

DEVELOPMENT ASSESSMENT OVERVIEW

What is a development assessment?

A development assessment is an evaluation of a nonprofit organization's fund-raising resources, programs, policies and practices. The assessment is a way to evaluate an organization's fund-raising performance and results. It can also be a way to benchmark an organization's performance against other organizations and/or national standards. Moreover, a development assessment can generate new ideas and specific recommendations for improving an organization's capacity to raise funds more effectively and efficiently.

Since much of an organization's fund-raising success relates to a nonprofit's overall maturation, a development assessment inevitably touches on other organizational issues, including governance, staffing, the case for charitable support, the communication of key messages *and* how well staff, programs and activities align with an organization's strategic priorities and the community's needs. By using a "fund-raising lens" to look at these issues, an organization has the opportunity to use the development assessment to view itself more holistically and to increase the organization's overall efficiency and effectiveness.

Why do nonprofits hire consultants to conduct a development assessment?

A nonprofit engages an outside consultant to conduct a development assessment when the board and/or staff leadership want an objective evaluation of the development function's strengths, weaknesses, opportunities and challenges. Typically, development assessments take place when the organization wants to:

- Ensure limited human and budgetary resources are being deployed in the most effective and efficient way
- Identify any organizational issues that may be interfering with fund raising
- Diversify funding sources
- Take the development program to the next level
- Evaluate fund-raising staffing
- Prepare for additional fund-raising staffing or identify needs before hiring
- Inform a comprehensive strategic planning process
- Assess the organization's readiness for any major new fund-raising initiative

What does a development assessment examine?

Development assessments can include a review and/or analysis of these organizational elements:

- Mission, programs and the case for charitable support
- Strategic or long-range plans
- Compliance with state and federal nonprofit legal requirements
- Finances and financial reporting
- Development staffing, plans and/or procedures
- Donor records system
- Donor recognition and stewardship
- Annual giving
- Planned/Endowment giving
- Major gifts
- Friend-raising and Fund-raising tools: special events, direct mail, e-philanthropy, corporate sponsorships, telemarketing, matching gifts
- Prospect research capabilities and systems
- Gift acceptance policies
- Involvement of board members and other volunteers in the development process
- Internal and external communications (website, video, printed materials and social media)