

Donor Relation and Income Diversification Strategies of a Diocese in the Philippines

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Introduction: To ensure long-term stability, religious organizations must supplement donor contributions with diversified income sources. This study examined the implementation of donor engagement and alternative revenue strategies in a Negros Island Diocese, utilizing feedback from clergy and finance committee members. The results inform a Resource Mobilization Action Plan designed to strengthen financial stewardship and sustainability.

Methodology: This study employed a descriptive-comparative research design to describe and compare the extent of donor relation and income diversification strategies between clergy and PPC members to determine the significant differences between groups. It involved 128 respondents: 65 diocesan clergy (50.8%) and PPC members (49.2%). A researcher-made validated questionnaire assessed donor relation strategies (donor funding policies, donor relationship management, and donors' influence on organizational capacity), and income diversification strategies (income streams and income-generating projects). Due to the non-normal distribution of data, the Mann-Whitney U test was used for the inferential statistics to identify significant differences.

Results: Findings revealed that both clergy and PPC members assessed donor relations and income diversification strategies to a very great extent. However, significant differences were found in perceptions regarding donor funding policies, donor relationship management, donor's influence on organizational capacity, and income diversification strategies. Thus, comparative analysis showed that PPC members perceived a greater extent of both donor relations and income diversification compared to clergy.

Conclusion: This study concludes that while the Diocese is strongly engaged in donor relations and income diversification, significant perceptual differences exist between diocesan clergy and PPC members. These differences highlight the need for greater alignment, communication, and collaboration between clergy and lay leaders to promote a unified financial sustainability approach. Addressing these gaps will strengthen the Diocese's resource mobilization efforts and mitigate the risks associated with over-reliance on limited funding sources, aligning with the study's objective of creating a Resource Mobilization Action Plan.

Practical Value: The study provides actionable insights for religious and nonprofit organizations aiming to enhance financial stability. Strengthening donor relationships while diversifying revenue streams mitigates resource dependency risks. Moreover, it offers a model for similar organizations seeking to develop strategic financial management and sustainable operations.

Direction for Future Research: Future research should explore the longitudinal evolution of donor relations and income diversification strategies, conduct comparative studies across dioceses or non-profits to identify best practices, and investigate the impact of technology on donor engagement. Expanding stakeholder perspectives, assessing training program effectiveness for clergy and lay leaders, examining Resource Dependency Theory in diverse contexts, and employing qualitative approaches to understand the challenges and motivations behind these strategies would further enrich this field.

Keywords: financial management, donor relation, income diversification, descriptive-comparative research design, Catholic parishes, Philippines

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