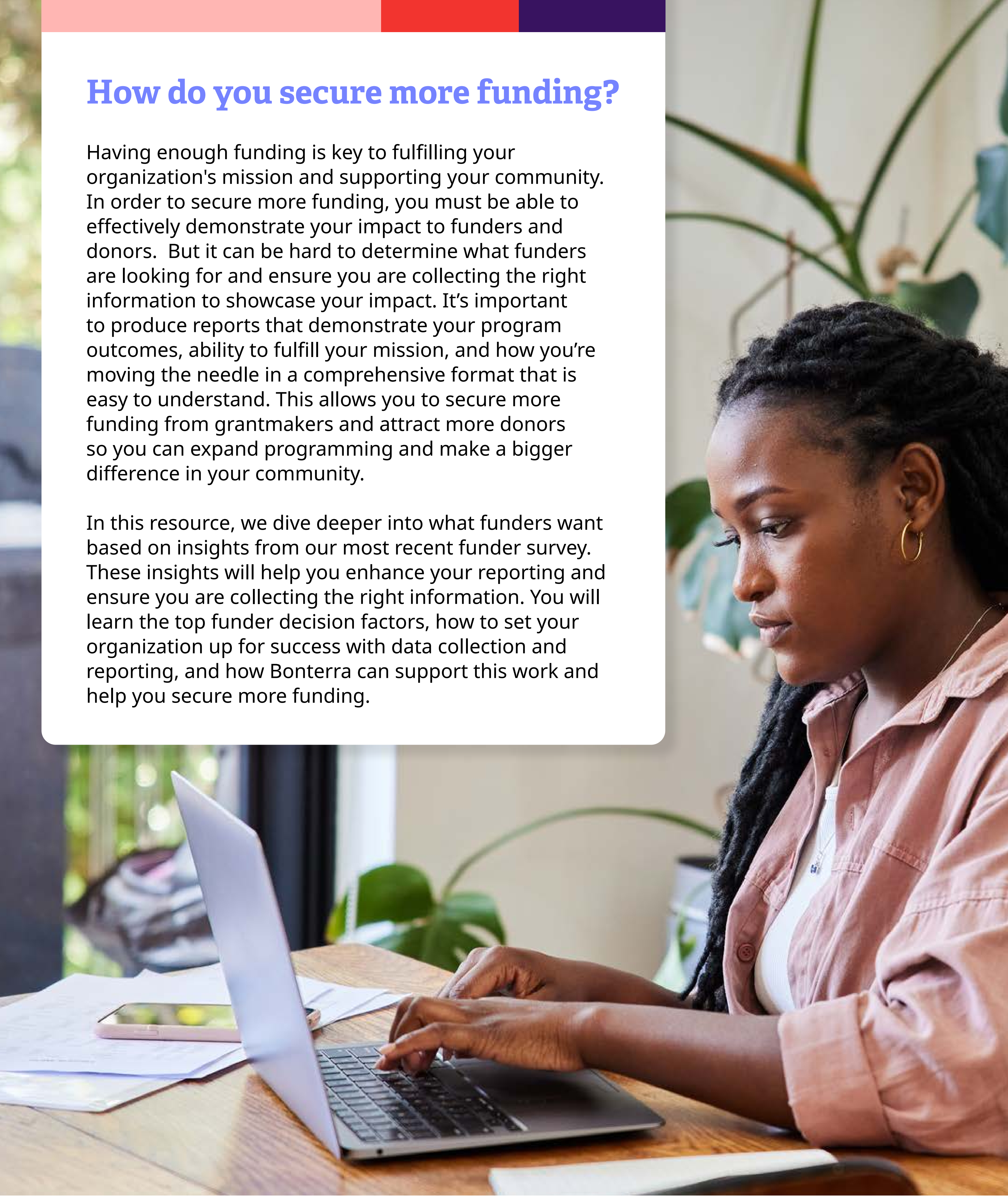
What funders want

Top considerations and how your nonprofit can address them

How do you secure more funding?

Having enough funding is key to fulfilling your organization's mission and supporting your community. In order to secure more funding, you must be able to effectively demonstrate your impact to funders and donors. But it can be hard to determine what funders are looking for and ensure you are collecting the right information to showcase your impact. It's important to produce reports that demonstrate your program outcomes, ability to fulfill your mission, and how you're moving the needle in a comprehensive format that is easy to understand. This allows you to secure more funding from grantmakers and attract more donors so you can expand programming and make a bigger difference in your community.

In this resource, we dive deeper into what funders want based on insights from our most recent funder survey. These insights will help you enhance your reporting and ensure you are collecting the right information. You will learn the top funder decision factors, how to set your organization up for success with data collection and reporting, and how Bonterra can support this work and help you secure more funding.



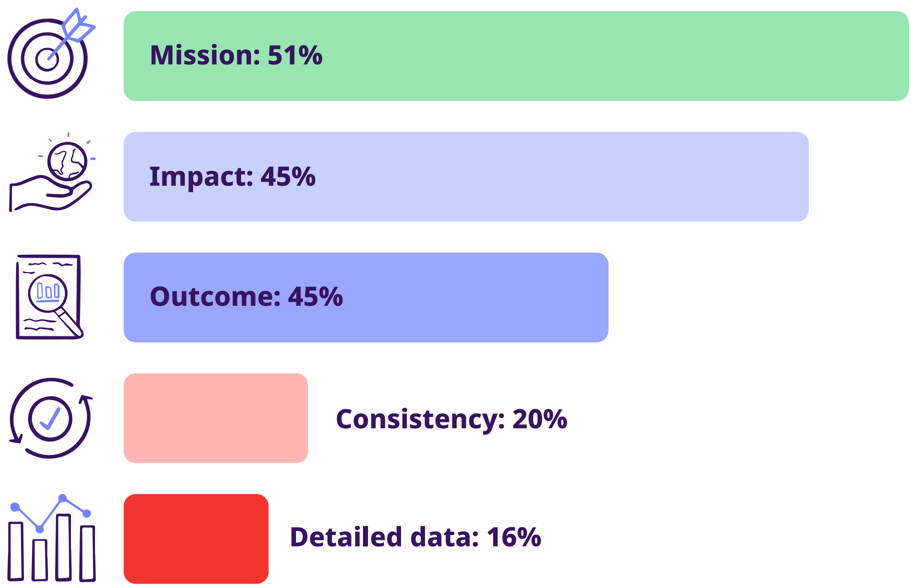
What do funders want?

When it comes to funding considerations, most grantmakers are looking at three key factors:

Mission: 51% of funders said mission is a top funding consideration.

Impact: 45% of funders said impact is a top funding consideration.

Outcomes: 34% of funders said the single best indicator of success is outcomes, while 20% said consistency of mission, and 16% said detailed data.



The importance of mission alignment

It’s important to research funders and their priority areas when determining which grants to apply for to ensure your mission is aligned. This will significantly increase your chances of receiving funding. Once you confirm that your mission is aligned, it will be easier to determine which outputs and data points to track to effectively demonstrate your organization’s impact.

The difference between impact and outcomes

Impact showcases how your organization’s mission has positively affected your community, your ability to meet your goals, and how well you serve your participants. It is the culmination of the outputs or daily tasks your staff performs and the outcomes that are produced as a result. For example, your housing organization may manage several different programs addressing various needs within your community. The daily tasks your caseworkers and staff complete to run programming and support participants are the outputs. These lead to positive outcomes, such as an increase in the number of meals served or beds provided. The overall impact is your combined efforts that lead to decreased homelessness within your community, and ultimately fulfilling your mission.

Collecting the data funders want

There are four steps to measuring program outcomes and collecting the data funders are looking for:

1 **Define objectives:** First, analyze your goals and objectives to ensure that your organization asks the right questions when setting up your reporting processes and tracks the right outputs. This could include the number of beds you have provided, participant progress throughout your programs, feedback from participants, and more. Our funder survey shows there is increasing demand for data, so be sure to focus on quantitative measurements.

2 **Collect data:** Once you know what questions you are trying to answer, you can focus on collecting the data you will need to answer them. Make sure you have the right system in place to collect data in the format you need and minimize errors. Ensure that any caseworkers or other staff members who will be inputting data understand the larger picture and importance of timely data. This data will ultimately help you quantify your outcomes and impact.

3 **Analyze data:** Now, you can apply the information you collected in step two to the objectives you set in step one. This is where your outcomes start coming to life, helping you connect data with real-world participant experiences. Analyzing your data helps you understand areas where your program is working and areas for improvement. Having a streamlined, easy-to-use software solution can make analyzing your data quick and easy.

4 **Evaluate data:** This step is twofold – first, you want to evaluate your data in relation to your mission to determine your impact. How is this program impacting the community and helping you fulfill your mission? Are there any additional data points that can help you bring that story to life? Second, you should start evaluating your objectives and data collection systems regularly — we recommend on an annual basis — to ensure they are still serving the needs of both the organization and any funders of the program or project.

Creating reports funders want to see

In a previous funder survey, respondents' top reporting formats included impact stories, paper, and spreadsheets. However, in our most recent survey we see a significant shift, with 27% wanting to see an online portal or dashboard. While many still report an interest in impact stories, and some even still approve of spreadsheets, it's clear that many funders now prefer digital data and reporting.

As a nonprofit leader, you want to develop reports that tell a complete story about your participants, programs, volunteers, staff, and donors to your internal and external stakeholders. Combining data-driven outcomes and stories can be very effective in demonstrating impact. The key to a good story is supporting it with real-world data whenever possible.

Three ways to improve your reports

1. **Track every participant engagement:** while some interactions may not seem important, they are all key pieces to that participant's unique journey with your organization. Be sure to track all communication and engagement with each participant, whether they are receiving supplies or signing up for a session. These are all key data points to help you demonstrate outcomes, understand the participant experience, improve programming, and drive greater impact. Having a comprehensive data management system will make this process simple for you and your staff.

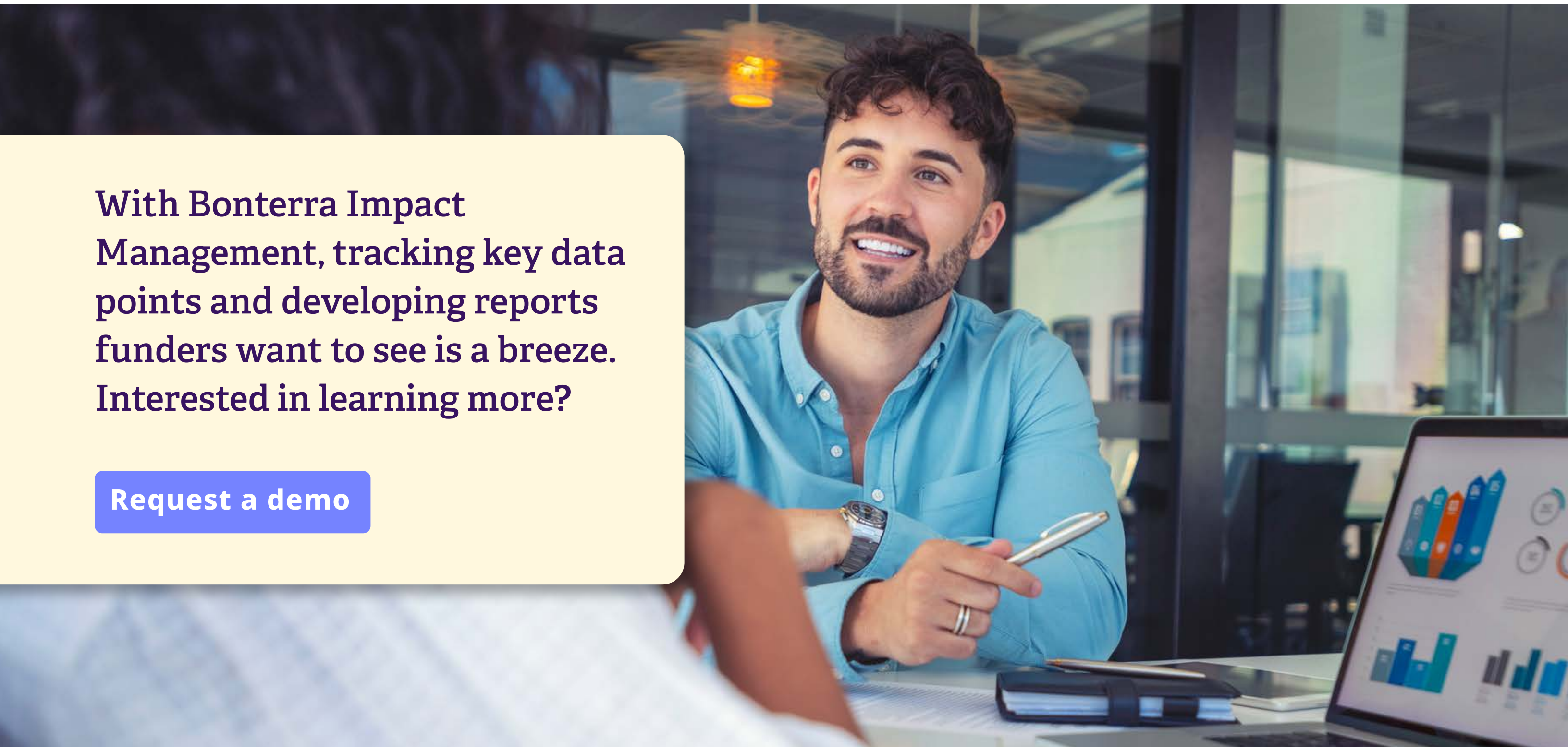
2. **Consistency is key:** it's important to have a process in place to ensure you never miss a key piece of data that will help you quantify your outcomes. Having a technology solution that makes it easy to manage workflows, input data, and store everything in a single place is a big part of this. Additionally, communicate with your team about the importance of clean, accurate data in developing reports to meet funding requirements and grow programming.

3. **Keep it simple:** your organization is likely running many different programs, and they're all important to fulfilling your mission. However, long, wordy reports can make it hard for funders to see your outcomes and impact. While detailed data is important to growing your mission and improving programming, not every data point needs to be included in your reports. Figure out the story you want to tell and how your impact fits into that story. Then identify the key data points that best illustrate that story and impact. Utilize a solution that helps you build data-driven visual reports so it's easy for funders to see how you're moving the needle.

How can Bonterra help you provide what funders want?

With an increased focus on data, outcomes, and digital reporting, it's important to have a modern technology solution that makes tracking participant information and meeting funder requirements easy. This allows you to increase staff capacity so your team can focus on service delivery and boosting impact. Bonterra provides a comprehensive solution to help you do this and more, including:

- House all your data in one place and compare information across different programs.
- Customize data entry to your organization's specific needs so you're sure you are collecting the right information to showcase impact and improve programming.
- Quickly pull comprehensive visual reports with built-in reporting tools.
- Easily collect feedback and information from participants with customizable forms and engagement tools.
- Utilize built-in interactive dashboards to monitor program performance, track outcomes, and make evidence-based decisions.
- Share outcomes and compliance data with funders, making connecting with your network simple.
- Operate with peace of mind that your program and participant information is housed on a secure platform.



With Bonterra Impact Management, tracking key data points and developing reports funders want to see is a breeze. Interested in learning more?

Request a demo