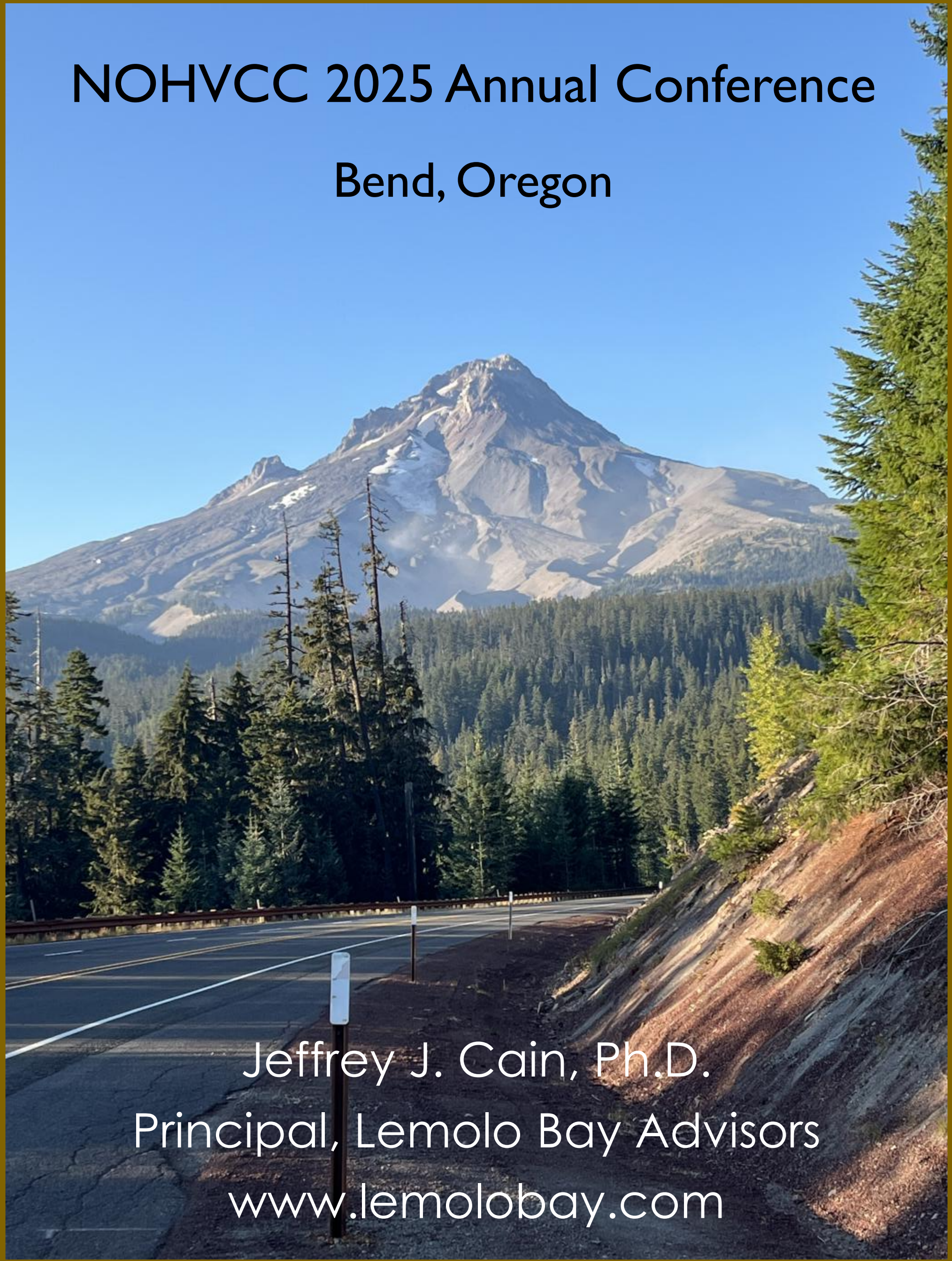
NOHVCC 2025 Annual Conference

Bend, Oregon



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WILL GENERATIONAL CHANGES IN DONOR, MEMBER, AND VOLUNTEER BEHAVIOR UNDERMINE THE FUTURE OF OFF-ROAD HIGHWAY VEHICLE CONSERVATION ?

Longue Durée

"History may be divided into three movements: what moves rapidly, what moves slowly, and what appears not to move at all."

Fernand Braudel

Voluntary Civil Association

"Americans of all ages, all conditions, and all dispositions constantly form associations. They have not only commercial and manufacturing companies, in which they take part, but associations of a thousand other kinds, religious, moral, serious, futile, general or restricted, enormous or diminutive. The Americans make associations to give entertainments, to found seminaries, to build inns, to construct churches, to diffuse books . . . found hospitals, prisons, and schools . . . . Wherever at the head of some new undertaking you see the government in France, or nobility in England, in America you will be sure to find an association."

Alexis De Tocqueville

1840

2 MILLION NONPROFITS IN US

150 PRIVATE FOUNDATIONS (WITH $1 TRILLION IN ASSETS)

12.5 MILLION PAID EMPLOYEES

5.2% OF GDP, $1.4 TRILLION (2023)

160,000 RECREATION, SPORTS, SOCIAL CLUBS

~1,000 OHV ASSOCIATIONS

What We’re Hearing

“We can’t attract young people. They’re not joining.”

“Our volunteers are old, and no one is stepping up.”

“Our membership isn’t growing, and donations are flat.”

“Everyone on our board is over 70 years old.”

”Foundation grants & sponsorships are drying up.”

“We’ve grown, but we haven’t developed.”

“Young people don’t want to work like we did.”

OUR MAP FOR TODAY

Macro Trends in Giving, Volunteering, & Public Trust

Understanding Macro Trends in the Context of Economic, Cultural, & Generational Change

Building A Humane Organization that Flourishes By Embracing Our New Reality

MY BACKGROUND

USMC, Combat Motorcycle Operator

Ph.D., English Renaissance Literature

Founding Partner, American Philanthropic, LLC

President Arthur N. Rupe Foundation, Director Lillian S. Wells Foundation

CEO, CrossFit, Inc.

Authored 2 books & many articles on philanthropy, nonprofits, & fundraising

Principal & Founder Lemolo Bay Advisor, LLC

Adjunct Professor, Business & Technology, Olympic College

Cyclist, kayaker, hiker, sailor, & trail advocate

MACRO TRENDS IN **GIVING**, VOLUNTEERING, & PUBLIC TRUST

Individual giving represents nearly 80 percent of the ~$550 billion donated to charitable causes annually in the U.S (~2% GDP).

2010 and 2016, 20 million American households **stopped** giving to charitable causes.

2000, two-thirds of American households gave to a nonprofit. In 2018, that number shrunk to just under 50%.

2022, 27% of individual giving went into DAFs & 14% went into private foundations (2008: DAFs = 4% & Foundations = 13%).

MACRO TRENDS IN **GIVING**, VOLUNTEERING, & PUBLIC TRUST

The percentage of U.S. household giving to charity is in sure & steady decline.

Fewer donors are giving larger gifts.

In 2025 and beyond, most individual giving will likely go to Donor Advised Funds or private charitable foundations, not to working nonprofits.

MACRO TRENDS IN GIVING, **VOLUNTEERING**, & PUBLIC TRUST

"For the first two-thirds of the twentieth century a powerful tide bore Americans into ever deeper engagement in the life of their communities, but a few decades ago--silently, without warning--that tide reversed, and we were overtaken by a treacherous rip current" – Robert Putnam, *Bowling Alone* (2000).

Research shows a dramatic decline in American volunteerism since 2021.

The U.S. Census Bureau and AmeriCorps reported that formal volunteer participation fell to 23.2% in 2021, the lowest recorded level in nearly two decades.

MACRO TRENDS IN GIVING, VOLUNTEERING, & **PUBLIC TRUST**

"In the U.S., individuals' trust in major institutions has declined 22 percentage points since 1979"—Urban Institute, 2024.

A 2023 report by Independent Sector showed that only 52% of Americans trust nonprofits to do what is right, a 4-percentage point decrease from the previous year.

Trust in nonprofits has declined with each passing generation: Just 46 percent of Gen Z adults expressed trust in nonprofits compared with 67 percent of baby boomers.

About half (49%) think a major weight dragging down public trust is that Americans are not as reliable as they used to be (Pew 2019).

WHY?

UNDERSTANDING MACRO TRENDS IN THE CONTEXT OF ECONOMIC, CULTURAL, & GENERATIONAL CHANGE

MACRO TRENDS IN AN <u>**ECONOMIC**</u> CONTEXT

Income Inequality If 1975 income distribution ratios remained constant, the bottom 90 percent of workers by income would have made an additional $79 trillion dollars (in 2023 dollars) between 1975 and 2023—(Rand 2025).

Less Buying Power Generation Z has roughly 72% less purchasing power than baby boomers did in their 20s, even as real wages have risen—(*Journal of Consumer Research* 2025).

Higher Household Debt U.S. household debt to GDP ratio was ~45% in 1975. Today, household dept to GDP is ~73% (IMF 2023). <u>Nonprofit employee average college debt = $37,000</u>.

MACRO TRENDS IN A **CULTURAL** CONTEXT

If you were born in 1985, you were:

10 years old at the start of the dot-com bubble buildup — Nasdaq down 78%.

16 years old on September 11, 2001. Another financial collapse. Half your life the U.S. has been in two wars in Afghanistan & Iraq and undeclared GWOT "conflicts" in as many as 85 different countries.

22 years old during the 2008 housing market crash — retirement accounts lost 32% of their value or $2.8 trillion. 10 million homes foreclosed.

30 years old during the Covid years 2020-2022.

40 years old today with more college debt than any prior generation and part of the greatest rise in multi-generational households in American history: quadrupled since 1971, 18% U.S. population.

MACRO TRENDS IN A **CULTURAL** CONTEXT CONTINUED

With less money in their pockets, Americans have not found more time on their hands.

Americans work more hours than workers in other developed countries. On average, they put in 400 more hours per year than their German counterparts, the equivalent of 10 more work weeks annually. **Americans live to work**.

The average American commuter spends over **51 hours waiting in traffic annually**. In 1982, the figure was 18 hours.

The economic impact of time spent on travel and waiting for health-care services was nearly **$1 trillion over the last decade**, an average of about $89 billion a year.

Time Tax: Americans collectively spend an estimated **11.4 billion hours annually** filling out government forms (& insurance claims, mobile & IT services, subscriptions, etc.).

MACRO TRENDS IN A **<u>GENERATIONAL</u>** CONTEXT

For the first time in American history, five generations are in the workforce.

Nonprofit leadership deficit is growing like all industries.

The nonprofit sector needed to attract 640,000 new senior managers from 2011-2016.

More than 50 percent of every MBA graduating class, at every university, every year for the next 10 years—(*Stanford Social Innovation Review* 2006).

THE CHANGE IS REAL

Income inequality, recurring financial crises, time taxes, and perpetual global conflict, among other things, have eroded public **trust** in the very institutions, values, and ideas that contributed to our robust civil society.

Americans today simply have less money and time to give than prior generations. Every generation of Americans since the baby boom feels **less secure** than the prior generation and more **uncertain about their futures**. **People feel powerless**.

Many nonprofits, including OHV organizations, cleave to vestigial beliefs about donors, volunteers, members, and how nonprofits should operate. **They're planning for a future built on a remembered past that no longer exists**.

WHAT TO DO?

BUILD HUMANE ORGANIZATIONS FOR OUR TIME, NOT A REMEMBERED PAST AT ODDS WITH OUR TIMES

Governance
Leadership
Fundraising

GOVERNANCE

Soften the edges of nonprofit, top-down corporate governance, through **inclusive**, **shared** governance—**listen**

Let go. Don't replace, remove yourself, time limits—**re-build from the bottom up**

Curate **qualities** rather than qualifications & credentials

Are we a **learning organization**?

LEADERSHIP

Adopt distributed management practices based upon **<u>subsidiarity</u>**

Build partnerships & coalitions—**<u>human(e) networks</u>**, share

Advocate & educate—build **<u>cultural infrastructure</u>**

Merge & consolidate

Eliminate “doing-what-you-love” **<u>poverty mentality</u>**

FUNDRAISING

Shared values—*the things about which your organization cares*—are the bedrock upon which donor & member **<u>relationships</u>** are built across generations—*How do you communicate them?*

How are you bringing new donors into the life of your organization?

How do your current donors participate in the life of your organization?

FUNDRAISING CONTINUED

Nothing in fundraising is worth doing once

Raise your budget in the first quarter, not the fourth, by planning your next fundraising year in August

Pay attention to frequency, recency, & longevity

Double the number of times you ask for money each year

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NO. NOT IF WE RESTORE TRUST BY EMBRACING OUR NEW REALITY AND BUILD HUMANE ORGANIZATIONS FOR OUR TIME.