



**FUNDRAISE**  
FOR AUSTRALIA

# **FUTURE FOUNDATIONS FOR GIVING**

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**PRODUCTIVITY COMMISSION INQUIRY  
INTO PHILANTHROPY -  
SUBMISSION ON THE DRAFT REPORT**

8 February 2024

Philanthropy Inquiry  
Productivity Commission  
GPO Box 1428  
Canberra City ACT 2601

**RE: Response to the 'Future Foundations for Giving' Report**

Dear Commissioners,

Fundraise for Australia (F4A) appreciates your invitation for feedback on the philanthropy inquiry's draft report, and has focused on providing evidence and a rationale as to why investment is needed into the fundraising profession, a key component for donors seeking to access professional advice on philanthropy and an overlooked skill needed in order to help the Government achieve its goal of doubling giving by 2030.

We also raise the importance of standardising information in the sector and call for an important update of current ANZSCO classifications to ensure the Australian Charities and Not-for-profit Commission (ACNC) are able to create more value from the data held by government agencies such as the Australian Bureau of Statistics (ABS) and Australian Taxation Office (ATO).

We look forward to the next stages of this inquiry through both the public hearings, and the final report to Government later this year.

Yours faithfully,

Ryan Ginard CFRE & Michelle Chung  
Directors, Fundraise for Australia

**ABOUT FUNDRAISE FOR AUSTRALIA**

Fundraise for Australia is a certified social enterprise which identifies, recruits, trains and empowers new fundraisers to help secure resources for underserved communities and entrenched social issues. We fund this free program by delivering fundraising training and recruitment support for the border not-for-profit sector.

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## Increasing participation in giving

While it's true that tax concessions reduce government revenue, they also encourage increased charitable giving, which has numerous social and economic benefits. In terms of framing assets we also have to understand that the role of government is neither to make or to save money.

Charitable donations contribute to addressing societal needs, supporting vulnerable populations, advancing education and research, preserving cultural heritage, and promoting community development.

Additionally, studies have shown that charitable giving can have positive economic effects by stimulating consumer spending, creating jobs in the nonprofit sector, and fostering innovation and social entrepreneurship. Philanthropy also plays a crucial role in supplementing government services, particularly in areas where public funding may be insufficient or unavailable.

But while governments don't exist to make a profit, as part of responsible governing they need to forecast revenue and allocations far into the future. Any changes to forecast tax revenue will mean a revised forecast which would either require an increase in tax elsewhere or a budget cut somewhere. To that end we believe that philanthropy or the funds raised within the social sector to support critical services shouldn't replace government programs or fill in budget gaps. Instead, it should work side by side to understand each others future needs in its shared goals to help create a more just and equitable society.

Several key research reports have explored the economic effects of charitable giving. *The Nonprofit Sector in Brief 2019* by the Urban Institute<sup>1</sup> provides comprehensive data and analysis on the economic impact of the nonprofit sector, highlighting its role in job creation, economic development, and service provision. Additionally, *The Business Case for Corporate Social Responsibility: A Review of Concepts, Research and Practice*<sup>2</sup>, published in the Harvard Business School's Working Paper Series, examines the relationship between corporate philanthropy and business performance, emphasizing the positive impacts on financial performance, brand reputation, and employee morale. Reports and analyses by organizations such as the Charities Aid Foundation (CAF) and the Lilly Family School of Philanthropy at Indiana University further explore the economic effects of charitable giving, illustrating how donations stimulate consumer spending, create jobs, and support social services, ultimately contributing to economic growth and stability.

### **Governments should prioritise funding for fundraisers over tax concessions**

While tax concessions are important for incentivizing philanthropy, a possible alternative is increasing funding for the number and quality of fundraisers.

Research conducted by the Association of Fundraising Professionals (AFP) and the Center on Nonprofits and Philanthropy at the Urban Institute<sup>3</sup> found that organisations with dedicated fundraising staff tend to raise more funds compared to those without such staff. The study showed that nonprofits with professional fundraisers typically have higher levels of fundraising success and overall revenue.

While tax concessions might increase the flow of private capital to not-for-profits (NFPs), an investment in fundraisers would facilitate a **more effective flow of funds**

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<sup>1</sup> <https://perma.cc/YB2V-56ND#finances>

<sup>2</sup> <https://corpgov.law.harvard.edu/2011/06/26/the-business-case-for-corporate-social-responsibility/>

<sup>3</sup> <https://afpglobal.org/fepresources>

from donors to high-value causes. In fact, dedicated funding for fundraisers could decrease reliance on government funding in the long term.

The case for government investment in the fundraising profession is set out below.

F4A recommends that this option be explored as part of any cost-benefit analysis of increased tax concessions.

### **The case for investment in the fundraising profession**

While Australia is a generous nation - currently ranked fourth in the World Giving Index, which considers three measures of generosity: financial, time, and acts of service - its rates of giving in relation to GDP are low in comparison to similar societies worldwide (0.81 per cent). With the government seeking to double philanthropic giving by 2030, of which was the genesis for this inquiry, there is a real opportunity to develop a new culture of giving within the country and to develop the infrastructure to ensure this goal is realised.

A critical part of that infrastructure will be frontline fundraisers - those who build cases of support and will need to make these additional 'asks' to grow and secure a larger share of funding - but they are often missing from the conversation and have been ultimately missing from the policies informing the governments 2030 goal.

The research paper *A Literature Review of Empirical Studies of Philanthropy: Eight Mechanisms That Drive Charitable Giving*<sup>4</sup> drew from 500 other papers to identify the key factors that drive giving. What they found is that for more than 85 percent of charitable donations, people gave because someone asked them to.

Investing in fundraisers is a sound investment with a typical average return of 300-400 percent. Some reports such as The Nonprofit Fundraising and Administrative Cost Project calculate an average yield of \$1 dollar for every 24 cents spent<sup>5</sup>. However, there is wide fluctuation depending on several variables, such as the organisation age, size, fundraising infrastructure, tactics, culture and type.

The Council for Advancement and Support of Education (CASE) which has a large number of members in Australia including colleges, universities, independent schools and international schools, shares in their research brief *Advancement Investment and Fundraising Results: A Nine-Year Study of 30 Higher Education Institutions in the*

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<sup>4</sup> [https://renebekkers.files.wordpress.com/2016/02/bekkers\\_wiepking\\_16.pdf](https://renebekkers.files.wordpress.com/2016/02/bekkers_wiepking_16.pdf)

<sup>5</sup> <https://info.npconnect.org/blog/nonprofit-connect-blog-2403/post/the-roi-of-fundraising-19926>

*United States*<sup>6</sup> that even their lowest performing category, where the cost per dollar raised is highest at \$0.21, there is still nearly a 400 percent return on investment (ROI). In the most effective category—specialized institutions—ROI was over 2,500 percent. Research/doctoral institutions spend the most per institution on fundraising—\$11.42 million on average. This investment yielded an average return of \$117.09 million.

Just about every charity relies on donations for some of its work, and that means a good fundraiser can be worth their weight in gold to an organisation and while most professions require some sort of formal training to begin work, fundraising is unique in that anyone can become a fundraiser from day one, technically knowing very little about it.

The independent fundraising think tank Rogare shares that these – and other – characteristics of the occupation of fundraising have many implications<sup>7</sup>. They impact on the types of people who become fundraisers (and just as importantly, those who do not). They affect how fundraisers become knowledgeable and competent at what they do. They touch on the respect and esteem in which fundraisers are held by their colleagues, donors and other stakeholders, and how they are treated by those other stakeholders. And also in how fundraisers see themselves and how they identify as members of a profession (or not).

We currently see a two-speed challenge with the fundraising profession, the first is that the demand for fundraisers continues to outstrip supply and that there is a real need to see further professionalisation of fundraising to ensure that we can continue to achieve new levels of industry excellence and best practice and ensure we have the ability to support and retain our best and brightest fundraising talent. Both of these issues can come from a campaign to identify, train, and empower a new generation of fundraisers.

Fundraise For Australia<sup>8</sup> (F4A) was formed in 2021 to tackle this exact problem. It is a national fellowship program that connects new fundraisers with the tools and opportunities that will help them navigate the early stages of their careers and deliver transformative change for their communities.

F4A through their own regionally focused curriculum (something that is unique to the sector) seeks to identify, recruit and train over 1000 new fundraisers which can help leverage an additional \$117 million in charitable donations as the sector seeks to double giving by 2030.

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<sup>6</sup>

<https://www.case.org/resources/advancement-investment-and-fundraising-results-nine-year-study-30-higher-education>

<sup>7</sup> <https://www.rogare.net/fundraising-profession>

<sup>8</sup> <https://www.fundraiseforaustralia.com/about>

## **Investing in fundraising education**

Government investment in formal education programs for fundraisers is also essential for professionalising the fundraising sector (of which is largely a self-regulated industry) and ensuring effective fundraising practices.

There are limited programs in Australia that provide structured training and skill development curriculum, to the extent that they can equip fundraisers with the knowledge and expertise needed to plan, implement, and evaluate effective fundraising campaigns.

Affordability is also a key part of the education mix and where Fundraise for Australia is unique to the sector, providing our courses for free (with over 40 hours of training). Comparative professional development courses from the Association of Fundraising Professionals (AFP), Council for Advancement and Support of Education (CASE) and Fundraising Institute of Australia (FIA) cost anywhere from \$1750 up to \$5500, with these educational costs often seen as a barrier for entry for new fundraisers and acutely felt by small to medium not-for-profit (NFP) organisations with razor-thin margins and limited budget for professional development.

There are also addition approaches Commissioners of this inquiry might consider taking including:

- Supporting the establishment of undergraduate courses in fundraising through new Commonwealth supported places.
- Encourage TAFE's to run fundraising courses and support their establishment by including them in the additional 300,000 Fee-Free TAFE and vocational education and training places recently made available nationwide
- Create new Fundraising Apprenticeships to support small to medium charities scale their impact
- A not-for-profit graduate job scheme similar to the Charityworks model in the UK

Learning from experienced instructors and staying updated on industry trends, is essential for Australian fundraisers to optimise their fundraising efforts, cultivate donor relationships, and maximize revenue generation for nonprofit organizations. An investment in any of the aforementioned options signals a commitment to professional excellence and accountability, enhancing donor confidence and supporting the long-term sustainability of the not-for-profit sector.

Ultimately, these types of education programs have shown to play a crucial role overseas in building a more resilient and impactful philanthropic sector, benefiting both fundraisers and the communities they serve.

Good fundraisers also drive improvements to the performance of not-for-profits by internally advocating for organisational changes that increase the chances of securing donations – this includes the articulation of the not-for-profit’s value proposition, setting clear objectives, better forward planning, increased financial transparency and better evidence of impact.

## **Overseas models**

**Charityworks** is a 12 month government funded program that pays participants to build a career in the UK’s charitable sector<sup>9</sup>.

This program offers an overview of key societal and nonprofit sector issues. Endorsed by the Institute of Leadership and Management, it aims to develop the skills, knowledge, and networks useful throughout their career. Charityworks Trainees are placed into partner host organisations to perform real jobs, ranging from delivering front line services through to working on research and strategy. They are placed into an organisation and role according to their skills, motivations, and the employer’s requirements.

Alongside their placement, trainees take part in a leadership program made up of a self-directed learning and group work with the aims to give an overview of some of the key issues affecting society and the non-profit sector. Each trainee also completes an independent research and enquiry project as part of the program. Research provides trainees with an opportunity to spend some time researching and thinking about topics that affect them, their organisations, and the not-for-profit sector as a whole.

Funding for this program comes from Government and was a result of a Charityworks report which suggested that two-thirds of recruitment and training budgets in the sector were stagnating.

The study, which compiled responses from 54 charity leaders and chief executives, concluded that talent development is the sector’s “Achilles heel”<sup>10</sup>. The report showed that while one in three organisations asked believe talent to be the most important ingredient for success, 81 per cent don’t prioritise it highly enough.

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<sup>9</sup> <https://www.charity-works.co.uk/>

<sup>10</sup>

<https://fundraising.co.uk/2014/03/06/talent-development-sectors-achilles-heel-finds-study/#:~:text=Compiling%20research%20from%20over%2050,talent%20highly%20enough%5Bii%5D>.



**Apprenticeship Levy** - Apprenticeships allow people of all ages to earn while they learn and gain the skills they need to build a rewarding career. Since 2010, over 5.3 million apprentices have started their apprenticeship journey in a wide range of industries, from health to business, to engineering and beyond.

An apprenticeship levy was created in 2017 so businesses could take on more apprentices, alongside the opportunity to invest in high quality training to develop the skilled workforce they need.

The apprenticeship levy was paid by large employers with a pay bill of over £3 million. Currently, only 2% of employers pay the levy, which is set at a rate of 0.5% of their total annual pay bill.<sup>11</sup>

Taking advantage of this program, the University of Kent created the Level 3 Fundraiser Apprenticeship programme<sup>12</sup> which provides apprentices with the skills, behaviours and knowledge to identify, build and maintain relationships to raise financial (such as funds) and non-financial support (such as raising awareness) for their charitable cause.

This 13 month course is free to apprenticeship levy payers and only £400 in total for non-levy payers.

Every employer who pays the levy has a digital account where they can access their levy funds to spend on apprenticeship training.

While only the biggest businesses pay the levy, the funding generated by it also funds apprenticeship training for other employers who want to take on apprentices.

Smaller employers – those with a total annual pay bill of less than £3 million – pay just 5% of the cost of their apprenticeship training and the Government pays the rest. It has been a huge success and in terms of the overall apprenticeships budget, in the last financial year 99.6% of the budget was spent.

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<sup>11</sup>

<https://educationhub.blog.gov.uk/2023/03/10/how-are-apprenticeships-funded-and-what-is-the-apprenticeship-levy/>

<sup>12</sup>

<https://www.kent.ac.uk/global-lifelong-learning/apprenticeships/employing-an-apprentice/fundraiser#:~:text=The%20Level%20Fundraiser%20Apprenticeship.awareness>

## The future of fundraising

Research from McKinsey assessed job trends through 2030<sup>13</sup>, revealing potential shifts in occupations with implications for workforce skills and wages. While their findings suggest enough work to maintain full employment through this time, the transitions will be challenging, resembling past shifts out of agriculture, energy production and manufacturing.

Not-for-profit staff already constitute approximately 10.5% of the Australian workforce<sup>14</sup> and are expected to be disproportionately affected by automation and further digitalisation of the economy.

The key takeaways of this research emphasise the potential for a sizeable increase in workers entering the service industry due to automation and artificial intelligence. This could be a terrific opportunity to upskill displaced workers for new roles in fundraising, especially when the average salary for a fundraising role is \$104,562 according to the Economic Research Institute<sup>15</sup>.

As automation reshapes job landscapes, investing in the charitable sector can help mitigate the challenges posed by these transitions and support workforce development initiatives tailored to emerging needs and ensure the sustainability and adaptability of the sector in the years ahead.

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<sup>13</sup>

<https://www.mckinsey.com/featured-insights/future-of-work/jobs-lost-jobs-gained-what-the-future-of-work-will-mean-for-jobs-skills-and-wages>

<sup>14</sup>

<https://www.acnc.gov.au/media/news/australian-charities-generate-190-billion-revenue-and-employ-105-workforce>

<sup>15</sup> <https://www.eri.com/salary/job/fundraiser/australia>

# Creating more value from the data held by Australian Government Agencies

## The government's role in standardising information

It is difficult to understate the value of high-quality sector data and insights. With high-quality data, donors would have greater confidence that their gifts are going to worthwhile causes. It would be easier for charities to share knowledge about what works and how to best direct their efforts. Governments and researchers would have a better evidence base from which to understand the sector, including the causes which are well serviced and those which are in greatest need. Better information would drive a better quality of public discourse about the sector, and would lead to better policy.

Despite the potential benefits to the sector, there is very little incentive for an individual to dedicate resources to the standardisation of information. The investment required by one actor is disproportionate to the benefit they stand to gain. While small coalitions of funders and NFPs have self-organised in Australia, they are ultimately motivated by their individual values and interests and their funding decisions or service design are highly likely to remain separate.

That is why the government's leadership and investment is crucial.

But this is not a new idea.

The case for the government's role in driving taxonomies to unlock private capital has been well made in environmental policy. For example, in Europe the EU Taxonomy is playing a vital role in driving investment in sustainability:

*"In order to meet the EU's climate and energy targets for 2030 and reach the objectives of the European green deal, it is vital that we direct investments towards sustainable projects and activities. To achieve this, a common language and a clear definition of what is 'sustainable' is needed. This is why the action plan on financing sustainable growth called for the creation of a common classification system for sustainable economic activities, or an "EU taxonomy".*

*The EU taxonomy allows financial and non-financial companies to share a common definition of economic activities that can be considered environmentally sustainable.*

*In this way, it plays an important role in helping the EU scale up sustainable investment, by creating security for investors, protecting private investors from greenwashing, helping companies become more climate-friendly and mitigating market fragmentation.*<sup>16</sup>

Here in Australia, a green taxonomy is the first plank in the government's Sustainable Finance Strategy. In an address to the Australian Sustainable Finance Institute in late 2022, the Treasurer said:

*First: improving transparency, beyond the disclosure reforms – so the market has more credible and verifiable data to make investment decisions, and a sustainable finance taxonomy will play a key role in this.*<sup>17</sup>

Around the same time, the Finance Minister said the government has committed to a green taxonomy with an “Australian accent” to drive investment in a more sustainable economy:

*“Working together with you on a green taxonomy, one that aligns with international standards, that has an Australian accent is going to be absolutely critical”.*<sup>18</sup>

A compelling case for a taxonomy has now been articulated in the government's consultation paper on the strategy which was open for submissions in late 2023.<sup>19</sup>

As for precedent in the charity sector, in the US, the National Centre for Charitable Statistics is “dedicated to advancing the knowledge and understanding of the nonprofit and charitable sector that operates at the intersection of data, research, and philanthropy”. Their mission includes

*“a commitment to transparency and public access by making all data and research findings free to scholars, policymakers, philanthropists, nonprofit practitioners, and the broader public. This commitment fosters informed decision*

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<sup>16</sup>

[https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities\\_en#:~:text=The%20taxonomy%20is%20a%20classification.environmental%20goals%20other%20than%20climate](https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en#:~:text=The%20taxonomy%20is%20a%20classification.environmental%20goals%20other%20than%20climate)

<sup>17</sup>

<https://ministers.treasury.gov.au/ministers/jim-chalmers-2022/speeches/address-australian-sustainable-finance-institute-sydney>

<sup>18</sup>

<https://www.investmentmagazine.com.au/2022/10/government-committed-to-taxonomy-with-australian-accent/>

<sup>19</sup> <https://treasury.gov.au/consultation/c2023-456756>

*making, fosters accountability, and facilitates a better understanding of nonprofit activities.”<sup>20</sup>*

Internationally there has been a long-running project to incrementally build a universal taxonomy for philanthropy. Candid’s Philanthropy Classification System describes

*“...the work of grantmakers, recipient organizations and the philanthropic transactions between those entities... [it] has been expanded over the last three decades to include the emerging work we have evidenced while capturing and indexing the work of the sector on a global scale.”<sup>21</sup>*

These models could be adapted to the Australian context, where a culture of philanthropy is relatively nascent.

There are also existing Australian taxonomies for more mature economic sectors and from the government sector that we could borrow from to inform the classification of jobs, types of income, causes, outputs and outcomes.

A national taxonomy for the Australian NFP sector would significantly enhance the flow of private capital to philanthropy. But this can only occur through meaningful engagement with the sector over a long period of time. A commitment to such a taxonomy would require a bold investment of resources and a long-term vision to ensure we keep building towards a model that works for Australia.

Any such commitment should include a thorough investigation of the types of information that should be standardised. Below we set out some specific cases.

### **Occupation classifications**

To achieve a doubling of giving by 2030, F4A believes it is critical to invest in the fundraising profession.

To better understand the potential public benefit, it would be ideal if this inquiry could provide the Government and the ACNC with an understanding of the sector’s workforce. For example, it would be ideal to explore the proportion of fundraisers to other staff in NFPs compared to analogous roles in the private sector, the types of roles created to support philanthropists, whether skill requirements for fundraising have shifted over time, and whether there are any emerging fields or unique jobs that could potentially shape the future.

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<sup>20</sup> <https://nccs.urban.org/nccs/about/>

<sup>21</sup> <https://taxonomy.candid.org/>

Unfortunately the workforce data for philanthropic organisations and not-for-profits is difficult to extrapolate given that the majority of roles and their ensuing titles are largely missing from ATO and ABS data sets.

The fact is that many of the jobs that are popular in this industry are not yet reflected in ANZSCO.

We strongly encourage this inquiry to recommend to Government that The Australian Bureau of Statistics (ABS) continue its ongoing review of the Australian and New Zealand Standard Classification of Occupations (ANZSCO) with the next round of public consultation to include the social sector, a sector which currently forms 10.5% of the Australian workforce.

It is important to note that not one position that is commonplace in our sector is captured in the salary and wage occupation codes at the ATO with no mention of the word charity, nonprofit, or philanthropy in the list of thousands of professions listed. For example, fundraisers often list salesperson or salesperson (other).

With salary and wage occupation codes an important part of the information the ATO gives to the ABS this needs to be rectified promptly. Not to mention that these classifications also support the data sets that inform tax-deductible giving by occupation.

This information should build upon the recent National Skills Commission report that has identified and validated 25 emerging occupations within seven categories in the Australian labour market<sup>22</sup>, with fundraising being one of those seen as a growing and well-paid profession.

Having the ABS looking at the social sector and its ANZSCO classifications will result in better data that will be able to give more detail on wages, retention, sector growth, and provide a comprehensive snapshot of how our not-for-profits and foundations are structured, segmenting how their expertise contributes to addressing community needs based on impact and size among other important metrics.

It will also help understand the full costs of running a charity, understanding the investments that go into fundraising and their return on investment. Something that could also be highlighted in the ACNC's charity register.

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<sup>22</sup> <https://tda.edu.au/emerging-occupations-national-skills-commission/>

## Pay what it takes

Despite the strong ROI on fundraisers, many not-for-profits have reduced fundraising investments over the last decade, seemingly disregarding this principle. One reason for this reduction stems from the common practice of under-reporting fundraising expenses, aimed at portraying organisations as more efficient than they actually are. Studies in the U.S. including the *Special Issues in Nonprofit Financial Reporting* from the Urban Institute<sup>23</sup> and *Nonprofit Overhead Costs: Breaking the Vicious Cycle of Misleading Reporting, Unrealistic Expectations, and Pressure to Conform*<sup>24</sup> from The Bridgespan Group, have revealed significant under-reporting, with a third of nonprofits reporting zero fundraising costs, perpetuating the misconception of efficiency.

The pressure to under-report fundraising expenses comes from various sources including donors, media, and board members. Despite the ethical implications and federal penalties, the practice persists, eroding trust and credibility among donors. Major donors, particularly those from the business sector, recognize the discrepancy between reported and actual costs, leading to increased skepticism towards nonprofit metrics. Ultimately, the issue at hand revolves around trust and transparency, highlighting the imperative for nonprofits to uphold ethical reporting practices to maintain donor confidence.

We appreciate the emphasis in the draft report on enhancing public information about charities. However, it's crucial to share data in a way that doesn't promote the misconception that the best charities spend minimally on overhead while maximising program dollars. A more balanced approach, focusing on return on investment (ROI) and positive impact, would provide a better assessment of nonprofit practices and serve as a more informative guide for donors, especially if the ACNC charity register is to be revamped as per draft recommendation 9.1.

One of the main challenges in pay what it takes practices lies in the lack of a shared definition and understanding of indirect costs. We support the collaborative efforts highlighted in the *Paying what it takes: Funding indirect costs to create long-term impact report*<sup>25</sup>, produced jointly by the Centre for Social Impact, Philanthropy Australia, and Social Ventures Australia and hope that many of the points raised in the report inform work around this issue.

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<sup>23</sup>

<https://www.urban.org/sites/default/files/publication/58176/411120-Special-Issues-in-Nonprofit-Financial-Reporting.PDF>

<sup>24</sup> <https://www.bridgespan.org/insights/nonprofit-overhead-costs-break-the-vicious-cycle>

<sup>25</sup> <https://www.csi.edu.au/research/paying-what-it-takes-funding-indirect-costs-to-create-long-term-impact/>

## **Output and outcomes**

While no single taxonomy could hope to capture and compare the breadth of causes served by NFPs, it might be possible to map a significant proportion of NFP's efforts to existing government services.

Rather than aiming to compare the impact of all charitable services with each other, we could aim to build a standard set of information about the activities and outcomes of distinct segments within the sector. This should start with an exploration of the taxonomies that exist to classify the activities and outcomes of government services, and mapping them to NFPs activities to capture the degree of alignment and divergence, and then build from there to adapt those taxonomies to NFP practices and activities as necessary.

## **The soft power of guidelines and templates**

We share concerns aired in the draft report about not increasing the regulatory burden on charities or philanthropists, and we do not wish to advocate for unnecessary red tape or additional reporting without further consultation or dedicated resourcing.

However, a number of charities and philanthropies voluntarily publish information about their activities.

By publishing guidelines and templates which represent best practice, the government could positively and incrementally influence practices instead of imposing a strict regulatory burden.

## **A government matchmaking service**

With high quality information, it would become possible for government to build a platform for donors and philanthropies to be anonymously matched.

Philanthropists and donors spend a considerable amount of time and effort finding each other, and a match is still highly dependent on personal networks or chance meetings.

An opt-in match making service would allow donors to anonymously invite interest from charities that align to their values or philanthropic giving strategies. Charities could also make their needs known and be exposed to donors that might otherwise be out of reach.



The Australian organ transplant matching service is but one model that could be explored for adaptation to the charity sector.<sup>26</sup>

This would not undermine the value of or need for dedicated fundraisers. Fundraisers still play a vital role in qualifying donors once matched to ensure the relationship is worth pursuing, in ensuring there is alignment between the donor and NFP, and in developing financial propositions - as well as nurturing the relationship once a gift is made. And all this is in addition to the vital role they play in contributing to an internal dialogue on the performance of the organisation.

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<https://www.health.gov.au/ministers/the-hon-dr-david-gillespie-mp/media/making-matching-more-successful-for-people-needing-an-organ-transplant>