

What Giving USA's 2022 Report Means for Health Care Philanthropy

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Each year, the [Giving USA Annual Report on Philanthropy](#) provides an informed guide around philanthropy, its impact, its trends and those who contributed. Advancing research, education and public understanding of philanthropy is the mission of Giving USA Foundation, founded by [The Giving Institute](#). As a proud member of The Giving Institute, Accordant is thrilled to provide some initial insights into the findings, especially as it relates to the health care industry. Some of the data highlighted in this year's report includes:

1. Philanthropic giving continues to grow but lags GDP growth.
2. Inflation poses risks to real fundraising growth.
3. Transformational gifts are driving individual giving growth.
4. Corporate giving showed strong growth.
5. The COVID pandemic has changed giving.
6. Innovation and flexibility drive results.

Let's take a deeper dive into these highlights:

1 Philanthropic giving continues to grow but lags GDP growth.

Overall giving increased to \$484.85 billion from \$471.44 billion in 2020, growing nearly 3%, but lagged behind strong 2021 GDP growth of 10%. Giving in the health category increased 7.7% in 2021 rebounding from an overall decline in 2020 and demonstrating the strength of health care philanthropy efforts.

2 Inflation poses risks to real fundraising growth.

When adjusted for inflation, real growth was essentially flat in 2021. In 2022, giving will have to grow larger to overcome the effects of record inflation. With the current inflation rate exceeding 8.6%, our fundraising efforts will need to grow at 10% or more to show a real-growth increase over 2021. Achieving this growth may be challenging as portfolios and personal wealth are contracting with declining equity markets and inflationary pressure.

3 Transformational gifts are driving individual giving growth.

Individual giving makes up the majority of overall giving at 67%, with transformational or mega gifts representing \$15 billion, or more than 5% of individual giving. As the wealth gap increases, transformational gifts will become a larger share of individual philanthropy. The increase in these gifts represents a bright spot for organizations with strategies and capabilities in place to cultivate and engage major donors.

4 Corporate giving showed strong growth.

Even when adjusted for inflation, corporate giving showed strong growth at more than 15%. Factors that impacted this growth include a GDP increase of 10.1% and an increase of corporate pre-tax profits by 37.4%. It is clear that corporations experienced a rebound in 2021 from the recession of 2020.

5 The COVID pandemic has changed giving.

The COVID-19 pandemic imposed permanent changes and reinforced past understandings as donors adjusted their giving to reflect their current environment. These lessons offer philanthropy leaders unique insight into potential future shifts.

In 2020, giving shifted to urgent human services causes with strong brands such as Red Cross and Feeding America. Human services enjoyed significant growth while the arts, education and health all saw gifts decline. In 2021, as the pandemic ebbed,

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giving shifted away from human services and back to the arts, education and health. Corporate giving declined in 2020 amid the uncertainty of quarantines, work from home and shifting demands. In 2021, corporate giving bounced back to a nearly 25% increase (current dollars) amid record corporate profits and changing employee and customer attitudes.

6 Innovation and flexibility drive results.

Donors rewarded flexibility and innovation as nonprofits embraced virtual events, cryptocurrency and donor-advised funds. Social media events, Facebook Live fundraisers, Zoom meetings and other techniques are here to stay. In the future, donors will respond to new ways to support the causes they care about most.



What does this mean for hospitals and health care?

Coming out of an unprecedented pandemic, political and economic experience, we are encouraged to see continued growth in charitable giving, but we recognize there are some concerns ahead. We continue to see evidence that “change is the new normal.” As we look ahead in our philanthropic plans, we see some key areas for consideration:

- **Continue to evolve the successful strategies implemented during the pandemic.**

Did your organization successfully transition some, or all, of your events to virtual or hybrid events? If so, continue to build on those successes and look for ways to apply those lessons to other activities. Maybe you traded large gala-like events for small intimate gatherings or canceled some events altogether. Social media content, video conferencing and digital storytelling can effectively engage donors, board members and staff. Continue to seek opportunities to expand the reach of your efforts through technology and creativity.

If you have yet to evaluate and reconsider large-scale events, the time is now to ensure the best use of resources, time and investment.

- **Accelerate your transformational gift strategy.**

Individuals and foundations achieved near record high numbers of giving and we are seeing a top-heavy model of high-net-worth donors giving the bulk of support. Position your hospital or system to meet the goals and impact of transformational donors.

Community health initiatives, new technology and research advancements can help you align your mission with this growing donor segment. Discovering major donors' passions and philanthropic goals and aligning them to your organization's strategic priorities are vital in authentic donor engagement, cultivation and transformative giving.

- [Explore the urgency of your cause message.](#)

The pandemic proved the power of a strong charitable brand. Driven by a desire to help, donors turned to the cause brands they know and trust. How is the cause mission of your organization positioned in your community? How might you make your mission more top-of-mind for donors?

- [Treat your corporate donors as partners.](#)

As social change and sensitivity to societal issues have impacted how corporations do business, it will be important to have meaningful conversations with your corporate donors. Ask probing questions to learn more about their goals as "good neighbors" in their communities. What do they hope to accomplish through their corporate social responsibility policies? What do their consumers and customers expect from them? Once you learn more from these questions, you can determine how your health care organization can help fill the gaps as a strong partner.

- [Prepare for recession shifts.](#)

During recessions, consumers historically shift spending to accommodate challenging economic times. They trade dine-in for fast food meals, brand names for store brands and improve their current homes rather than build new homes. In the charitable world, there are similar shifts as giving capacity is decreased through weakened portfolios, less job security and pressure on personal finances. However, we have seen increases in efforts which make giving convenient, personal and more manageable. Reviewing your grateful engagement efforts, improving your community outreach and amplifying your digital efforts are opportunities for growth during tough times.

The *2022 Giving USA Annual Report on Philanthropy* offers much more information and insightful considerations. In an ever-changing health care industry, it's important to stay ahead of the curve. In fact, it's important to anticipate what the next curve may be and plan for it. Accordant is here to help you build sustainable strategies as the work around us continues to evolve.

About the Authors:

[Pamela Ronka Maroulis, CFRE](#), is President and Principal Consultant with Accordant. She can be reached at Pam@AccordantHealth.com or by connecting through [LinkedIn](#).

[Craig Sorensen](#) is Vice President of Marketing and Client Partnership with Accordant. He can be reached at Craig@AccordantHealth.com or through [LinkedIn](#).

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