

Future Nonprofit Trends by Lucy Bernholz

Predictions, Trends and Buzzwords

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In her talk at the National Steinbeck Center, Lucy Bernholz discussed some of the predictions and trends that she sees coming to the nonprofit sector over the next ten years that include a re-thinking of nonprofits' use and collection of data. According to Bernholz, data governance and policy will take a front seat as non-profits navigate the ever-changing landscape of increased digitization. Those nonprofits that manage to show transparent and good use of data as a means to showcase their impact will gain the trust of donors and positively distinguish themselves. For 2015, Bernholz predicts the following trends to take place:

- "Data Philanthropy" will become a core capacity building issue. Donating data is very different from donating time, goods or money. We can give data away and still have it. Nonprofits will have to develop strong policies to tackle this new issue.
- Nonprofits will build apps to bring their services to the community. While this new form of service delivery can have many advantages, nonprofits will need to be careful with potential pitfalls such as data privacy.
- There will be a push to make government data freely available and usable to the general public. Bernholz gave the example of a current lawsuit by public.resource.org against the IRS with the aim of making 990s searchable.
- Bernholz further predicted that, while there be lots of talk about tax reform and policy in 2015, no significant changes will be made. She also predicted that the preoccupation with tax reform will divert attention from the issue of net neutrality, the proposed tiered internet service, most assuredly causing strong negative impacts on nonprofits around the country.
- As a result of the increased digitization, donor choices on how to give to what cause have increased significantly. Donors now have the choice between charitable giving, impact investing, political giving, consumer choices, crowdfunding and digital data.
- Bernholz also discussed the legal loophole of 501c 4, c5 and c6 nonprofit organizations that played a large role in the November elections. The majority of funding to this year's political campaign was given through nonprofit organizations with a c4, c5 or c6 tax classification allowing donors to remain anonymous.

As an outlook over the next decade, Bernholz discussed the creation of so-called data trusts that she predicts will become increasingly common. She also stressed the need to properly regulate political giving through 501 c4, c5 and c6 nonprofit organizations.

Bernholz' book on trends, predictions and buzzwords for 2015 will be available next week at

www.grantcraft.org/blueprint15

-- Julia Foster, Development Director

Sun Street Center