
The value of relationship and communication management in fundraising: Comparing donors' and practitioners' views of stewardship

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Abstract

The organisation-public relationship paradigm has frequently referenced Kelly's (2001) stewardship strategies as possible methods for strengthening relationships with stakeholders; however, there have been no attempts to measure stewardship. A mailed survey of individual donors (n = 1,706) and fundraising team members (n = 124) at three non-profit hospitals asked participants to evaluate their views toward the four stewardship strategies as well as estimate how the other side would evaluate them. By using the coorientation methodology, this study found that although both sides valued the four stewardship strategies, their attitudes differed in magnitude. These findings provide growing support for future examination of stewardship in other public relations settings, and specifically they add to the growing literature on the importance of donor cultivation.

Introduction

Currently, there are more than 1.9 million non-profits in the United States (IRS, 2006). Nearly 1.4 million of these organisations are charitable organisations, a legal term meaning that gifts to them are deductible from taxable income (IRS, 2006). In 2009, Americans donated \$303.75 billion to charitable organisations (Giving USA Foundation, 2010). Fundraisers play a critical role in ensuring that charitable non-profits receive their share of these contributions from both major gift donors, who are capable of giving multi-million-dollar gifts, and annual giving donors, who give donations that range from \$5 to several thousands of dollars.

Fundraising is a vital component of the day-to-day activities of charitable non-profit organisations. Practitioner-oriented books and workshops tout the value of stewardship in cultivating relationships with annual giving and major gift donors (e.g., Matheny, 1999). By dedicating more time to donor relations, Worth (2002) says that incorporating stewardship into the fundraising process will result in increased donor loyalty to the non-profit.

Many fundraisers struggle with deciding the best methods for developing relationships with donors. Based on conversations with fundraisers and her personal experience in the fundraising profession, Kelly (2001) outlined four specific stewardship strategies that can be used to foster relationship growth. However, these strategies have only been discussed conceptually. They have yet to be defined and studied by public relations for their suitability to the profession. The purpose of this study is to define the four dimensions of stewardship and assess their value to the non-profit organisation-donor relationship.

Literature review

The fundraising relationship

Contrary to its name, fundraising rarely focuses on soliciting for charitable donations. Instead, fundraising practitioners spend a majority of their time involved in the management of relationship cultivation between the non-profit organisation and its donors (Kelly, 1998). Recent studies have shown that fundraisers are increasingly taking on more managerial duties than technical ones (Tindall & Waters, in press; Waters, 2008) as the competition for

organisations' "fair share" of the upcoming \$41 trillion intergenerational transfer of wealth (Havens & Schervish, 2003).

Rosso (1991) asserts that non-profits should dedicate a significant amount of resources to relationship cultivation with their major contributors. The greater the amount of time and resources devoted to getting to know donors, the greater the likelihood of securing repeated contributions from donors (Hall, 2002). After making an initial small donation to a non-profit as a result of a direct mail or telephone solicitation, fundraising practitioners remain in contact with donors to educate them on how their donations were used so the organisation can work to build trust with donors by sending annual reports, newsletters, and personalised direct mail pieces.

During subsequent solicitations, practitioners aim to increase the individual's level of giving as the relationships with donors grow (Ritzenhein, 2000). Fundraisers use various strategies to continue to nurture relationships with donors. Kelly (1998) suggests that fundraisers spend less than 10 percent of their time soliciting for donations, and subsequent unpublished doctoral dissertations confirm her suggestion (e.g., Oriano-Darnall, 2006). Instead, they use their time to inform donors about programmatic successes, new opportunities to expand the organisation, and the organisation's financial and social accountability to its stakeholders. When fundraisers spend more time using interpersonal communication strategies with major gift donors and personalised, organisational communication tactics to reach annual-giving donors, they are able to secure longevity for the organisation because they have created a healthy organisation-public relationship with donors.

Organisation-public relationship

Despite early calls to study the impact of relationship management on the field (e.g., Ferguson, 1984), public relations scholars largely ignored this area of research until four scholars focused their efforts on understanding relationship dynamics. Hon and Grunig (1999)

outlined overall dimensions of the organisation-public relationship by operationalising trust, commitment, satisfaction, and control mutuality. These concepts have also been identified and explored by Ledingham and Bruning in their numerous studies on relationship management (e.g., 1998) in addition to examining strategies that organisations could use to develop relationships (Chia, 2006).

Throughout the literature on relationships, public relations scholars have used the term maintenance to describe the strategies they recommend using in the organisation-public relationship. Hung (2005) proposed changing how public relations scholars describe the relationship strategies. Hung's (2002) research on types of relationships demonstrates that organisational behaviour, whether intentional or accidental, can potentially damage the relationship with stakeholders. Therefore, organisations cannot simply maintain relationships with their publics, but they should also work to restore relationships that have been damaged. With this perspective, Hung contends "behaviors in relationships are an on-going cultivating process. Therefore, the term 'cultivation strategies' fits more in the context of relationship management" (2005, p. 23). Therefore, the relationship cultivation moved from a position of communication maintenance to one of communication management.

Stewardship

Given the appropriateness of sound and meaningful relationships in the fundraising process, it is important to understand how fundraisers cultivate relationships with donors. Previous discussions of relationship maintenance strategies included discussions of stewardship; Ledingham (2003) mentioned that stewardship was a necessary component of relationship management. However, the four stewardship strategies outlined by Kelly (2001) have been neglected by organisation-public relationship studies. The strategies are reciprocity, responsibility, reporting, and relationship nurturing.

Kelly advocated that organisations—non-profit, for-profit, and government—should actively work to incorporate these strategies into their communications and public relations planning because stakeholders are concerned with how they are treated after the interaction with the organisation. Organisations that include these strategies are also more likely to follow high ethical standards.

Reciprocity. Organisations cannot exist without the involvement of different stakeholder groups. Therefore, they must actively pursue different ways to demonstrate gratitude to their stakeholders. Organisations should make attempts to publicly recognise these publics as well as making a sincere expression of appreciation for their involvement. When non-profit organisations receive donations, they must work quickly to thank donors through letters that declare the tax deductibility of the gift along with a note of appreciation. Donors may also receive a phone call from the chief development officer to express gratitude on behalf of the organisation in a more timely manner. Many non-profits also publicly thank donors through publishing the names of contributors in their annual reports and on their websites.

Reciprocity has been acknowledged as an important part of the public relations process. Reciprocity is the core component of the push for organisations to be socially responsible (Grunig & White, 1992). Whether through adopting positive attitudes or engaging in behaviour that supports an organisation, publics expect that organisations reciprocate that support. When organisations repay these obligations to stakeholders, they create social balance and encourage continued support from their publics.

Responsibility. Organisations have an ethical obligation to act in a socially responsible manner for their stakeholders (Leeper, 1996). When an organisation states that it will behave in a certain manner, publics expect that behavior to occur. Wilson (1994) argued that public relations practitioners serve as the organisation's internal conscience and provide the foundation for responsible

organisational behaviour. This component of stewardship is similar to one proposed by Hung (2002), who concluded that companies should keep their promises with stakeholders to demonstrate their dependability. This element of stewardship centres on an organisation's ability to do for its publics what it has said it would do. Heath (1997) argued that public relations practitioners were responsible for ensuring that organisations met their key publics' expectations.

In the non-profit organisation-donor relationship, fundraisers often raise money for very specific programmes based on donors' interest. After receiving charitable gifts, fundraisers must work to ensure that the contributions are used only for the programmes to which they were donated. If donations are misused, the relationships with donors are damaged because the trust is betrayed. The non-profit sector has seen numerous recent examples of abusive practices, including the American Red Cross' misdirection of contributions to the Liberty Fund (Carson, 2002) and the misuse of funds by the director of the United Way's national headquarters (Gibelman & Gelman, 2001). This mistake can be costly to a non-profit organisation because research shows that it is more cost effective to have an existing donor renew their gift than it is to pursue donations from new donors (Worth, 2002).

Reporting. It is not enough for an organisation merely to act responsibly. They must also take proactive measures to inform publics about their successes and failures. Through annual reports, website updates, and newsletters, fundraisers can keep their stakeholders informed about organisational activities (Heath & Coombs, 2006). For example, a non-profit that solicited for donations to improve community parks has an obligation to let donors who supported that programme know how the parks were improved. Reporting allows organisations to demonstrate their accountability to a variety of publics through the provision of accurate, detailed information (Ni, 2006).

Given the large number of scandals in the non-profit sector in the previous decade, fundraisers need to make sure their financial information is available through their websites. By providing their audited financial documents and IRS tax forms, fundraisers can demonstrate financial accountability to donors. Given the increasing levels of doubt about how non-profit organisations use donations (Light, 2003), non-profits must actively demonstrate that they are accountable to donors. Relationships with donors and other stakeholder groups cannot be maintained if organisations do not voluntarily share this information.

Relationship nurturing. Current directions in public relations scholarship stress that relationship building with stakeholders be the cornerstone of an organisation's public relations efforts (Boynton, 2006). Given the numerous organisation-public relationship studies that demonstrate the benefits of long-term relationships, it is important that specific strategies for relationship cultivation be outlined. Kelly (2001) stresses the most important aspect of relationship nurturing is to "accept the importance of supportive publics and keep them at the forefront of the organisation's consciousness" (p. 286).

Opportunities to nurture relationships with publics occur everyday. Involvement is a key ingredient to maintaining a healthy relationship with publics (David, 2004). Non-profits should make sure that they offer multiple ways to involve donors in the organisation's activities. Major gift donors and prospects should also be invited to special events and open houses. As the non-profit-donor relationship strengthens, fundraisers may also send handwritten cards for special occasions, such as birthdays, anniversaries or upon learning of serious illnesses (Matheny, 1999). While this may require additional resources and time, the cultivation efforts will pay off over time. As Lord (1983) states, "good stewardship is well worth the extra effort it requires. It is the bedrock on which the future of an organisation is built." (p. 93).

Even though scholars have advocated for the dedication of time and resources to be poured

into relationship cultivation, practitioners need encouragement that using specific strategies is worthwhile for the organisation and its publics. Before dedicating resources to some strategies over others, it would seem imperative to measure the publics' and the organisation's perspective of the strategies to see which are most valued.

However, relationship studies have yet to take the organisation's perspective into consideration despite Ferguson's (1984) original suggestion that the "coorientational measurement model should prove quite useful in conceptualizing relationship variables for this type of paradigm focus" (p. 17). Many public relations scholars have advocated for the inclusion of the organisation's perspective in relationship studies (Ledingham, 2003; Ledingham & Bruning, 1998; Seltzer, 2005), but they have not yet appeared in public relations scholarship.

The coorientation model

In their textbook, *Using research in public relations: Applications to program management*, Broom and Dozier (1990) suggest that the use of coorientation measurement would be an important way for an organisation to compare its perspective on an issue with that of its stakeholders. As shown in Figure 1, agreement is the extent to which the fundraisers and donors hold similar views on the stewardship strategies. Perceived agreement is the extent to which one side perceives agreement or disagreement with the other side on the evaluation of the stewardship strategies. Accuracy is the extent to which one side's estimate of the other side's views concurs with the actual views of the other side.

Analysing an issue using the coorientation methodology allows a researcher to understand the state of the relationship between the two sides of that issue. The four coorientation states are consensus, dissensus, false consensus, and false conflict. Consensus exists when the organisation and the public agree; both sides essentially share the same view and each knows that agreement exists. Dissensus is the opposite state: the two sides disagree and recognise the

disagreement. The last two states result from inaccurate perceptions. False consensus exists when the organisation thinks the public agrees

Seltzer (2005) found that current organisation-public relationship is asymmetrical with studies focusing on only one side of the relationship. With few exceptions, studies have not included the measurement of organisational representatives into their research designs despite their impact on the relationship. For this reason, this study opens up understanding of relationship dynamics by using the coorientation methodology to evaluate both groups' attitudes toward cultivation strategies used in the non-profit organisation-donor relationship. Because no prior research has been published using the coorientation methodology to evaluate the organisation-public relationship, this study proposes three research questions to explore this relationship:

RQ1: To what extent do the fundraising team and donors agree/disagree on their evaluation of the non-profit-donor relationship and strategies?

RQ2: To what extent does the fundraising team and donors perceive agreement/disagreement between themselves and the other side on their evaluation of the non-profit-donor relationship and strategies?

RQ3: To what extent are the fundraising team and donors accurate/inaccurate in predicting the other side's views on their evaluation of the non-profit-donor relationship and strategies?

with it on an issue but the public does not, and false conflict exists when either party mistakenly thinks there is disagreement.

Methodology

Surveys and follow-up postcards were mailed to a random sample of donors to three non-profit hospitals in the Western United States and to members of the hospital's fundraising team, which included all participants who were actively involved in solicitation for donations (e.g., fulltime employees, the board of directors, key administrative hospital officials, and volunteers). Of the 4,173 surveys mailed to randomly sampled donors, 1,706 were returned completed, and 124 fundraisers completed the survey out of the 130 who were asked to participate. Therefore, the overall response rate was 43 percent.

In addition to anonymously collected demographic information, such as gender, age, and socio-economic status, this survey used existing scales to measure stewardship in non-profit organisation-donor relationship (Waters, 2009) using the process outlined by DeVellis (1991). The items for the new measurements are listed in Table 1. The scales used the measurements recommended by Hon and Grunig's (1999) monograph, a 9-point scale ranging from strongly disagree (1) to strongly agree (9).

The new indices for the stewardship variables were also found to be reliable with Cronbach alpha values ranging from .80 to .91. Although the value for reciprocity is less than ideal, Carmines and Zeller (1979) note that this is not uncommon with new scales, which often need multiple revisions to generate reliability.

Table 1: Operational definitions for Kelly’s (2001) four stewardship strategies.

Variable	Cronbach’s Alpha
Reciprocity 1. The organisation acknowledges fundraising donations in a timely manner. 2. The organisation always sends me a thank you letter for my donations. 3. The organisation is not sincere when it thanks donors for their contributions. (Reverse) 4. Because of my previous donations, the organisation recognises me as a friend.	$\alpha = .80$
Reporting 1. The organisation informs donors about its fundraising successes. 2. The organisation tells donors how it has used their donations. 3. The organisation’s annual report details how much money was raised in that year. 4. The organisation does not provide donors with information about how their donations were used. (Reverse)	$\alpha = .88$
Responsibility 1. The organisation considers its donors when deciding how to use their donations. 2. The organisation uses donations for projects that are against the will of the donors. (Reverse) 3. Donors have confidence that the organisation will use their donations wisely. 4. The organisation tells donors what projects their donations will fund.	$\alpha = .91$
Relationship nurturing 1. Donors only hear from the organisation when it is soliciting donations. (Reverse) 2. The organisation is more concerned with its fiscal health than with its relationships with donors. (Reverse) 3. Donors receive personalised attention from the organisation. 4. The organisation invites donors to participate in special events that it holds.	$\alpha = .83$

Results

Of the 1,830 participants in the study, females made up the majority of donors (53 percent) and the fundraising team (51 percent). Reflecting the diversity of the region, Caucasians were the largest group in the sample

(45 percent); however, there were a significant number of participants who identified themselves as being Asian/Pacific Islander (17 percent), Hispanic/Latino (12 percent), Middle Eastern (12 percent), and African-American/Black (9 percent). The mean age of the donors was 44.8 years of age (SD = 13.91).

Table 2: Agreement between donors and the fundraising team on the evaluation of the non-profit-donor relationship.

Variable	Mean of donors’ views N = 1,706	SD	Mean of fundraising team’s views N = 124	SD	D-Score
Reciprocity	6.95	1.07	7.59	.98	.64***
Responsibility	6.78	1.07	7.10	1.05	.32**
Reporting	6.87	1.09	7.47	.93	.60***
Relationship nurturing	6.50	1.15	7.25	1.09	.75***

p<.01, *p<.001

Waters, R. D. (2010). The value of relationship and communication management in fundraising: Comparing donors’ and practitioners’ views of stewardship. *PRism* 7(1): <http://www.prismjournal.org/homepage.html>

The study's first research question sought to determine whether donors and fundraisers viewed the stewardship strategies similarly. Analysis revealed that there was agreement on all four strategies. However, as Table 2 shows, donors did not evaluate them as favourably as the hospital fundraisers who work with the donors.

Donors felt that all of the stewardship strategies were important components of cultivation; however, they did not view them as favourably as the fundraisers. When comparing the D-scores and utilising independent t-tests, the greatest difference existed between the two sides' views on relationship nurturing (D-score

= .75; $t = -7.07$, $df = 1828$, $p < .001$) while the two groups were most similar in their evaluations of responsibility (D-score = .32; $t = -3.27$, $df = 1828$, $p < .01$). Although the donors evaluated reciprocity (D-score = .64; $t = -6.51$, $df = 1828$, $p < .001$) and reporting (D-score = .60; $t = -5.91$, $df = 1828$, $p < .001$) positively, their views were significantly lower than the viewpoints of the fundraising team. Independent t-test results demonstrate that the answer to the first research question is that donors and fundraising team members both value stewardship; however, statistically significant differences exist between the two groups on all of the four strategies.

Table 3: Donors' perceived agreement with the fundraising team on the evaluation of the non-profit-donor relationship.

Variable	Mean of donors' View N = 1,706	SD	Mean of donors' estimate of fundraising team's view N = 1,706	SD	D-Score
Reciprocity	6.95	1.07	7.12	1.00	.17***
Responsibility	6.78	1.07	6.95	1.04	.17***
Reporting	6.87	1.09	7.07	1.03	.20***
Relationship nurturing	6.50	1.15	6.69	1.06	.19***

*** $p < .001$

The second research question sought to determine whether either side of the non-profit-donor relationship perceived agreement with the other in how the stewardship strategies were evaluated. Table 3 presents the comparison between the donors' views and their estimates of how the fundraisers would answer the same questions.

Although there was statistical difference in how the donors evaluated the dimensions and how they estimated the fundraisers would, the D-scores indicate that the differences were reasonably small. When evaluating the perceived agreement for the strategies, there was an overall consensus that donors felt

fundraisers would evaluate the strategies more favourably than they would. The greatest difference existed for the networking variable. Donors felt that fundraisers thought reporting would be more important for the relationship than it actually is (D-score = .20; $t = -19.59$, $df = 1705$, $p < .001$). Donors also felt that fundraisers would indicate that reciprocity (D-score = .17; $t = -16.82$, $df = 1705$, $p < .001$), responsibility (D-score = .17; $t = -19.49$, $df = 1705$, $p < .001$), and relationship nurturing (D-score = .19; $t = -17.24$, $df = 1705$, $p < .001$) were more valuable to the relationship than the donors felt they were.

Table 4: The fundraising team’s perceived agreement with donors on the evaluation of the non-profit-donor relationship.

Variable	Mean of fundraising team’s view N = 124	SD	Mean of fundraising team’s estimate of donors’ view N = 124	SD	D-Score
Reciprocity	7.59	.98	7.60	0.95	.01
Responsibility	7.10	1.05	7.12	1.08	.02
Reporting	7.47	.93	7.51	1.03	.04
Relationship nurturing	7.25	1.09	7.28	1.01	.03

Turning to perceived agreement from the organisation’s viewpoint, members of the fundraising team perceived agreement across all four strategies. As shown in Table 4, the fundraisers felt that they were very close in agreement since there were no statistically significant differences based on the paired t-tests conducted for reciprocity (D-score = .01, $t = -.33$, $df = 123$, $p = .74$), reporting (D-score = .04, $t = -1.10$, $df = 123$, $p = .27$), responsibility (D-score = .02, $t = -.31$, $df = 123$, $p = .76$), and

relationship nurturing (D-score = .03, $t = -.72$, $df = 123$, $p = .47$).

In summary, the answer to the second research question is that both the fundraising team members and donors to the non-profit organisations perceive agreement with each other on the value of the stewardship strategies. Even though donors perceived agreement, they believed the fundraising team members would evaluate the variables more positively than the donors did.

Table 5: Donors’ accuracy on estimates of the evaluation of the non-profit-donor relationship.

Variable	Mean of donors’ estimate of fundraising team’s views N = 1,706	SD	Mean of fundraising team’s views N = 124	SD	D-Score
Reciprocity	7.12	1.00	7.59	.98	.47***
Responsibility	6.95	1.04	7.10	1.05	.15
Reporting	7.07	1.03	7.47	.93	.40***
Relationship nurturing	6.69	1.06	7.25	1.09	.56***

*** $p < .001$

The third research question examined how accurate the two sides’ estimates were by comparing the estimates of one group with the actual evaluations by the other. As shown in Table 5, donors were accurate in predicting the leanings of the fundraising team’s views, but they underestimated how much the fundraising team valued all of the stewardship strategies. Furthermore, with one exception, the degree of the underestimation was statistically significant.

Relationship nurturing (D-score = .56; $t = -5.68$, $df = 1828$, $p < .001$) and reciprocity (D-score = .47; $t = -5.13$, $df = 1828$, $p < .001$) were the donors’ most underestimated strategy though reporting (D-score = .40; $t = -4.15$, $df = 1828$, $p < .001$) was also significantly underestimated. Donors also underestimated the value the fundraising team gave to responsibility (D-score = .15; $t = -1.57$, $df = 1828$, $p = .12$); however, the difference was not statistically significant.

Table 6: The fundraising team’s accuracy on estimates of the evaluation of the non-profit-donor relationship.

Variable	Mean of fundraising team’s estimates of donors’ views N = 124	SD	Mean of donors’ views N = 1,706	SD	D-Score
Reciprocity	7.60	0.95	6.95	1.07	.65***
Responsibility	7.12	1.08	6.78	1.07	.34**
Reporting	7.51	1.03	6.87	1.09	.64***
Relationship nurturing	7.28	1.01	6.50	1.15	.78***

p < .01, *p<.001

Examining the accuracy of the fundraising team’s estimations of donors’ value of stewardship reveals that the fundraisers significantly overestimated all of the donors’ views. Table 6 shows that the most statistically significant differences were on the strategies of relationship nurturing (D-score = .78; $t = -7.35$, $df = 1828$, $p < .001$), reciprocity (D-score = .65; $t = -6.67$, $df = 1828$, $p < .001$), and reporting (D-score = .64; $t = 6.36$, $df = 1828$, $p < .001$). Even though it was still a significant overestimation, the fundraising team was more accurate in their predictions of how donors valued responsibility (D-score = .34; $t = -3.41$, $df = 1828$, $p < .01$).

To answer the third research question, both sides generally are accurate in their estimates of the other side’s views, although donors underestimate the fundraising team members’ views and the fundraising team members overestimate the views donors have regarding the relationship dimensions and cultivation strategies.

Discussion

The comparisons highlighted in the study’s three research questions are designed to reveal the four states of the coorientation model. Recapping this study’s findings, donors and fundraising practitioners generally are in agreement on all of the relationship outcomes and the four stewardship strategies. Even though there were many significant differences when looking at the levels of agreement,

perceived agreement, and accuracy, both sides of the relationship viewed the variables favourably. Applying the coorientation states to these findings, donors and fundraising team members are in a state of consensus on how they view the value of the four stewardship strategies. The states of dissensus, false conflict, and false consensus do not exist.

Fundraising practitioner literature has discussed the value of relationships with donors for years. In these discussions, they outline several tactics that can be carried out to foster relationship growth. With the advancement of the relationship management paradigm in public relations, researchers are now beginning to look at how organisations can cultivate relationships. In conceptualising the four strategies, Kelly (2001) stressed that the basic premises of stewardship are applicable to all stakeholder groups, not just donors to non-profit organisations. This study revealed that these strategies were valued in the fundraising setting by both sides of the non-profit organisation-donor relationship and post hoc analysis indicates that they may be particularly helpful for advancing the relationship.

Given the overestimation of the fundraising team’s perceptions, one-way ANOVAs were conducted to examine the differences between the 358 major gift and 1,348 annual-giving donors in how they value the four stewardship strategies. Major gift donors ($m = 7.53$, $sd = 0.92$) felt that the recognition and gratitude elements of reciprocity were more valuable than annual-giving donors ($m = 6.80$, $sd =$

1.05). Similarly, major gift donors ($m = 7.08$, $sd = 0.86$) felt that non-profit organisations' responsible use of gifts was more important than annual-giving donors ($m = 6.70$, $sd = 1.11$). Informing donors about programmatic updates and how donations were used were more important to major gift donors ($m = 7.29$, $sd = 0.95$) than annual-giving donors ($m = 6.76$, $sd = 1.09$). Finally, annual-giving donors ($m = 6.35$, $sd = 1.15$) did not value relationship nurturing as much as their major gift counterparts ($m = 7.04$, $sd = 0.98$). One-way ANOVAs confirmed that the differences were statistically significant for all four of the strategies: reciprocity ($F(1, 1704) = 144.59$, $p < .001$), responsibility ($F(1, 1704) = 36.35$, $p < .001$), reporting ($F(1, 1704) = 70.91$, $p < .001$), and relationship nurturing ($F(1, 1704) = 105.93$, $p < .001$).

Though not predicted in this study, these findings are not unexpected given prominent discussions in fundraising literature about the value of cultivation for major gift donors (e.g., Prince & File, 1994). Weinstein (2002) concluded that Pareto's Principle, a marketing tenet that 80 percent of sales come from 20 percent of customers, can be applied to fundraising. That is, 80 percent of donations will come from 20 percent of the donor database, most coming from major gift donors. Therefore, it is not surprising to see major gift donors evaluate the stewardship strategies more strongly. The fundraising process dictates that practitioners need to spend more time cultivating relationships with major gift donors. Even though both donor groups are valuable to the organisation, donors receive different treatment based on their abilities to give (Hager, Rooney, & Pollak, 2002).

For example, while non-profit organisations typically send typed thank you letters to annual-giving donors for their gifts, major gift donors may receive the typed letter, which doubles as a receipt to document the tax deductibility of their gift, as well as a handwritten note or a personalised phone call to demonstrate the organisation's gratitude (Matheny, 1999). Also, non-profits recognise donors differently. Some do not publish any list of their donors

while others publish everyone's name in the annual report by different giving levels, and many non-profits only name major gift donors. Various forms of public recognition could impact the way donors value this component of stewardship, especially when considering some donors do not want any sort of recognition for their charitable gifts (Fogal, 2005).

The differences between the donor groups also extend to the responsibility and reporting aspects of stewardship. Given the falling levels of confidence the general public has in non-profit organisations (Light, 2003), donors want to know that organisations are being fiscally responsible by reducing administrative costs so more money can go to carrying out their programmes and services (Salamon, 2002). Charity watchdog groups, such as GuideStar.org and CharityNavigator.org, evaluate non-profits based on their expenditures so donors can be kept informed. Non-profit organisations frequently highlight this information in their annual reports and on their websites as well.

While this information is valuable to all donors in educating them about their overall fiscal management, major gift donors often want more information on how their donations in particular were used (Salamon, 2002). Major gift donors often require that non-profits use their donations for a particular programme or service. They want non-profits to provide them with specific information on how their donations were used. Annual-giving donors, however, generally contribute during campaigns that are designed to raise unrestricted gifts for non-profits, meaning that the organisation can use the funds for any particular expense that they have. Because of the nature of their gift, annual-giving donors rarely want detailed information about how their specific donations were used.

Finally, the very nature of the fundraising process indicates that donors will evaluate relationship nurturing differently based on their levels of giving and length of involvement with the non-profit. Donors typically begin with small gifts to non-profits, and they increase these gifts over time as trust and confidence in

the non-profit's ability to achieve its mission grow (Waters, 2008b). Major gift donors receive greater personalised attention than annual-giving donors, and they are more often invited to organisation events, which allow the fundraisers to get to know the donor's interests in a one-on-one environment (Sargeant & Jay, 2004).

Conclusion

Although this study found that members of the fundraising team and donors to three non-profit hospitals in the Western United States were in general agreement about the value of stewardship in the fundraising process, post hoc analysis reveals that fundraisers can work to improve their relationships with annual-giving donors. Even though major gift donors are the main source of individual donations to non-profit organisations, their initial involvement with non-profits typically begins through smaller donations to the annual-giving campaign (Hager, Rooney, & Pollak, 2002). As the donor continues to donate based on the most basic elements of stewardship, fundraisers begin to ask for larger donations and identify individuals who are likely to become major gift donors (Matheny, 1999).

At this point, fundraisers are also likely to begin greater efforts to cultivate the relationship with donors. This study highlights that fundraisers may need to begin relationship cultivation earlier as annual-giving donors aren't recognising the value of stewardship at the same levels of their major gift counterparts. While resources must be carefully allotted to maximise their impact on the fundraising process, fundraisers can take small steps to ensure that annual-giving donors receive more personalised forms of communication. These small steps are likely to result in more repeat donations as well as accelerated movement to larger donations by annual-giving donors.

The results of this study, however, should be viewed carefully by non-profit organisations as there are some limitations that need to be taken into consideration. First, all three of the organisations represented the healthcare sector, which Kelly (1998) notes has the most

sophisticated fundraising programmes of all types of non-profit organisations. Therefore, their stewardship activities may be different than those of non-profits from other charitable sectors. Furthermore, the three hospitals that participated are large non-profits; smaller organisations may not have the resources to carry out stewardship activities on the same scale as the participating hospitals. Finally, although this study is one of the few relationship management studies that examines a relationship type using multiple organisations, the results only come from three organisations. These insights are very helpful in understanding how these stewardship strategies impact these three non-profits; however, they are based solely on the quantitative results from a newly developed scale. Qualitative inquiry through focus groups and in-depth interviews could magnify the field's understanding of stewardship.

Ideally, future research will explore stewardship in other public relations functions, such as investor relations, consumer relations, and community relations. Kelly (2001) maintains that stewardship is the second most important component of the public relations process; however, this claim has yet to be tested. By providing initial scales for the four stewardship strategies, future research can examine their impact in these domains. Additionally, fundraising scholars can continue their exploration of relationship cultivation by examining how non-profit organisations of varying size and fundraising expertise encourage relationship growth with their donors, which should be examined for individuals, corporations, foundations, and government funding agencies as well. As scholarship continues to explore what organisations can do to foster relationship growth, public relations practitioners can take scholarly findings and incorporate them into their daily tasks because relationship building is becoming the cornerstone of the profession.

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