive to strategic, and to identify whether investments are being made in the right order. A common mistake in fundraising investment is sequence, not scale.

[Part 6](#) addresses the conversations that matter most: with boards, finance committees, and leadership teams. Across the case studies and the survey data, one condition appears consistently in organizations that have overcome resistance: someone at the leadership level decided it was worth trying, and this section gives you some tools to do so. The section draws on Global's practitioner expertise and on the voices of the leaders in this report, speaking directly to peers about hard-won lessons and what they would say to an organization still in the trenches.

The report concludes with a set of actionable insights tailored to where your organization stands: practical starting points for board members, executive directors, and organizations at every stage of the investment journey.

The organizations whose stories appear in these pages are not exceptional in their resources or their circumstances. What sets them apart is a willingness to have a conversation many organizations keep deferring. That conversation is available to any organization, at any stage, in any sector. This report is designed to help start it.



To understand why resistance to fundraising investment is so widespread, it helps to understand the environment in which that resistance has taken root.

Charitable giving in Canada is increasingly dependent on fewer donors, and over a long enough period that the trend can no longer be attributed to a single economic shock or a bad giving season. In 2013, 82% of Canadians made a charitable donation. By 2023, that figure had fallen to 54% — a loss of 6.3 million donors over a single decade.¹ Total dollars donated reached a record \$13.4 billion that same year, which sounds like good news until you look at where those dollars are coming from. Two-thirds of giving growth over the past decade went to just 150 organizations, which is less than 0.2% of all registered charities in Canada.²

For the vast majority of Canadian non-profits, that concentration means competing harder for a share of the pie that, for them, is not growing. In our own survey of 41 Canadian non-profit organizations, more than half said their fundraising budget is inadequate to achieve their revenue goals — not because they don't understand the opportunity, but because the resources to pursue it aren't there.



Our only fundraising staff is
also the sole communications staff member
and **stretched unbelievably thin.**

SURVEY RESPONDENT

Arts & Culture

Prince Edward Island

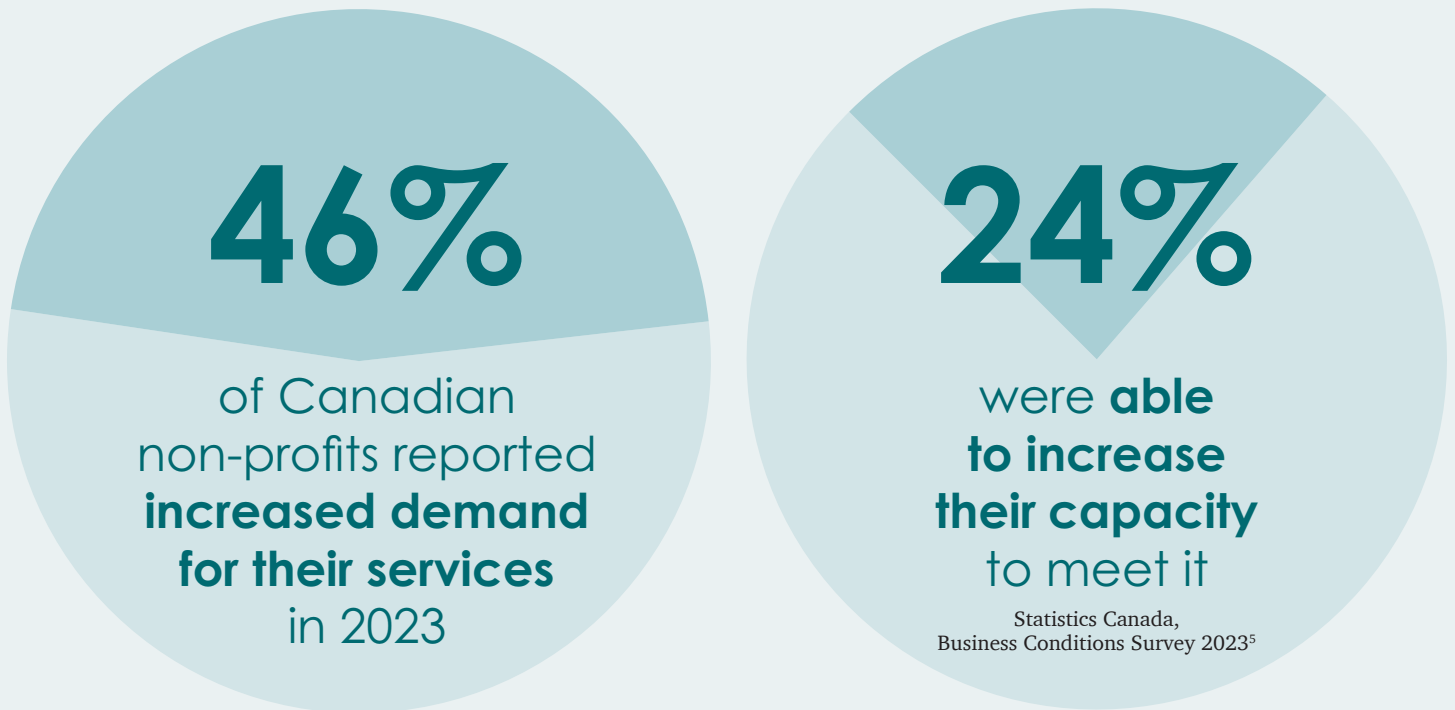
1 Imagine Canada, “New Results from Statistics Canada’s Survey of Giving, Volunteering and Participating 2023,” [imaginecanada.ca](https://www.imaginecanada.ca) (2025)

2 David Lasby, Imagine Canada, “A Tipping Balance? Trends in Charitable Donations 1997–2022,” [imaginecanada.ca](https://www.imaginecanada.ca) [PDF] (2025)

Meanwhile, staffing capacity has not kept pace with the complexity or volume of the work. More than half of nonprofit employees experience burnout at least semi-regularly, and nearly one in five is considering leaving their organization within six months.³ Behind those numbers is something harder to quantify: the fundraiser managing a major gift portfolio while also writing grants, running the database, and covering communications because the position beside them has been vacant for months.

The sector also has a chronic wage gap: nonprofit workers earn an average of 13% less than their counterparts in other industries, and 31% less in community-based organizations.⁴ This means the organizations that most need to retain talent are the least positioned to do so. For many organizations, staff turnover has become a structural condition to be planned around.

All of this is unfolding against a backdrop of rising demand. The organizations navigating a narrowing donor base and a stretched workforce are simultaneously being asked to absorb more.



3 YMCA Canada, “WorkWell: Insights to Impact 2024 Workplace Well-being Report,” ymcaworkwell.com (2024)

4 Imagine Canada, “People First: A Portrait of Canada’s Nonprofit Workforce,” imaginecanada.ca (2025)

5 Statistics Canada, “Business Conditions Survey, Non-profit Sector 2023,” www150.statcan.gc.ca (2023)

More than half of Canadian charities report constantly fundraising to cover core operating costs, while unrestricted funding — the kind that allows organizations to invest in infrastructure, people and long-term fundraising capacity — remains both highly valued and difficult to access. Recent data shows that 68% of charities identified unrestricted funding as the most beneficial form of support, yet 55% reported difficulty accessing it.⁶

These are the conditions in which fundraising investment decisions are made: constrained budgets, limited staff capacity, rising service demand and fierce competition for donor dollars. In that context, underinvestment can look prudent in the short term while creating larger financial risk over time. Understanding that context is the starting point for an honest conversation about what underinvestment costs.



6 Charity Insights Canada Project, “Canada’s Social Safety Net: A Call to Action for Sustainable Charitable Funding,” [Carleton University \[PDF\]](#) (2025)

Resistance is a word that implies stubbornness or short-sightedness, but that's not how it feels from the inside. From the inside, it feels like prudent stewardship: protecting program delivery, managing risk, or not spending money you don't yet have on a return you can't yet guarantee.

That framing is understandable. But before we get to the cost, it helps to name what resistance actually looks like in practice, because it rarely announces itself as resistance.

It looks like a development budget that has been flat for three years while the cost of everything else has risen. It looks like a major gift position that has been vacant for six months because the salary feels hard to justify. It looks like a planned giving program that has been on the strategic plan for four years and has never quite made it to implementation. It looks like an organization that knows it is too reliant on government grants and has no immediate plan to change that.

These are rational human responses to real constraints. They show up, in one form or another, in organizations of every size, sector, and revenue level.

80%

of survey respondents say they are **too reliant on too few revenue streams**

We lack the budget to invest on the front end,
but we pay for it on the back end.

SURVEY RESPONDENT
Social & Community Services
Newfoundland and Labrador

The belief-action gap

The data makes the pattern concrete. When asked about their current experience of fundraising investment, respondents painted a picture of organizations that believe in the value of fundraising but lack the means to act on that belief.

Statement	Mean	Agree or Strongly Agree
Investing more in fundraising would meaningfully improve our organization's financial sustainability.	4.39	92.1%
We have missed fundraising opportunities because we lacked the resources or capacity to pursue them.	4.10	82.1%
My organization is too reliant on too few revenue streams. We need to diversify.	3.90	79.5%
I believe my organization has missed an opportunity for fundraising revenue due to underinvestment.	3.79	66.7%
My organization has delayed or declined a fundraising investment due to budget or leadership constraints.	3.39	57.9%
We are able to clearly demonstrate the return on investment of our fundraising activities.	3.36	53.8%
Underinvestment in fundraising has negatively impacted our ability to retain fundraising staff.	3.09	44.1%
Scale: 1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree		

Global Philanthropic Canada, "The Cost of Caution: Survey of Canadian Non-Profit Organizations" (2026)

The strongest finding is that 92% of respondents believe more investment would improve financial sustainability, while 82% report having already missed fundraising opportunities because of limited resources or capacity.

The numbers that sit in the middle of the table are also revealing. More than half have delayed or declined a fundraising investment due to budget or leadership constraints, meaning the cost of caution is tangible, not abstract. And 44% say underinvestment has affected their ability to retain fundraising staff — a consequence that compounds over time, because every departure takes institutional knowledge, donor relationships, and momentum with it.

PART 2 | WHAT RESISTANCE LOOKS LIKE

Reliance on too few revenue streams is both a symptom of underinvestment and a risk in its own right. A deliberate diversification strategy can reduce that exposure, but only when organizations have the capacity to pursue it.

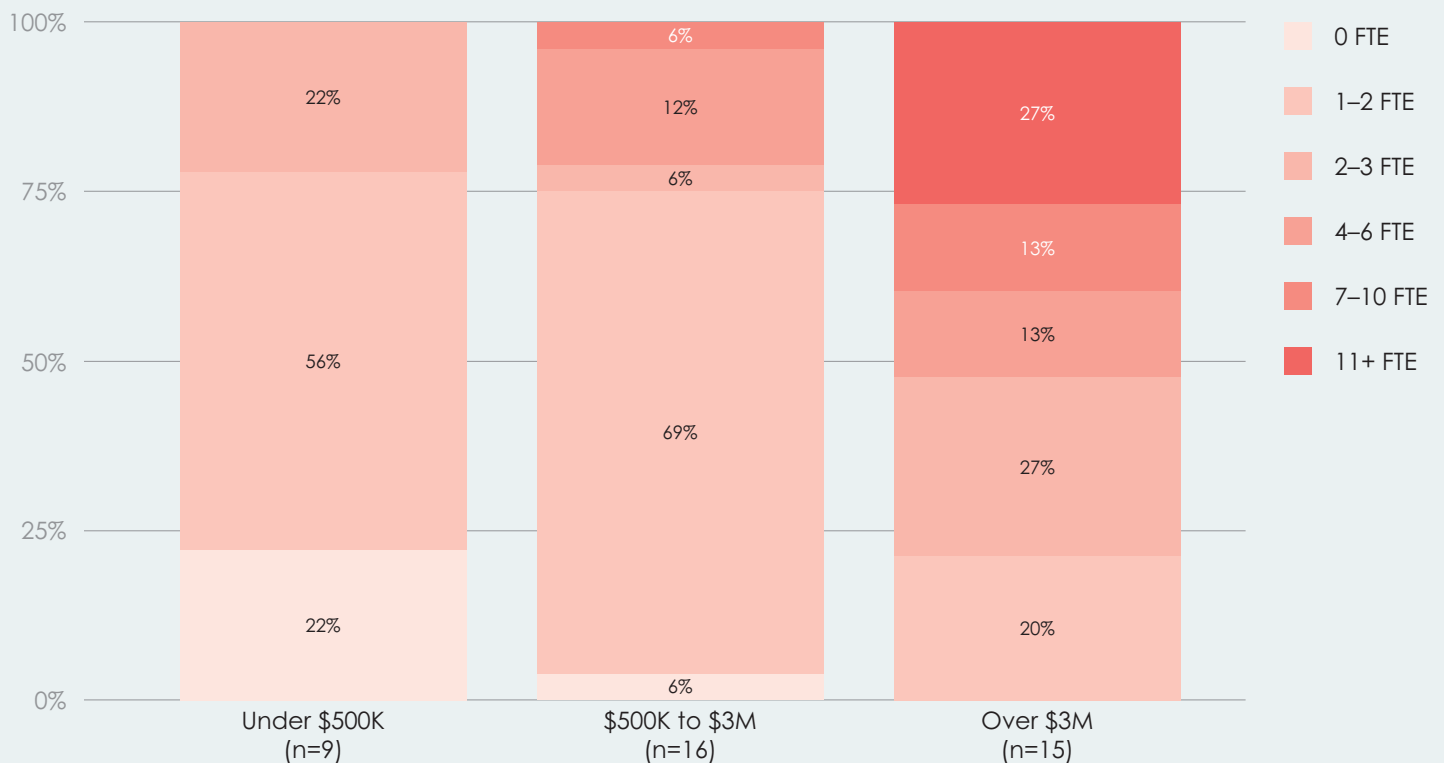
Staffing levels show how constrained fundraising capacity can be. Among respondents in the smallest revenue band, 56% have between one and two fundraising FTEs, and 22% have no dedicated fundraising staff at all. The constraint is especially pronounced among mid-sized organizations: among those with annual revenues between \$500,000 and \$3 million, 69% have fewer than two fundraising FTEs, and none have more than ten. These organizations are large enough to require a formal fundraising operation but not always resourced to build one. As a result, they may have the most to gain from strategic investment in fundraising capacity.

Meanwhile, organizations raising over \$3 million show a markedly different picture, with 27% employing eleven or more fundraising FTEs, reflecting the compounding advantage of sustained investment in development capacity.

We know there is strong potential, but without investing in people, systems, and time, it's hard to grow it in a sustainable way.

SURVEY RESPONDENT
Arts & Culture
British Columbia

Fundraising FTE by Annual Revenue Band



GPC, "The Cost of Caution: Survey of Canadian Non-Profit Organizations" (2026)

The measurement problem

The survey also points to a measurement problem: many organizations believe fundraising works, but fewer can show how.

The figures below tell an important story: an organization that cannot quantify what fundraising yields cannot make a credible internal case for investing more in it. When a finance committee asks for evidence, many organizations have little to offer — not because the ROI is absent, but because it has not been consistently measured.

Statement	Mean	Agree or Strongly Agree
Our leadership team has a clear understanding of the ROI that fundraising generates.	3.90	71.8%
My organization views fundraising as a strategic investment rather than an organizational cost.	3.87	66.7%
Our board of directors is supportive of additional investment in fundraising if needed.	3.66	68.4%
Fundraising investment decisions are primarily driven by short-term budget constraints rather than long-term strategy.	3.22	48.6%
My organization has a clear understanding of the cost to raise a dollar across our fundraising activities.	3.10	43.6%
My organization has experienced difficulty securing internal support for fundraising investments.	2.89	35.1%
My organization's fundraising budget is adequate to achieve our revenue goals.	2.82	33.3%
Our leadership and/or board understand how fundraising costs are evaluated (e.g., cost per dollar raised, CRA expectations, sector benchmarks).	2.79	30.8%
Scale: 1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree		

Global Philanthropic Canada, “The Cost of Caution: Survey of Canadian Non-Profit Organizations” (2026)

The top of the table is encouraging: 66.7% of respondents view fundraising as a strategic investment, and 71.8% say leadership understands its ROI. But the lower-ranked responses suggest that this confidence may not always be supported by measurement infrastructure. Only one-third say their fundraising budget is adequate, 43.6% understand their actual cost to raise a dollar, and 30.8% understand how fundraising costs are evaluated against CRA expectations or sector benchmarks. In a later survey question, only 41% said they actively track fundraising ROI.

When finance committees ask hard questions and the answers aren't there, resistance fills the void. [Part 3](#) explains where that resistance comes from. [Part 6](#) addresses how to respond to it.

The Board of Directors is primarily composed of **accountants who do not completely understand how fundraising works** and require excessive amounts of documentation to approve even small increases in expenses.

SURVEY RESPONDENT
Healthcare sector
Ontario

Board of directors and ED **believing they can fundraise 'better' than the highly educated and experienced fundraising staff** they've hired to do the work.

SURVEY RESPONDENT
Education sector
Ontario

Resistance to fundraising investment is rarely only a matter of attitude. In most organizations, it is shaped by structural, cultural and financial conditions that have developed over time. The organizations described in [Part 2](#) — the ones with flat development budgets, vacant positions, and deferred plans — for the most part agree that fundraising matters. Underinvestment is often the outcome of conditions that are structural, cultural and, in some cases, decades in the making.

Four roots underlie these patterns. Before exploring them, it is useful to identify where resistance most commonly originates. When survey respondents were asked which internal stakeholders had resisted fundraising investment, the answers pointed most clearly to governance.

Source of Resistance	% of Respondents (n=41)
Board of Directors	41%
No significant resistance experienced	37%
Funders or granting bodies	36%
Finance Committee	29%
Senior Leadership Team	28%
Executive Director / CEO	19%

Global Philanthropic Canada, “The Cost of Caution: Survey of Canadian Non-Profit Organizations” (2026)

Boards lead at 41%, more than any other internal source. Funders and granting bodies appear at 36%, reflecting something the data alone can’t fully capture: the overhead caution imposed by external funders gradually becomes internal organizational culture. Finance committees (29%) and senior leadership teams (28%) show that resistance is not concentrated in a single role. It is distributed across the structures responsible for financial oversight and strategic decision-making.

It is worth noting that 37% of respondents said they don’t experience significant resistance. This is a meaningful proportion, and a reminder that this is not a universal condition. But for the majority, resistance is real, and it has consequences that accumulate over time.

The governance gap

Board engagement in fundraising has been a persistent sector challenge. BoardSource’s *Leading with Intent* report found that 67% of executives report their boards spend inadequate time on fundraising, and nearly half rate their board’s fundraising performance as below average or failing.⁷ In the CompassPoint *UnderDeveloped* study, 75% of executive directors said their board was not doing enough for fundraising.⁸ This is a finding that recurs across independent studies, conducted years apart, using different methodologies — suggesting the problem is structural.

The challenge runs deeper than individual board members. Many of the leaders making fundraising investment decisions come from professional backgrounds — clinical, legal, financial, technical — that have not required them to think about revenue generation. What they bring is valuable: fiduciary rigour, professional expertise and commitment to mission. What they sometimes bring less of is fundraising literacy: an understanding of how development works, what it costs, and what timelines are realistic.

The gap identified in [Part 2](#) between believing fundraising works and understanding how it works shapes investment decisions in ways that are rarely explicit. Fundraising expenditure looks like a cost on a budget line. The revenue it will eventually generate does not appear until months or years later — often in a different fiscal year, sometimes under a different leadership team. Together, the governance gap and the planning horizon problem help explain why the same board can enthusiastically endorse a fundraising strategy and refuse to fund it.



7 BoardSource, “Leading with Intent: BoardSource Index of Nonprofit Board Practices,” boardsource.org [PDF] (2021)

8 CompassPoint Nonprofit Services and the Evelyn and Walter Haas Jr. Fund, “UnderDeveloped: A National Study of Challenges Facing Nonprofit Fundraising,” compasspoint.org (2013)

The planning horizon problem

Even where the will to invest exists, annual budgeting structures often make longer-term fundraising investment difficult to approve.

Nearly half of survey respondents (48.6%) said their investment decisions are driven primarily by short-term budget constraints rather than long-term strategy. More than half (57.9%) have delayed or declined a specific fundraising investment due to budget or leadership constraints. The problem is often structural: the systems they use to make decisions aren't built for investments that return over 18 to 24 months.

Most nonprofits plan on a 12-month horizon, approve expenditures against a 12-month forecast, and hold themselves accountable to 12-month results. Fundraising does not work on this timeline. Discovery to solicitation in a major gift program typically runs 18 to 24 months. Monthly giving programs take years to compound into meaningful retention gains. When a 12-month accountability structure is applied to investments that return over 36 months, the math will always look wrong in year one. Organizations that cannot absorb a year of unfavourable numbers are unlikely to make the investment.

The evidence suggests this is not uniquely Canadian. The Nonprofit Finance Fund's 2025 *State of the Sector Survey* found that 36% of US nonprofits ended 2024 with an operating deficit — the highest rate in ten years of NFF survey data — even as 86% reported that rising costs due to inflation had significantly affected their organizations.⁹ More than half (52%) have three months or less cash on hand, and nearly one in five have a month or less.¹⁰ Sustained financial pressure of this kind makes it difficult for organizations to plan beyond the immediate term. The sector, broadly, is managing to the immediate rather than planning toward the strategic.



9 Nonprofit Finance Fund, “2025 State of the Nonprofit Sector Survey,” nff.org (2025)

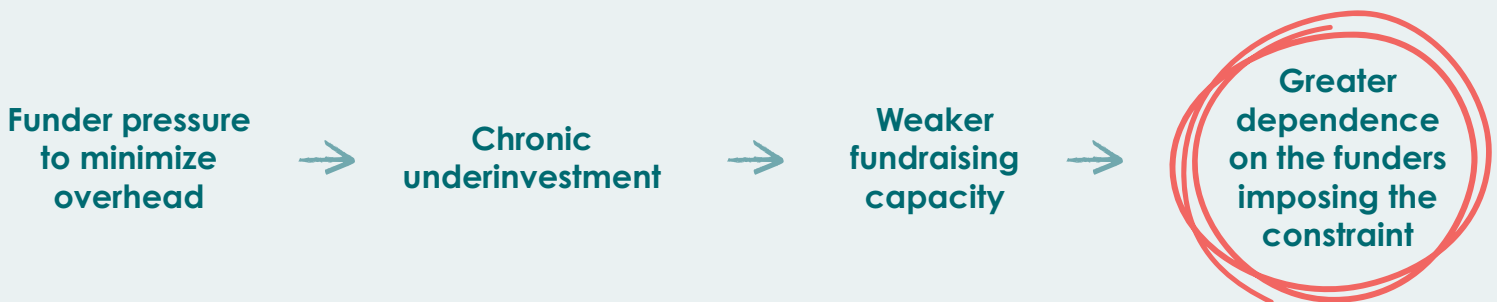
10 *Ibid.*

The structural trap

For many Canadian non-profits, resistance to fundraising investment is a response to a funding environment that has spent decades sending a clear message: overhead is waste. It is a narrative that has been challenged, most famously by activist and author Dan Pallotta. His 2013 TED Talk argued that charities are hobbled by a double standard that denies them the very tools the private sector uses to grow: advertising, risk, talent, and time — but it has proven stubbornly persistent nonetheless.¹¹

Government contracts, which account for approximately 64% of all charity revenue in Canada,¹² typically allow limited room for indirect costs, leaving organizations to absorb administrative and overhead expenses elsewhere in their budgets. Organizations that spend years navigating those constraints don't leave that mindset at the door when they turn to their unrestricted dollars. The overhead caution that began as a funder requirement gradually becomes an organizational value. And once internalized, it shapes decisions far beyond the contracts that originally produced it.

The result is a sector that spends, collectively, just 1% of its total expenditures on fundraising.¹³ This pattern was first named as the 'starvation cycle' by Ann Goggins Gregory and Don Howard in their landmark 2009 study: funder pressure to minimize overhead leads to chronic underinvestment, which leads to weaker fundraising capacity, which leads to greater dependence on the funders imposing the constraint.¹⁴ The concept has since been validated empirically across multiple peer-reviewed studies spanning 25 years of nonprofit data.¹⁵ What is less often acknowledged is how gradually the cycle takes hold. By the time an organization recognizes it is caught in it, it has often been there for years.



11 Dan Pallotta, “The Way We Think About Charity is Dead Wrong,” TED2013, [ted.com](https://www.ted.com) (February 2013)

12 Canada Revenue Agency, “Report on the Charities Program 2024–2025,” [canada.ca](https://www.canada.ca) (2025)

13 CanadaHelps, “The Giving Report 2025,” canadahelps.org (2025)

14 Ann Goggins Gregory and Don Howard, Stanford Social Innovation Review / Bridgespan, “The Nonprofit Starvation Cycle,” ssir.org (2009)

15 The concept was first identified in Ann Goggins Gregory and Don Howard’s 2009 SSIR/Bridgespan study (see footnote 14) and subsequently validated empirically by:

- Jesse D. Lecy and Elizabeth A.M. Searing, “Anatomy of the Nonprofit Starvation Cycle: An Analysis of Falling Overhead Ratios in the Nonprofit Sector,” *Nonprofit and Voluntary Sector Quarterly* (2015)
- Hala Altamimi and Qiaozhen Liu, “The Nonprofit Starvation Cycle: Does Overhead Spending Really Impact Program Outcomes?,” *Nonprofit and Voluntary Sector Quarterly* (2022)

The scarcity mindset

The disconnect between the genuine commitment to mission that draws people into the sector and the reluctance to treat fundraising as a business investment is, in our view, the central challenge facing most smaller non-profits.

Only 12% of Canadian charities describe themselves as very financially stable — a figure that has fallen from 21% in 2023.¹⁶ For organizations operating at the margin, investment in fundraising infrastructure is not even part of the conversation — especially when operating reserves are not maintained. The organizing priority is survival: paying staff, keeping the lights on, and delivering the program.

Scarcity thinking treats investment as a luxury reserved for organizations that have already achieved financial stability. In practice, this can reinforce the very conditions organizations are trying to escape: limited capacity, constrained revenue and continued dependence on short-term funding. Organizations that hold tight to what they have rarely build the capacity to generate more.



Passion is a very powerful thing.
But the world we live in
requires money to drive that passion forward.

DEBRA BOND-GORR
Senior Consultant
Global Philanthropic Canada

16 Charity Insights Canada Project, Carleton University, “At a Tipping Point: The Trilemma Facing Canada’s Charitable Sector,” carleton.ca (2025)

Case study | A grief counselling charity in Southwestern Ontario

A grief counselling charity in southwestern Ontario is well-regarded in its community, operates out of a donated building, and has served clients consistently for more than a decade. By most measures, it is exactly the kind of organization whose track record should give it confidence to invest in growth.

But like many charities operating under the \$500,000 revenue mark, it had never quite made the transition from surviving to building. Golf tournaments, a CanadaHelps donation page and the goodwill of a community that believed in the work had been enough to keep the organization going, but not enough to support growth. When a board member finally reached out to a consultant, it wasn't from a position of strategic ambition. It was because they were starting to worry about paying their bills.

In the board presentation that followed, an entrepreneurial board member named something that often goes unspoken: the organization, he said, seemed entirely risk averse and afraid to do things differently. The conversation that followed was instructive. Where was that fear coming from? It came from a deeply held and rarely examined assumption: that no one would invest in an organization like theirs for the things they actually needed — a donor database, a part-time staff person, and a communications plan.

The antidote, in Senior Consultant Debra Bond-Gorr's experience, is a simple question: what happens if you cease to exist? The answer — the families who would go without grief support, the community that would be a little less held together — identifies who should care about the organization's survival. "And once you know who should care, the investment needed to reach them is not an expense. It is the work," she explains.

The organization is now working through an initial assessment, with plans to upgrade its fundraising infrastructure, improve its event strategy, and begin building a core group of supporters from the community it has already served. The scarcity mindset is not gone. But it has a name now, and that is where change begins.

From resistance to response

Understanding these four roots does not make resistance disappear, but it does change the nature of the conversation. Resistance that is recognized as structural and cultural, rather than simply stubborn or short-sighted, can be addressed systematically. That is what the second half of this report is for.

One widely cited estimate suggests that one dollar invested in overhead can increase a charity's revenue by \$3.45.¹⁷ Yet sector-wide, Canadian charities direct just 1% of their total expenditures to fundraising.¹⁸ That gap is the practical consequence of underinvestment.

The sections that follow show how that return is produced: through infrastructure, major gifts, planned giving, annual giving and the systems that allow each to work. The organizations whose stories anchor this section span the full spectrum — from a small northern foundation that went from raising \$30,000 a year to raising \$4.25 million for a capital campaign, to a hospital foundation that grew revenue by 600% in two years.



17 ASU Lodestar Center for Philanthropy and Nonprofit Innovation, “How Investing in Overhead Impacts Success of Nonprofit Programs,” lodestar.asu.edu (July 2023)

18 CanadaHelps, “The Giving Report 2025,” canadahelps.org (2025)

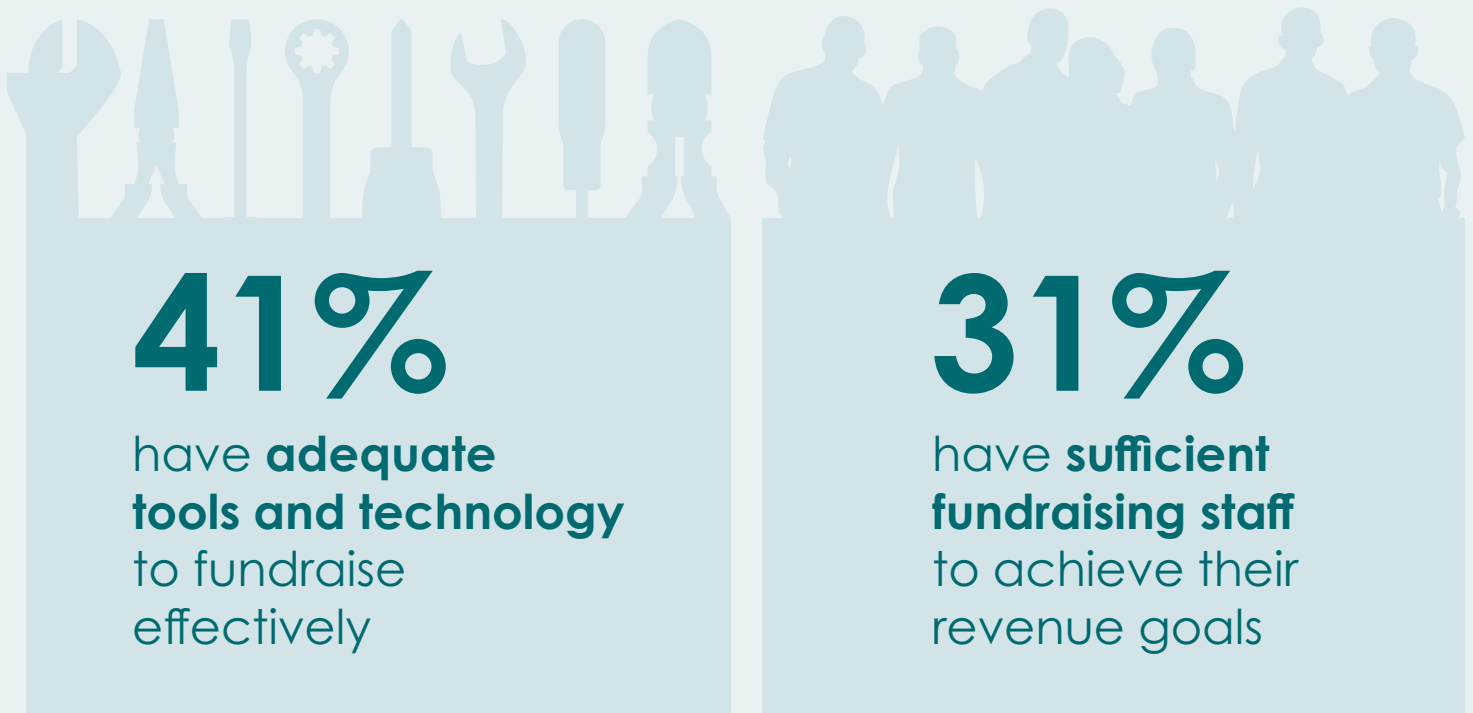
Infrastructure and data: the foundation everything else depends on

Before an organization can raise more, it needs to be able to see what it already has. A consistent theme across our case study research is underinvestment in infrastructure: databases, analytics, communications systems, and trained staff. This is a precondition for almost every other form of fundraising growth.

The logic is simple: time equals money. The more current, accurate, and actionable a database, the more time fundraisers spend raising rather than searching, correcting, and reconstructing. A well-maintained donor database and reporting system is a revenue-generating tool.

The evidence bears this out. One Global client — a mid-size healthcare foundation — invested \$8,000 in a data analytics review of their existing database. The analysis identified more than 70 high-net-worth prospects who were already in the database but had never been approached as major gift candidates. Within two years, the foundation's gross fundraising revenue had grown from \$2 million to more than \$6 million, which was attributed primarily to that initial \$8,000 investment in discovering what they already had.

For smaller organizations without the budget for data analytics, the principle still applies but the tools look different. The Southwestern grief counselling charity introduced in [Part 3](#) is working through an infrastructure-first investment: an agile CRM platform, an automated newsletter, and a consistent communications calendar. The goal is not to launch a major gift program, but rather, to build the audience and the relationships that will sustain its operations.



Major gifts: the highest-return investment in fundraising

Major gift fundraising is becoming more important as philanthropic revenue becomes more concentrated. In higher education, for example, recent research shows that 89% of all fundraising revenue now comes from just 2% of donors — a dramatic compression from the earlier 80/20 rule.¹⁹ The Blackbaud Institute’s 2025 Canadian benchmark report tells the same story across the broader sector: 62% of organizations that experienced income growth attributed that growth to exceptional or major gifts, up from 44% the year before and 30% the year before that.²⁰

The argument for investing in major gifts is not that events, annual giving, and grants don’t matter. It is that organizations systematically under-allocate time and resources to the stream with the highest ceiling. Understanding the major gift timeline helps explain why.

From first meaningful contact to a confirmed gift, the cultivation process typically spans six months to two years, depending on the donor’s relationship with the organization, their giving capacity, and the size of the ask.²¹ Campaign-scale major gifts can take longer still. What practitioners consistently note, however, is that the first gifts often come faster than organizations expect. Why? Because the people who care most deeply about the mission are already in the building.

Sometimes people are closer than you think.
If you start asking, you will find that some of your first gifts
come relatively quickly — because some people
have just been waiting to be asked.
But you have to commit to the long game, because
building a real major gift program takes time.

JENNIFER MOLLOY
Chief Executive Officer
Royal University Hospital Foundation

19 Council for Advancement and Support of Education (CASE), Voluntary Support of Education 2025, reported in Chronicle of Philanthropy (April 2026), [philanthropy.com](https://www.philanthropy.com) — higher education figure only, not sector-wide.

20 Blackbaud Institute, “Status of Canadian Fundraising 2025,” blackbaud.ca (2025)

21 FreeWill, “Major Gifts: What You Need to Know for Fundraising Success,” nonprofits.freewill.com;
Orr Group, “Mastering the Life Cycles of Different Gift Types for Nonprofit Success,” orrgroup.com (2025).

Case study Royal University Hospital Foundation — Saskatoon, Saskatchewan

When Jennifer Molloy arrived as CEO of the Royal University Hospital Foundation four years ago, the organization was running a fundraising program built around events — a black-tie gala with a 24-year history, a radiothon, a golf tournament. Well-attended and community-facing but not converting attendees into donors.

The shift she led was not subtle. All three events were cut. The board was nervous — not opposed, but genuinely worried about visibility. Were people still going to know who they were?

The answer was a different kind of visibility: storytelling. Rather than replacing events with other events, the foundation shifted its energy toward mission-based communication: sharing patient stories, building relationships, and asking people who cared about healthcare in Saskatoon to give at a level that reflected what it meant to them.

The investments that made this possible were structural. Jennifer reorganized the org chart, assigning new titles and portfolios that signalled, unmistakably, that major gifts were now the priority. She introduced activity-based KPIs — not revenue targets, but metrics around discovery meetings, cultivation touchpoints, and solicitation activity — developed with an external consultant who also ran major gift workshops with both the fundraising team and the board. A new database became genuinely indispensable once the organization started tracking activity systematically. And critically, no one was replaced. The same team, refocused, with a different framework and different expectations.

“You have to commit,” Jennifer says. “You really have to commit. You can’t say, ‘oh, we’re going to do this for six months.’ You have to commit to a major gift program because it takes a long time. And there were tears, and hard days, but we got there.”

Royal University Hospital Foundation’s transformation built on an established foundation and an existing base of relationships. Assiniboine College Foundation in Brandon, Manitoba, started from a different place entirely, where the sequence of investment mattered as much as the investment itself.

600%

Over the last four years, the Royal University Hospital Foundation has recorded its strongest fundraising years ever. **In the first two years of the shift, annual revenue grew by 600%.**

Case study Assiniboine College Foundation — Brandon, Manitoba

Assiniboine College Foundation in Brandon, Manitoba, came to major gift fundraising not by choice but by necessity. The province of Manitoba had funded new capital builds at the college for years. When that stopped, the foundation faced a reckoning: a significant capital project was on the horizon, and the organization had never raised money at that scale. Annual fundraising revenue sat at a few hundred thousand dollars. There was no active major gift program and no infrastructure to support one.

Derrick Turner, who had moved from the academic side of the college to lead the foundation as VP Advancement, knew they needed help before they needed donors. The first call was for an assessment of the foundation itself. What came back was a clear picture of what needed to exist before any serious campaign could proceed.

The initial investment bought structure: roles clarified, a case for support developed, a campaign cabinet built, and a consultant who stayed on for a year to mentor the team as the infrastructure took shape. Staffing followed from that foundation — two major gift officers, a grant writer — and then the systems to support them: a CRM, moves management, prospect scoring.

The first \$1-million gift arrived within months of staffing up — not because a new donor had been found, but because the relationship was already there and the infrastructure to close it finally was too.

“That gave us confidence,” Derrick says. “We started to believe in ourselves.”

The campaign goal, initially set at \$10 million, has now reached \$23 million. Annual fundraising revenue has grown from roughly \$1 million to exceeding \$8 million. The conversion rate on major gift asks, once nearly 1:1 because the team only approached donors they were certain would say yes, is now 1:3 — because confidence and infrastructure make risk-taking possible.

Royal University Hospital Foundation and Assiniboine College share a common thread: before the revenue came the infrastructure. For Teen Challenge Canada, that infrastructure investment didn't require a new campaign or a new team. It required a new framework.

**By investing in your foundation,
you can get as much out as you're willing to invest in effort.**

*DERRICK TURNER
Vice-President, Advancement
Assiniboine College Foundation*

Investing in how you work: the Teen Challenge story

Not every organization is in a position to hire a major gift officer or invest in a new database. But every organization can invest in the systems that make its existing people more effective. For Teen Challenge Canada, that investment took the form of training, structure, and sustained leadership commitment. This approach has produced returns that compound across multiple years.

Teen Challenge is a faith-based organization, 100% donor-funded with no government revenue. It had an existing fundraising program built on direct mail, monthly sponsorships, and church outreaches — all maintained with genuine passion. What it did not have was a structured approach to major gifts. Large donations often arrived, as Glen Smeltzer, the CEO, recalls, like they “dropped out of heaven”: unplanned, uncultivated, and impossible to replicate systematically.

The investment was in a moves management system. A senior consultant flew to Toronto for an initial meeting with Glen and Jennie Nadeau, the Director of Development. Two weeks of intensive training followed: the first week introducing the moves management framework, a six-week pause to allow the team to apply what they had learned, and a second week of role-playing, portfolio review, and refinement. The bi-weekly Prospect Management Committee has now been running for nearly three years, with Glen consistently in attendance.

That last point matters. Jennie is direct about what Glen’s presence communicates: “People know this matters and we set revenue targets and our CEO believes in the team, our CEO supports it, and it’s a big enough deal that he shows up to make sure we have everything we need. That speaks volumes to the wider team, especially when you’re remote.”

**The moves management system works for us;
we don’t work for the system.**

There are always scenarios where we need to critically think
about how to best serve the donor.
The system allows us to do that.

JENNIE NADEAU

*Director of Development
Teen Challenge Canada*

What the investment bought was not new people. It was a new framework for existing people: caseloads, donor qualification, structured cultivation pathways, and bi-weekly accountability that turned individual relationships into organizational strategy. Donors who had been giving \$5,000 annually through direct mail began moving into assigned relationship portfolios and giving \$10,000 or more. In one year alone, three of the organization’s fundraisers closed their first-ever six-figure gifts.

Glen offers an analogy. A former NHL goalie coaching his son’s hockey team spent almost no time coaching goaltending. He spent most of it on the forecheck, on defensive play, on moving the puck out of the zone. Why? Because he knew that most goals allowed are the result of several earlier mistakes.

“With moves management,” Glen says, “the process was broken down so you could see where work was being done. You could see where steps were being taken to strengthen relationships.” By the time a gift arrives, the system has been working for months. That is what scales.

The three organizations above all had one thing in common: a certain scale to work from. The Dr. R.E.M. Lee Hospital Foundation had none of that. They made the leap anyway.



Starting from small: the Dr. R.E.M. Lee Hospital Foundation story

The Dr. R.E.M. Lee Hospital Foundation in Terrace, British Columbia, spent more than three decades doing what small foundations in smaller communities typically do: purchasing equipment for the hospital, running modest campaigns that might take six to eight months to raise \$30,000 to \$50,000, and relying on a volunteer board and part-time administrative staff.

The campaign that changed everything was built around the neonatal intensive care unit at the Ksyen Regional Hospital. It was a capital project with a total target of \$14.5 million. The foundation's role was to actively raise \$3.5 million, a threshold that, if met, had the potential to trigger a \$7-million gift and bring the campaign within reach of its goal. For an organization that had spent decades raising \$30,000 to \$50,000 per campaign, the scale was unlike anything it had attempted. As Steve Raper, Northern Health's VP of Public Affairs, puts it: "When you're talking \$3 million after historically raising around \$30,000, that's a significant leap forward with people who haven't done that type of campaign or work."

The board was divided. Long-standing members had reservations; newer members saw the opportunity. What broke the impasse was not reassurance from inside the room, but external validation. A feasibility study gave the skeptics something concrete to hold onto: third-party evidence that the number was achievable.

"Taking that first step, and a willingness to hire a consultant to do the feasibility study, gave some third-party confidence that yes, this is actually achievable, and that number is not unrealistic," Steve says. "It allowed for decision points along the journey where there was an exit plan."

Take a risk. It's worth it.

CHRIS MALLETT

Chief Executive Officer

Dr. R.E.M. Lee Hospital Foundation

The Closer to Home campaign raised \$4.25 million against the \$3.5 million target — results that triggered \$10 million in added support over and above the anticipated \$7 million — surpassing its goal and, in a single campaign, exceeding what the foundation had raised over its entire prior history.

Chris Mallett, who stepped into the foundation’s newly created CEO role after years on the volunteer board, speaks plainly about what it takes for a small foundation to make this kind of leap:

“You have to spend money to make money. Those are upfront expenses coming right out of your bank account immediately, and you need to be able to wait on a return on investment. Eventually it does come. Take a risk. It’s worth it.”

The Dr. R.E.M. Lee Hospital Foundation story has since become a model. Northern Health has replicated the approach — feasibility study, external expertise, campaign structure — with two additional foundations across the region, with a third now underway in Prince George. What began as one foundation stretching its wings has become a regional framework for what small foundations can do when the moment is right, and external structure makes the leap feel possible.

Major gift case studies show what happens when organizations invest in people, systems, and structured relationship-building. Other fundraising streams can also produce significant returns, provided the investment matches the role that stream is meant to play.



Planned giving: the highest ROI, the longest horizon

Some fundraising investments require major organizational change. Others require a modest first step and a long-term commitment. Planned giving falls into the second category. Of all the fundraising streams available to a Canadian non-profit, planned giving has the highest return on investment. It is also the one most frequently deferred on account of its long horizon.

The value proposition is straightforward.

An estimated \$1 trillion is currently changing hands in Canada through the largest intergenerational wealth transfer in the country's history.²² The donors who care about your mission are, at this moment, making decisions about their estates. Forty-four percent of Canadians say they are likely to leave a gift in their Will, up from 31% in 2019. The number who have already done so has doubled in that period.²³ Canadians under 50 are now leading in both interest and action.



\$1 trillion

currently changing hands
in Canada through
**intergenerational
wealth transfer**

22 Nina Dragicevic, "The Great Wealth Transfer: How Adult Kids Can Start Talking to Their Parents About It," [The Globe and Mail](#) (February 7, 2024)

23 CAGP Foundation, [Legacy Giving in Canada 2025](#), cagpfoundation.org (2025)

The average legacy gift in Canada is approximately \$35,000, and higher in major urban centres like Vancouver and Toronto, where averages run \$50,000 to \$60,000.²⁴ The investment required to begin a legacy giving program is modest relative to that return. And the math, applied to any donor base, is clarifying.

Impact of legacy gifts — based on average gift of \$35,000

Conversion Rate	1,000 Donors	10,000 Donors	50,000 Donors
1%	\$350,000	\$3,500,000	\$17,500,000
3%	\$1,050,000	\$10,500,000	\$52,500,000
5%	\$1,750,000	\$17,500,000	\$87,500,000
8%	\$2,800,000	\$28,000,000	\$140,000,000

Source: Aimée Lindenberger²⁵

For board members and finance committees who remain skeptical, Global Senior Consultant, Aimée Lindenberger, offers a practical framing: “I often frame it to boards in relation to an average legacy gift: ‘This investment would be covered by less than half of one of our average legacy gifts.’ Or: ‘Just one legacy gift would cover this.’”²⁶

The pipeline argument is equally concrete. CAGP’s research suggests that most Canadians without a charitable gift in their Will haven’t ruled it out — they simply haven’t gotten around to deciding.²⁷ A structured legacy giving program that tells donors how to include your organization in their estate plan and makes the ask is what moves them from intent to action.

24 Aimée Lindenberger, *How to Talk about Legacy Giving* (Civil Sector Press, 2024), amazon.ca. ISBN 978-1998796113.

25 *Ibid.*

26 *Ibid.*

27 CAGP Foundation, *Legacy Giving in Canada 2025*, cagpfoundation.org (2025)

Annual giving: loss leader or bread and butter?

In annual giving, ROI may appear through retention, donor upgrading, monthly gift conversion, lower acquisition costs, or identification of future major gift prospects. The right measure depends on the role annual giving plays in the organization's revenue model. Understanding these nuances is what separates a strategic annual giving investment from one that drains resources without a clear return.

For organizations with wealthy or highly affiliated donor bases such as universities, major hospitals and national charities, annual giving sometimes functions as a loss leader. As Kevin Kardasz, Global's Director of Data-Informed Fundraising and Senior Consultant, explains: "When it's a loss leader, you take a loss as a way to get a lead." The cost of acquiring and stewarding a \$100-a-year donor may not result in an impressive return, and in some cases may not be recovered at all. The return comes later, when a donor's capacity and commitment are identified, cultivated, and ultimately solicited for a major or planned gift.

For other organizations such as community-based charities, faith-based organizations, and social services, annual giving is the primary revenue engine rather than a pipeline strategy. The question is not whether to invest in it, but how to invest strategically: through segmentation, personalized appeals, impact reporting, and the stewardship that turns a first-time donor into a retained one.

Teen Challenge Canada's story illustrates what happens when annual giving and major gift strategy are developed in tandem. The organization had strong direct mail and monthly sponsorship channels in place when moves management was introduced. Rather than displacing those channels, the structured assigned relationship approach enhanced them: donors who had given annually at \$5,000 were identified as major gift prospects and invited into a deeper relationship. Each stream reinforced the others, and the whole grew faster than any single channel would have on its own.

The common thread

The organizations in this section are different in almost every way: size, sector, geography, revenue model, and starting point. What they share is a decision to invest in fundraising as a strategic priority rather than a residual cost, and the discipline to follow through even when results were slow to materialize.

Eighty-two percent of the organizations in our survey say their commitment to fundraising investment has grown compared to two years ago. Seventy-one percent have a clear plan to increase that investment. The intention is there. The question [Part 5](#) takes up is whether the readiness is.

The organizations in this report all made a decision to invest. Before doing so, each had to answer two practical questions: invest in what, and are we ready? This section is an invitation to locate your organization honestly to identify where the work is.

The spectrum: from reactive to strategic

At one end of the spectrum, organizations respond to opportunities as they arise: a grant deadline, a donor call, an event someone volunteers to organize. Revenue arrives episodically and planning is short-term. Fundraising staff, if there are any, are generalists managing multiple priorities. The program is sustained by goodwill and effort, not by systems.

At the other end, organizations fundraise strategically. Revenue streams are diversified and sequenced. Donors are cultivated over time through structured touchpoints. Staff have defined portfolios and clear metrics. Data informs decisions. The board understands its role.

Most organizations sit somewhere between these poles. The diagnostic below is designed to test assumptions and identify where capacity is strongest and where it is most constrained.



The diagnostic

Statement	1	2	3	4	5
Strategy and leadership					
Our board of directors understands the ROI of fundraising investment and actively supports it.					
Our leadership team has a clear, written plan for increasing fundraising revenue over the next three years.					
Fundraising is a standing agenda item at board meetings.					
We have a case for support that articulates our funding priorities clearly and compellingly.					
Infrastructure and systems					
We have a CRM or donor management system, and we use it consistently.					
We actively track our cost per dollar raised and return on fundraising investment, as well as our cost of fundraising.					
We have a gift acceptance policy, event policy, and stewardship and donor recognition policy in place.					
Our donor data is clean, current, and actionable.					
Staffing and capacity					
We have at least one staff member whose primary responsibility is fundraising.					
Our fundraising staff have the expertise, time, and tools they need to do their jobs effectively.					
We protect time for proactive fundraising rather than letting reactive priorities crowd it out.					
Revenue streams					
We have at least three active, diversified revenue streams.					
Scale: 1 = Strongly Disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly Agree					

Adapted from Global's Fund Development Assessment framework. © Global Philanthropic Inc. (Canada). Framework developed by Dora Boylen-Pabst and Adrienne Nolan, Global Philanthropic Canada Senior Consultants.

What your score tells you

Below 40

Reactive

Early Stage

The priority is foundational infrastructure: a case for support, basic policies, a CRM, and clarity about funding priorities before pursuing new revenue streams. An external assessment may be the most efficient first investment.

40 to 60

Developing

Gaps Present

You have meaningful elements in place but significant gaps in strategy, systems, or capacity. The work at this stage is consolidation: identifying which gaps are limiting growth most and closing them sequentially rather than all at once.

60 to 75

Established

Optimizing

Your program is established and functioning. The opportunity is optimization: activating underperforming revenue streams, deepening donor relationships, and building major gift or planned giving capacity for the next stage of growth.

Above 75

Strategic

Sustaining

You are operating strategically. The work at this stage is sustainability: building the culture, governance, and succession planning that will protect what you've built when key people transition.

Getting the house in order: Society for Autism Support Services' story

For the Society for Autism Support Services (SASS) in Calgary, the need for change became impossible to ignore. Provincial contracts funding two flagship programs had not seen an increase since 2014. After more than a decade of absorbing rising costs, the conclusion became unavoidable: if SASS wanted to continue meeting community need, it had to stop waiting for government and start building something else.

The board's response was cautious. Some members recalled an earlier attempt to hire a fund development person that had not gone well. Others were supportive but careful, wanting assurance that an \$80,000 to \$100,000 salary investment would be backed by a plan that would actually work.

The impasse broke when SASS started with a question rather than an answer. A consultant reviewed the organization and gave SASS advice that was counterintuitive but clarifying: you're not ready yet. Get your house in order first. The assessment found the governance solid but identified three things that needed to exist before any serious fundraising could begin: a case for support, a third-party event policy, and a gift acceptance policy.

Developing the case for support proved harder than anyone expected. It required leadership to answer a question the organization had never formally posed: what are we actually asking the community to fund, and why? It also surfaced a parallel challenge: SASS serves a vulnerable population and learning to tell compelling stories while honouring the dignity of the people those stories belonged to was a cultural shift as much as a communications one.

With infrastructure in place, SASS made the hire it had been building toward. Two years in, the organization has a signature annual event, a cultivation event, a board subcommittee and three completed direct mail campaigns. Fund development is now a standing agenda item, and the board is united around a growing culture of philanthropy.

Fund development is not just hiring a fund development person.

Fund development is a culture. Fund development is having the right policies and procedures in place. Fund development is having a board that supports this.

KIM WARD

Executive Director

Society for Autism Support Services

A note on sequencing

While failure to invest in fundraising is the biggest mistake this report examines, the order in which those investments are made is next in line. Strategic, timely, ordered investment is the key to success.

Dora Boylen-Pabst, VP Ontario and a Senior Consultant at Global, puts it this way:

“In fifteen years of assessments, the most common mistake I see is not just underinvestment in fundraising. It’s investment out of order. Organizations hire a major gift officer before they have a case for support. They launch a legacy giving program before their donor data is clean enough to identify prospects. They commit to events before they have the stewardship capacity to convert attendees into donors. Every one of those investments can work, but only when the foundation is in place to support it. The assessment exists to answer one question before anything else: are you building on solid ground?”

The SASS story is instructive precisely because the sequence held. Assessment first. Policies and case for support next. A fund development plan. Then, and only then, the hire. Each step made the next one possible. The board that had reservations found it easier to say yes when the infrastructure existed to support success.

The diagnostic above is structured to reveal sequencing gaps as much as capacity gaps. If your scores in Strategy and Infrastructure are low but your scores in Revenue Streams are higher, that is a signal — not that the revenue streams are wrong, but that the foundation may not yet be stable enough to support what you’re building.

In closing

Whatever your score, the diagnostic is a starting point. Every organization in this report began somewhere on this spectrum: some with no case for support, no policies, and a board that had never been asked to think about fundraising. Their commonality is not where they started, but their willingness to take the next step in the right order. In most cases, that decision began with a single conversation. [Part 6](#) is about how to have it.

For many organizations, the barrier to fundraising investment is internal. Board members worry about optics. Finance committees scrutinize every line. Executive directors may understand the case for investment but struggle to frame it in language that moves the conversation forward. 92% of organizations in our survey agree that more investment would meaningfully improve their financial sustainability, but fewer than half have a structured approach to making that argument internally.

This section offers practical ways to make the case: to boards, finance committees, and leadership teams that need evidence, context, and a clear path forward.

Piloting small projects is an **easy, low-risk way** to demonstrate efficacy.

*SURVEY RESPONDENT
Community & Social Services
Newfoundland and Labrador*

Piloting a small investment was **most helpful**, but still not enough to convince the board to invest.

*SURVEY RESPONDENT
Community & Social Services
Ontario*

How organizations are making the case: what the data shows

Organizations that have already had this conversation offer a useful starting point. When asked which approaches they had used to advocate internally for fundraising investment, respondents pointed to a clear hierarchy, and a significant gap at the bottom.

Approach used to advocate for investment	% of Respondents
Linked fundraising investment to strategic plan goals	41%
Built a formal business case demonstrating ROI	39%
Engaged external consultants or advisors	37%
Piloted a small investment to demonstrate results	32%
Presented benchmarking data or sector comparisons	27%
Framed fundraising investment as risk mitigation	21%
No structured approach taken	11%

Strategic alignment is both the most commonly used approach and the most consistently cited as effective, across sectors and revenue sizes. Formal business cases and external validation rank close behind, together reflecting a consistent finding: boards respond to evidence, not advocacy alone. Piloting small investments is practical and low risk, but not always sufficient on its own.

Notably, 11% reported no structured approach at all — a reminder that many organizations recognize the need for investment before they have a way to make the case for it. The sections that follow are organized around what actually works, and why.

For boards: connect investment to strategy

The board is the most common source of resistance to fundraising investment, cited by 41% of survey respondents. It is also, when aligned, the most powerful enabler. Understanding why boards resist is the first step toward changing the conversation.

Guy Mallabone, President and CEO of Global Philanthropic Canada, has spent decades working with boards across the country to build fundraising cultures from the inside out. In his experience, resistance rarely comes from indifference to the mission. It comes from five recognizable patterns, each of which can be addressed.

“The approach that works most consistently across sectors and organization sizes is strategic alignment,” Guy explains. “That means connecting the investment ask to goals the board has already endorsed. When the board has said ‘we want to grow major gift revenue’ and the ED comes back with ‘here’s what that requires,’ the conversation is no longer about fundraising. It is about keeping a promise the board made to itself.”

Presenting a business case with ROI
and agreeing to a two-year budget with
the understanding that further budget increases
would not be approved without agreed-upon
fundraising targets being hit.

ANONYMOUS RESPONDENT on what works
Post-Secondary Education
Revenue over \$3M

For boards: connect investment to strategy

Pattern	What it Sounds Like	Reframe
Governance versus management confusion	Many board members see fundraising as staff's responsibility — their job is oversight and strategy, not asking people for money.	Financial development is one of the three core responsibilities of any board. Boards that cede fundraising entirely to staff are not fulfilling their mandate; they are narrowing it.
Fiduciary focus without revenue thinking	Board culture rewards financial guardianship: watching costs, protecting assets, and ensuring compliance. What it often fails to reward is thinking about where money comes from.	Fiscal responsibility means understanding both sides of the ledger. An organization that disciplines its costs while starving its income is not being prudent. It is managing decline.
Professional expertise mismatch	Accountants, lawyers, clinicians, and engineers often resist fundraising involvement because it doesn't feel like their lane.	No one is asking them to become fundraisers. They are being asked to open a door, write a note, attend an event, or lend their name to a cause they believe in. As Guy puts it: "This is not about turning board members into fundraisers; it's about enabling impact."
Ambiguity around expectations	When boards don't know what's expected of them in fundraising, they default to the status quo.	Clarity creates confidence. Define what participation looks like for each board member specifically — as a donor, a door-opener, a cultivator, a steward. Not everyone has the same role. Everyone has a role.
Cultural or philosophical reservations	Some board members worry that active fundraising will damage relationships or reputation.	Organizations that protect their reputation most zealously are the ones that communicate impact compellingly, cultivate donors with genuine care, and ask in ways that honour the relationship. Fundraising done well deepens community trust. It does not erode it.

For finance committees: shift from ratio to mission impact

Finance committees are generally opposed to what they can't evaluate. For finance-oriented audiences, the case needs to be built in financial terms: risk, return, timing, ratios and mission impact.

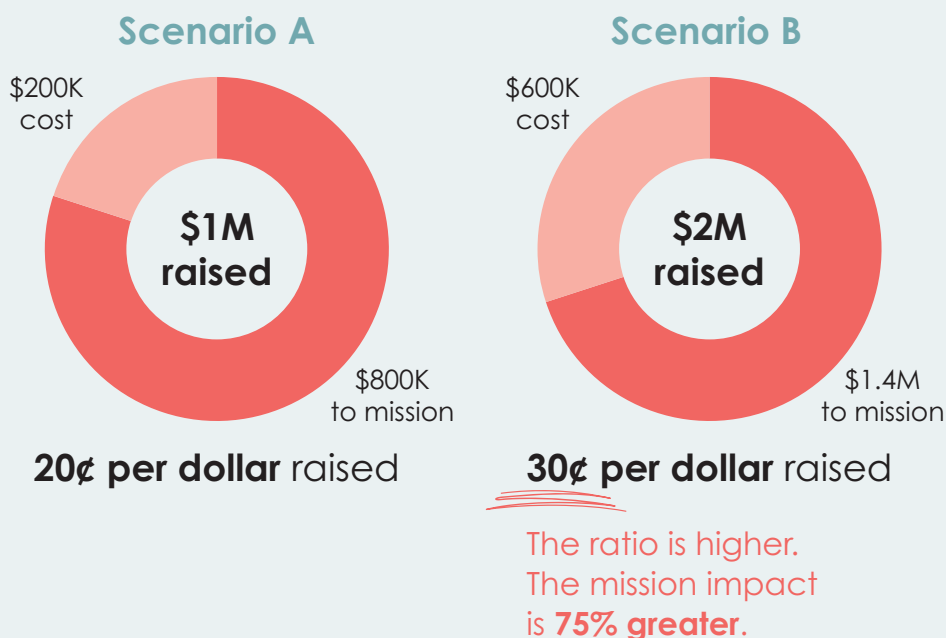
Kevin Kardasz, Global's Director of Data-Informed Fundraising and Senior Consultant, uses a simple illustration that reframes the entire conversation. Consider two scenarios for the same organization.

The mission impact argument

In Scenario A, the organization raises \$1 million at a cost of \$200,000: a cost-to-raise ratio of 20 cents on the dollar. After fundraising costs, \$800,000 goes to mission delivery. The committee is pleased. The ratio looks efficient.

In Scenario B, the fundraising team proposes an investment: increase revenue by another \$1 million by spending an additional \$400,000. The problem is that cost ratio for the second million is 40 cents on the dollar. The board's instinct is resistance.

But look at what actually happens. The blended ratio has risen from 20 cents to 30 cents on the dollar, but the organization raises \$2 million. Total fundraising costs are \$600,000. And the amount available for mission delivery is \$1.4 million, up 75% from \$800,000. The ratio got worse. The mission got better. That is the conversation.



Which one is the board going to decide on? One of the problems in the charitable sector today is that **organizations are afraid to invest**, even though they would be able to further their mission and better support all the things they care about if they were just willing to spend a little more.

KEVIN KARDASZ

Director of Data-Informed Fundraising
Global Philanthropic Canada

The private sector comparison

Kevin draws another parallel that resonates with finance-oriented audiences: the private sector investment horizon. In business, investors rarely expect a new investment to reach full productivity in year one. Three years is a standard timeframe before a new investment turns productive. Fundraising works the same way: a new major gift officer can take upwards of a year to close a first gift from start to finish. The organizations that abandon investment before the return arrives are making a financial error, not a cautious one. “And as the investment matures – as new donors become repeat donors and cultivation pathways deepen – the cost ratio typically improves on its own,” Kevin says.

Understanding the numbers: cost per dollar raised vs. cost of fundraising


Two measures govern fundraising costs in Canada and confusing them is one of the most common reasons finance committees apply the wrong standard.

Measure	Purpose	Recommended Thresholds
Cost per dollar raised	Internal management tool for evaluating specific activities	<ul style="list-style-type: none"> • Mass participation events: under \$0.10, best practice \$0.03 • Galas and large-scale events: under \$0.50, best practice \$0.40 • Golf tournaments: under \$0.35, best practice \$0.30
Cost of fundraising (COF)²⁸	CRA's external measure, calculated from the T3010	<ul style="list-style-type: none"> • Under 35%: unlikely to generate concern • 35–70%: CRA examines multi-year trends, not single-year figures • Over 70%: will raise concerns; explanation required

28 Canada Revenue Agency, "Fundraising by Registered Charities," Guidance CG-013, canada.ca. Source for all CRA thresholds and assessment practices in this section.

That last point matters for investment conversations. The CRA looks at trajectory, not snapshots, which means a year of higher costs during a campaign launch or infrastructure investment reads very differently than a chronic pattern.

Dora Boylen-Pabst, VP Ontario and Global Senior Consultant, explains: “One of the most common misconceptions I encounter is boards applying the perceived CRA thresholds as a ceiling rather than a starting point for conversation, particularly in the context of a campaign. What the CRA guidance actually describes is a trend-based assessment. They want to see that higher ratios are temporary and purposeful, not chronic. That’s a very different standard, and it gives organizations meaningful room to invest. I’d also add that the CRA is not to be feared. Outreach in cases of concern or decision-making is both recommended and valuable.”



I think they’re probably in the same position we are now:
why did we ever worry about this?
We should have done this sooner.

CHRIS MALLETT

Chief Executive Officer

Dr. R.E.M. Lee Hospital Foundation

For EDs and fundraising leaders: open the door

For EDs and fundraising leaders, the challenge is often not recognizing the need for investment but finding the confidence and language to bring it forward. The leaders interviewed for this report pointed to three practical conditions that make the conversation easier: external validation, readiness, and a willingness to accept some uncertainty.

External validation

Jennifer Molloy, who led the Royal University Hospital Foundation through its transformation, emphasizes the value of external validation. When the internal advocate is also the one proposing change, resistance can feel personal. Bringing in an external expert changes the dynamic: “When people were upset, it wasn’t me changing everything. It was someone coming in and saying: this is a really great way that you guys can all work together.”

Readiness without perfection

Readiness also matters. Glen Smeltzer, CEO of Teen Challenge Canada, cautions that the return may not be visible immediately, but argues that leaders should also examine whether their current model is working: “The question is: are you getting value for your current spend?”

Jennie Nadeau, Teen Challenge’s Director of Development, points to the same balance between preparation and action: “If another organization is in a spot where they’ve got the building blocks in place, they shouldn’t wait.”

Kim Ward of the Society for Autism Support Services emphasizes the other side of that equation: “Make sure you have the infrastructure in place. Make sure you have adequate time to commit to it.” For EDs and fundraising leaders, the message is not to leap blindly. It is to assess readiness honestly, then act before caution becomes another form of delay.

Permission to take the risk

For smaller organizations, Chris Mallett of the Dr. R.E.M. Lee Hospital Foundation names the risk plainly: “They have to take a chance. It could end up in failure, sure. But I think they end up surprising themselves with what they can actually do once they get into it. If they can’t get over that hump, they end up staying where they are. My advice is: take that chance.”

Looking back, Chris says the worry now feels disproportionate to the result.

Choose the right moment

The best time to make the internal case is usually not during budget season, when every line is under scrutiny and the instinct is to protect what already exists. It is:

During or immediately after strategic planning

When the organization is already asking where it wants to go, and investment conversations feel like planning rather than spending.

After a fundraising success, however small

When the board has just seen what investment yields, and the appetite for more is highest.

At a leadership transition

When an incoming ED or board chair is open to reassessing inherited assumptions. Jennifer Molloy's arrival at RUH was the catalytic moment for her foundation's transformation.

When a peer organization's success becomes visible

The "if they can do it, why can't we?" moment. Steve Raper of Northern Health describes this as the most powerful driver of change he has seen across the region: "One example becomes two, and that second example becomes a third. All of the other foundations start thinking: if they're doing it, why can't we?"

Make the case in the right language

Internal resistance rarely changes through persuasion alone. It changes when the case is made in the language each audience understands: strategy for boards, financial logic for finance committees and readiness for leadership teams. The organizations profiled in this report did the work to build the evidence, clarify the sequence, and make the decision to begin.

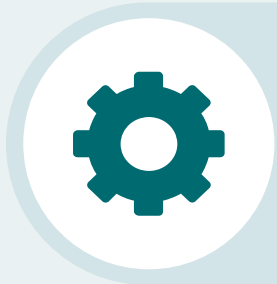
The findings in this report are consistent enough to generate clear direction as starting points. The insights below are organized around where your organization sits and what the evidence suggests doing next.

If you are a board member or governance leader



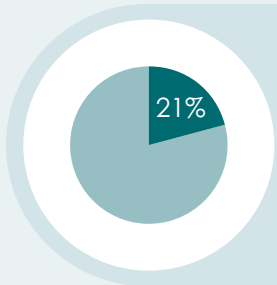
Recognize that fundraising is a governance responsibility, not a staff function alone.

The organizations in this report that grew dramatically all had boards that stopped asking “why does this cost so much?” and started asking “what do we need to do to get this right?” That shift is a governance decision, and it starts with you.



Reframe the cost conversation.

The sector benchmarks boards typically reach for — cost per dollar raised, CRA overhead thresholds — are useful tools misapplied as ceilings. An organization that raises \$2 million at 30 cents on the dollar is delivering 75% more mission than one raising \$1 million at 20 cents. Finance committees that understand the nuances make different decisions.



When strategic alignment isn't landing, try the risk argument.

Only 21% of our survey respondents framed fundraising investment as risk mitigation — yet the case is hiding in plain sight. A flat development budget while donor concentration increases is a risk. Revenue reliance on one or two government contracts is a risk. Staff turnover in a fundraising team is a risk.



Define the board's role before asking board members to play it.

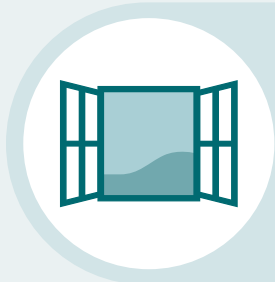
Ambiguity is the enemy of board engagement in fundraising. Not everyone will open doors or make solicitation calls — but everyone can give, attend, advocate, or steward. Clarity about what is expected of each board member, tailored to their strengths, is where board fundraising culture actually begins.

If you are an Executive Director or senior leader



Leadership buy-in is essential.

Across every organization in this report, the turning point was the same: a leader decided it was worth trying and signalled that commitment visibly and consistently.



The best time to make the case for investment is not during budget season.

Strategic planning cycles, post-success moments, leadership transitions, and the visibility of a peer organization's results are the four windows where boards are most open to reconsidering assumptions. Know which window is open right now — and plan your conversation accordingly.



Mid-size organizations have the most to gain.

Among survey respondents with annual revenues between \$500,000 and \$3 million, 69% have fewer than two fundraising FTEs, which is striking given the scale of revenue these organizations are managing. If this looks like your organization, you are large enough to need a real fundraising operation and resourced enough to begin building one.



Tell the story before you make the ask.

Two of the five organizations in this report identified the development of a compelling organizational narrative as foundational to everything that followed. Organizations that cannot tell their story compellingly to donors are also unable to tell it to their boards, their funders, or their communities. The investment in getting this right pays across every revenue stream.

If you are just starting out

**Start with an honest assessment before anything else.**

The organizations that tried to invest before their house was in order had to go back and do the foundational work anyway. An external assessment identifies what needs to exist before investment can return. It is risk reduction.

**Get the policies in place.**

A gift acceptance policy, a special and third-party event policy, and a stewardship and donor recognition policy are the infrastructure that allows a board to say yes without anxiety, a donor to give without ambiguity, and a fundraising staff member to act without calling the ED for every decision. None are complicated to produce. All are consistently absent in organizations that are stuck.

**The case for support holds up the mirror.**

Every organization that developed or refined a case for support in this report described the process as unexpectedly clarifying — and unexpectedly hard. The discipline of answering “what are we asking people to fund, and why should they?” is the discipline that makes fundraising possible.

**Start tracking ROI, even crudely.**

Only 41% of survey respondents actively track the return on investment of their fundraising activities. You do not need a sophisticated reporting system to begin. You need a record of what was spent, what was raised, and what relationships moved. That record is the foundation of every future conversation with a board or finance committee about why investment matters.

**The goal is not to launch everything. It is to launch the right thing next.**

If your infrastructure score is low, your next investment is likely a database or a three-year fund development plan. If your governance score is low, your next investment is not an event — it is a board conversation. Sequence matters more than scale.

If you are ready to grow



Major gifts are where the ceiling is.

The data is unambiguous: 62% of Canadian organizations that experienced income growth in 2025 attributed it to exceptional or major gifts — up from 30% just two years earlier. If your organization does not have an active major gift program with identified prospects and structured cultivation activity, that is where the next investment belongs.



Planned giving is the highest-return program you are most likely not running.

An estimated \$1 trillion is changing hands in Canada through intergenerational wealth transfer right now. A structured legacy giving program does not require a large staff or a large budget to begin. It requires a clear ask and a way to make it. Organizations that start this conversation now will see returns that dwarf almost all other investments.



Low confidence is a signal, not a fixed state.

Only 47% of survey respondents are confident they will meet their fundraising goals in the next 12 months. The case studies in this report suggest that confidence in fundraising is itself a product of investment: If your organization's confidence is low, the question to ask is not “are we ready?” It is “what would make us ready?”



Diversification is a strategy, not an outcome.

80% of survey respondents say they are too reliant on too few revenue streams. The organizations that have addressed this successfully made deliberate decisions about which streams to build, in what sequence, with what infrastructure. This piece by Global Senior Consultant Deborah Barton is worth reading alongside the diagnostic in [Part 5](#) for organizations ready to build a genuinely diversified fund development portfolio.

Ready to invest? Global is here to help.

If reading this report felt uncomfortably familiar — the flat budget, the deferred plans, the quiet worry that your most relied-upon revenue streams are drying up while demand keeps rising — you're not alone. And you don't have to figure out the next step by yourself.

Global Philanthropic Canada's national team of over 75 consultants brings an average of 28 years of on-the-ground fundraising experience across every sector and every province. We walk beside you in your development as much or as little as you need. Whether your organization is looking for an initial fund development assessment, help making the case to your board, or a strategic partner to build out a campaign or major gift program, we've done it and we can help you do it too.

The diagnostic in [Part 5](#) is a starting point. We can help you figure out what comes next.



[Your first 30 minutes is on us! Book here!](#)

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