Navigating Growth

Staffing and Donor Development Challenges in Ohio's Nonprofit Sector

Harness

Executive Summary

Ohio's nonprofit sector is a backbone of economic and community stability, encompassing approximately **53,000 organizations** employing over **540,000 individuals** and generating an estimated **$110 billion** in annual revenue.

53,000	**540,000**	**$110 billion**
Organizations	Individuals	Annual revenue

Active across urban centers like Cleveland, Columbus, and Cincinnati and in rural regions, nonprofits address health, education, workforce development, human services, and arts. However, many small to mid-sized organizations face persistent challenges in hiring qualified development staff, adopting modern technology, and maintaining strong donor relationships. This report explores these challenges with insights tailored to Ohio's nonprofit environment.

Overview of Ohio's Nonprofit Ecosystem

53,000

organizations

Scale and Scope

- **53,000** nonprofit organizations
- Supporting **540,000** jobs (10% of state employment)
- Generating **$110 billion** in annual revenue

30

organizations have revenues exceeding

$100 million

Organizational Size

- **45%** report annual revenues under **$250,000**
- **30** organizations have revenues above **$100 million**, mostly hospitals and universities, representing the majority of sector revenue

Significant contributors to the sector's revenue

Sector Distribution

- Health-related nonprofits generate **$60 billion**
- Educational organizations produce **$25 billion**
- Human services and public/societal benefit organizations generate **$25 billion** combined

Hiring and Staffing Challenges

Competitive labor market

Talent Acquisition

- Competition with private sector salaries for Development Directors, Major Gifts Officers, and data specialists
- Smaller nonprofits struggle to attract experienced fundraisers

Lack of IT or data staff

Technological Gaps

- Many lack IT or data staff
- Limited CRM integration reduces segmentation, personalized outreach, and reporting

Donor Development Trends and Challenges

Retention challenge

Donor Engagement

- Small teams struggle to retain and upgrade mid-level donors
- Heavy reliance on events limits scalable growth strategies

Government contracts and major funders dependencies

Funding Dependencies

- Human service nonprofits depend heavily on government grants, exposing them to legislative budget risks

Budget Constraints and Operational Limitations

Tight budgets

Resource Allocation

- Tight budgets limit investments in marketing, CRM systems, and professional development
- Staff frequently juggle multiple roles, reducing strategic donor focus

Affordable training and tech solutions

Capacity Building Initiatives

- Ohio Association of Nonprofits, Philanthropy Ohio, and regional foundations offer training and discounted tech resources, though utilization varies

Regional Factors Influencing Nonprofit Operations

Diverse population

Demographic Considerations

- Urban-rural economic disparities influence donor strategies and service delivery
- Growing Hispanic/Latino (4%) and Black (13%) populations require culturally responsive outreach

Extreme income disparity

Economic Landscape

- Industrial transitions impact philanthropic capacity and increase community needs in certain regions

Recommendations

Shared staffing models

Collaborative Hiring

- Explore shared grant writing or development strategy staffing across organizations

Use free or discounted tools

Leveraging Technology

- Access TechSoup, Microsoft Tech for Social Impact, and Google for Nonprofits to reduce software costs
- Implement CRMs like Bloomerang, EveryAction, or Neon One for donor management and automated outreach

Stewardship strategies

Enhanced Donor Engagement

- Develop segmented campaigns and personalized stewardship strategies to increase donor retention and giving

Strategic Recommendations

Outsourcing Fundraising Services

Know When to Outsource

✓ | Major gifts strategy, grant writing, campaign development, donor communications, and CRM management are ideal outsourcing areas

Cost Considerations

✓ | Hourly rates range $80–$200

✓ | Projects $3,500–$10,000

✓ | Monthly retainers often yield higher ROI compared to part-time hires

Structure the Relationship for Success

✔ Define deliverables, start with a pilot project, assign an internal liaison, and hold regular performance reviews

Conclusion

Ohio nonprofits are critical to community well-being and economic resilience, but **staffing shortages, technology gaps,** and **donor development constraints** hinder their potential. Strategic outsourcing and scalable tech adoption empower leaders to drive growth and maximize mission impact.

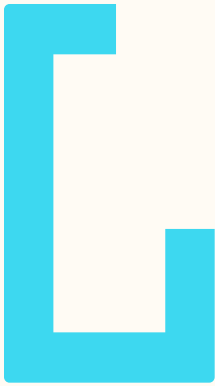**For full-service fundraising, marketing, and donor growth support**

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