



**What Every CEO Should  
Know About Advancement  
Fundraising, Alumni Relations,  
Communications and Marketing**

**MILLENNIUM LEADERSHIP INSTITUTE  
JUNE 14, 2011**

**CASE.**

COUNCIL FOR ADVANCEMENT AND SUPPORT OF EDUCATION



ADVOCACY

SERVICE

Resources

ETHICS

INTEGRITY

INCLUSIVENESS

Recognition



# What Is CASE?

- Council for Advancement and Support of Education founded in 1974
- Only non-profit dedicated to educational advancement
- One of world's largest educational associations (>3,400 institutions)
- Offices in Washington, DC; London; Singapore; Mexico City



# What Does CASE Offer?

- 150 conferences – in person, online
- Publications – in print, online
- Research and information services
- Advocacy
- Recognition programs
- Professional network



# What Is Advancement?

Advancement is the set of functions at an educational institution dedicated to strengthening relationships with key external constituencies, including:

- benefactors
- graduates
- opinion leaders
- decision makers
- prospective students



# What Is Advancement?

The advancement functions include:

- Alumni Relations
- Communications & Marketing
- Fundraising
- Advancement Services

And may also include:

- Government Affairs
- Community Relations
- Special Events



# What Unifies Advancement?

All of the advancement disciplines are united by:

- the common goal of ensuring the long-term success of the institution in fulfilling its mission, and
- the common strategy of building supportive relationships among those constituents who can make significant contributions to that long-term success.



- # What Are the Keys to Success?
- **Strategic Role** – whatever the discipline, the advancement functions are most effective when directly linked to institutional mission and goals
  - **Integration** – whatever structure, the integration of advancement functions improves results
  - **Applied Social Science** – whatever the initiative, a research-based approach will increase the ROI





# What Is the Role of the CEO?

- **Visionary:** who openly and consistently articulates a clear vision for the institution
- **Face of the institution:** who represents the values, the promise, and the integrity of the institution for key constituencies
- **Advocate:** who champions both the institution and its advancement efforts, internally and externally



# What Is the Role of the CEO?

- **Role model:** who sets the management behaviors for the leadership team
- **Resource provider:** who invests the human and financial resources needed to ensure the desired results from the advancement operation



## Level of Investment

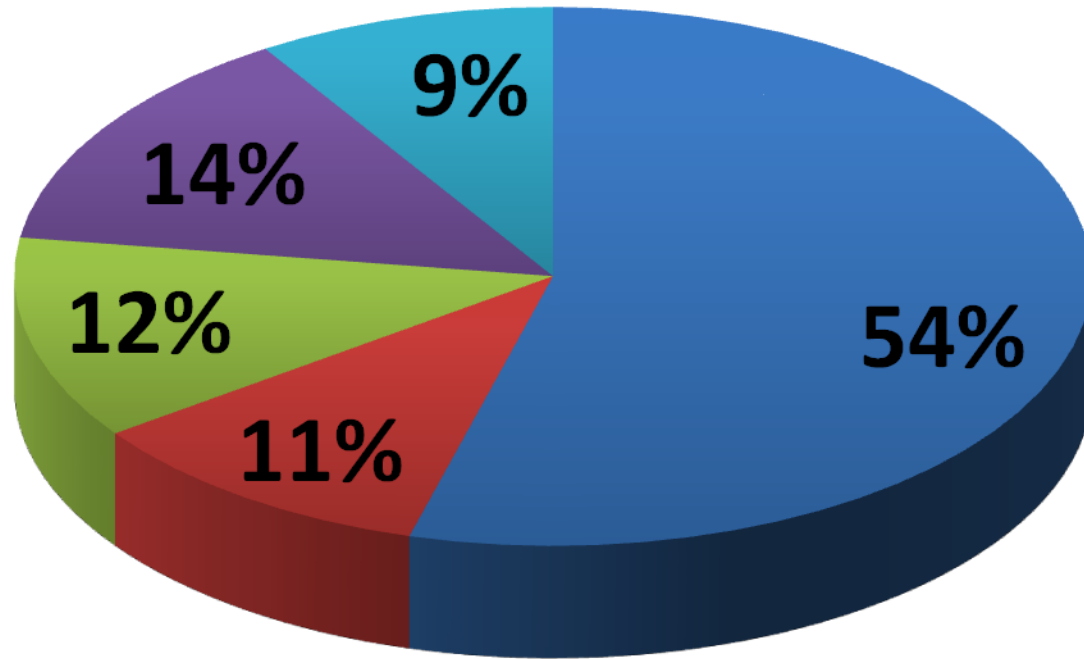
Annual operating expenditures on all of advancement as a percentage of total expenditures at U.S. institutions:

- **Average:** 3.03%
- **Median:** 2.43%
- **Range:** 0.22% - 10.05%
- **Middle 50%:** 1.52% - 4.09%



# Purposes of Investment

- Fundraising
- Alumni relations
- Communications and Marketing
- Advancement services
- Advancement management





# What Is the Role of the CAO?

- **Missionary:** who advocates for the institutional mission and builds support among key constituencies
- **Strategic manager:** who designs and leads advancement programs in support of institutional strategy
- **Leadership team member:** who works collaboratively across the campus to achieve institutional goals



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# Alumni Relations

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# What Are the Roles of Alumni?

- Serve as institutional advocates
- Provide feedback and counsel
- Generate financial support
- Share professional services
- Participate in governance
- Assist with student recruitment
- Offer career counseling, placement
- Add to talent pool



# What Are the Keys to Success?

- Value alumni in all their roles
- Start early
- Create lifelong involvement
- Instill pride
- Engage alumni on their own terms
- Foster interactive communication
- Facilitate networking
- Recognize alumni contributions

## What is the Role of the CEO?

- Ensure a positive student experience
- Communicate regularly
- Meet with alumni leadership
- Engage alumni in life of the institution
- Build key relationships
- Involve other institutional leaders
- Respect important traditions
- Invest for the long-term

## What is the Role of AR Office?

- Develop strategic AR program
- Coordinate two-way communication
- Engage alumni in life of institution
- Mobilize alumni on behalf of institution
- Maintain comprehensive database
- Advise president on alumni attitudes
- Facilitate networking
- Maintain important traditions

## Added Thoughts about AR

- Alumni represent the institution's most enduring constituency
- Alumni are an institutional asset that grows every year
- Alumni have a major stake in institutional reputation
- Alumni provide 25-30% of donations
- Alumni can be valuable allies or voluble opponents



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# Communications & Marketing

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# What is Communications?

- Ongoing, interactive, multichannel process of information exchange
- Designed to foster understanding and support among key constituencies
- Designed to inform internal decision-making
- Critical to the success of all advancement efforts



# What is Marketing?

- Not just promotion
- Not just a department
- Connecting the needs and interests of external constituencies with the goals and capabilities of the university
- A process and a mindset that applies to all areas of advancement



## What is Brand(ing)?

- Your institutional promise (made and kept) as perceived by key audiences
- That which differentiates your institution
- A collective responsibility and the cumulative effect of daily interactions across the campus
- The result of a long-term, strategic process
- One of your most valuable assets



## What Are the Keys to Success?

- Conduct regular research
- Measure attitudes and behaviors
- Provide feedback loops
- Use multiple channels
- Involve the entire institution
- Identify and repeat key messages
- Tell compelling stories
- Reflect institutional values
- Plan for crises, contingencies



# What is the Role of the CEO?

- Be accessible and available as chief spokesperson for the institution
- Know that you're never "off the record"
- Keep your messages clear, simple, direct, honest, big-picture
- Include communications professionals in institutional decision-making
- Ask staff to suggest ways you can improve your communications skills
- Don't shoot the messenger



## What is the Role of C&M Office?

- Conduct strategic program of two-way information exchange with key constituencies
- Coordinate communications and marketing efforts across campus
- Manage institutional reputation
- Scan the environment and assess external reactions to internal decisions
- Provide C&M counsel and support to leadership and operating units



## Added Thoughts about C&M

- Greater stature means greater scrutiny
- Good news is no news
- Listening is more important than talking
- Acting is more important than spinning
- Quality is more important than quantity
- Bad things happen to good institutions
- Plan before the crisis, live your values during the crisis, evaluate after the crisis



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# Fundraising

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# What Is Fundraising?

- A noble activity
- Both art and science
- A long-term effort
- For institutions of all types
- About donors of all types
- About donations of all types
- The “margin of excellence”



# What Are the Keys to Success?

- Invest
- Research
- Engage
- Listen
- State the case
- **Ask!**
- Thank



# What are the Keys to Success?

- Build, steward lifetime relationships
- Take a comprehensive approach
- Recognize that people give to people
- Recognize that people give to winners
- Focus on impact
- Know how to hear “no”
- Know how to say “no”
- Use campaigns wisely



# What is the Role of the CEO?

- Devote your time
- Articulate your vision
- Show your passion
- Value your volunteers
- **Ask!**
- Support your staff
- Share your information
- Lead by example
- Build trust



# What Is the Role of FR Office?

- Identify prospective donors
- Research philanthropic potential
- Align donor interest, institutional needs
- Develop proposals and approaches
- **Ask!**
- Provide ongoing stewardship
- Follow professional standards
- Make effective use of president's time
- Prepare president for donor meetings



## Added Thoughts about FR

- Most major gifts are restricted
- Priorities for philanthropic support should be set by the institution
- Gift agreements and acceptance policies are essential
- Return-on-investment varies widely



# Return on Investment

For every dollar spent on fundraising, U.S. institutions receive a return of:

- **Average:** \$10.16
- **Median:** \$7.99
- **Range:** \$1.94 - \$68.57
- **Middle 50%:** \$5.54 - \$10.67





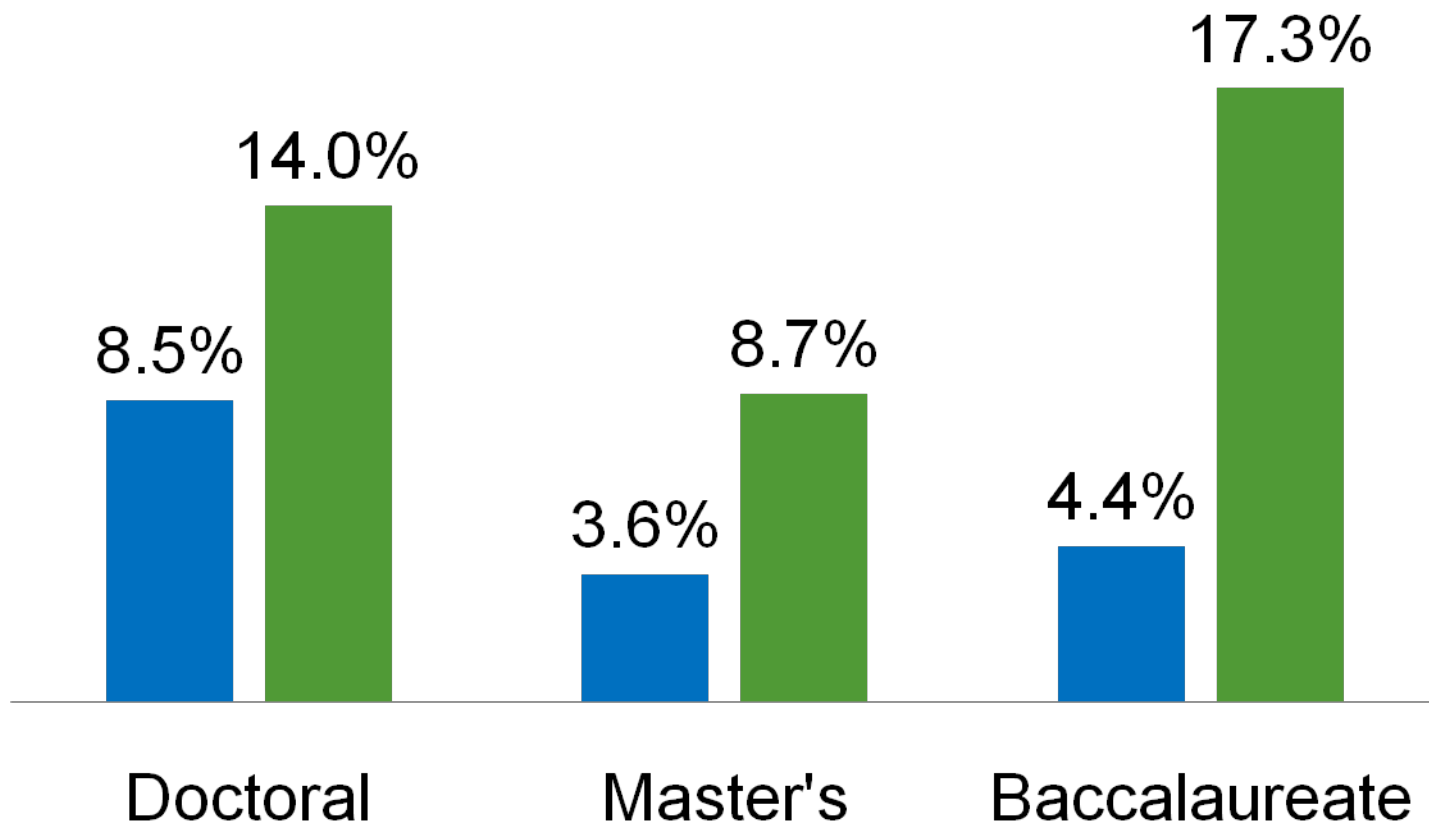
# Top 20 Fundraising Universities

- |                  |                             |
|------------------|-----------------------------|
| 1. Stanford      | 11. UCLA                    |
| 2. Harvard       | 12. Wisconsin               |
| 3. Johns Hopkins | 13. Cornell                 |
| 4. USC           | 14. Berkeley                |
| 5. Columbia      | 15. MIT                     |
| 6. Penn          | 16. U of Washington         |
| 7. Yale          | 17. UCSF                    |
| 8. NYU           | 18. <u>UNC, Chapel Hill</u> |
| 9. Duke          | 19. Michigan                |
| 10. Indiana      | 20. Chicago                 |

Source: Council for Aid to Education, 2010

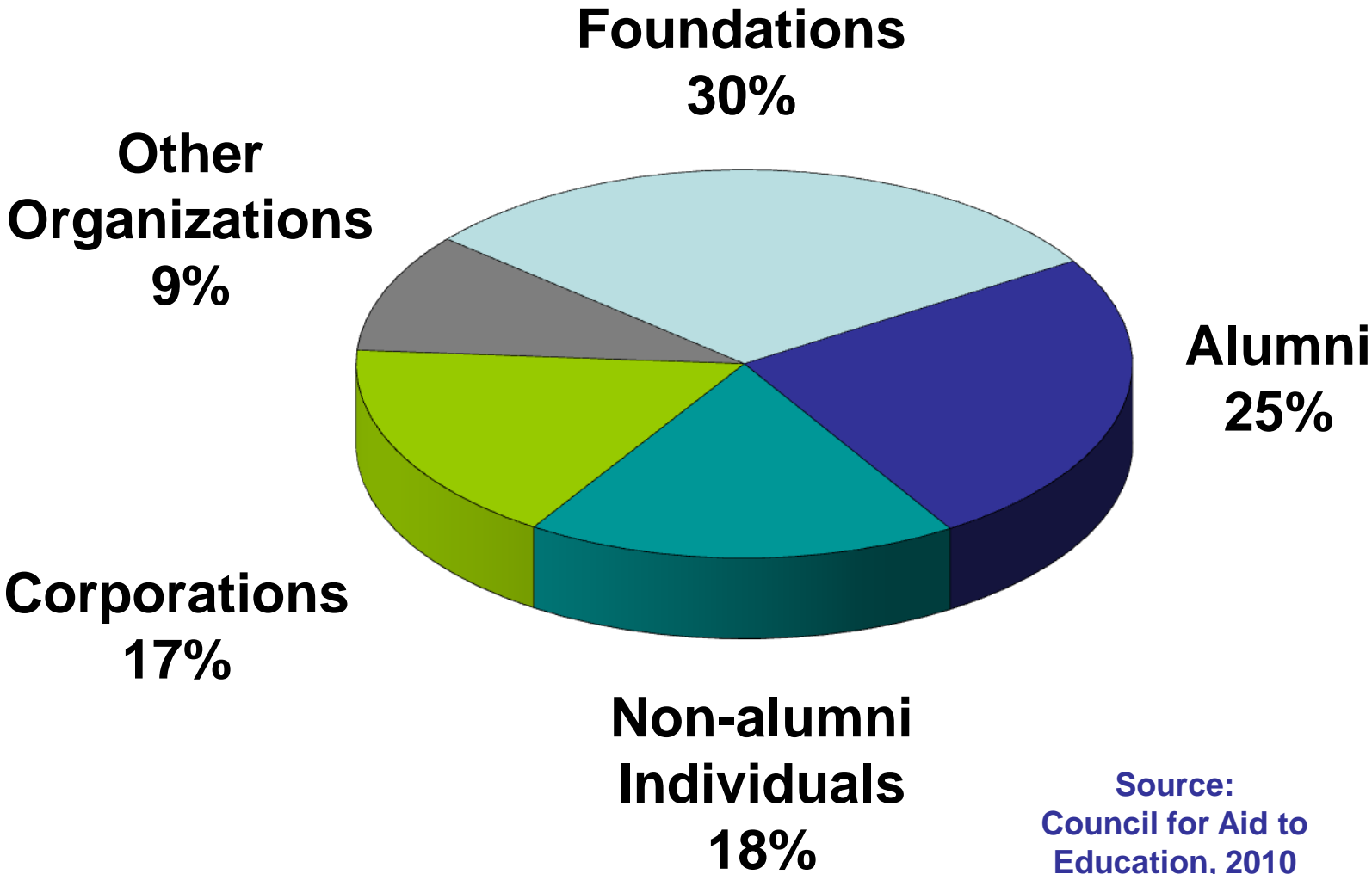
# Contribution to Operating Budget

Voluntary Support as Percentage of E&G  
■ Public ■ Private





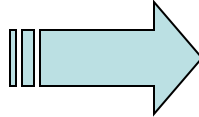
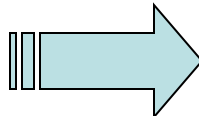
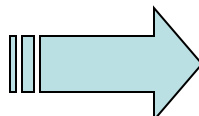
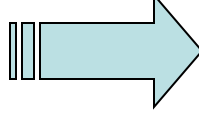
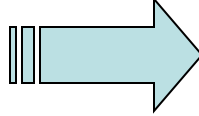
# Sources of Philanthropic Support



Source:  
Council for Aid to  
Education, 2010



# Impact of Major Donors

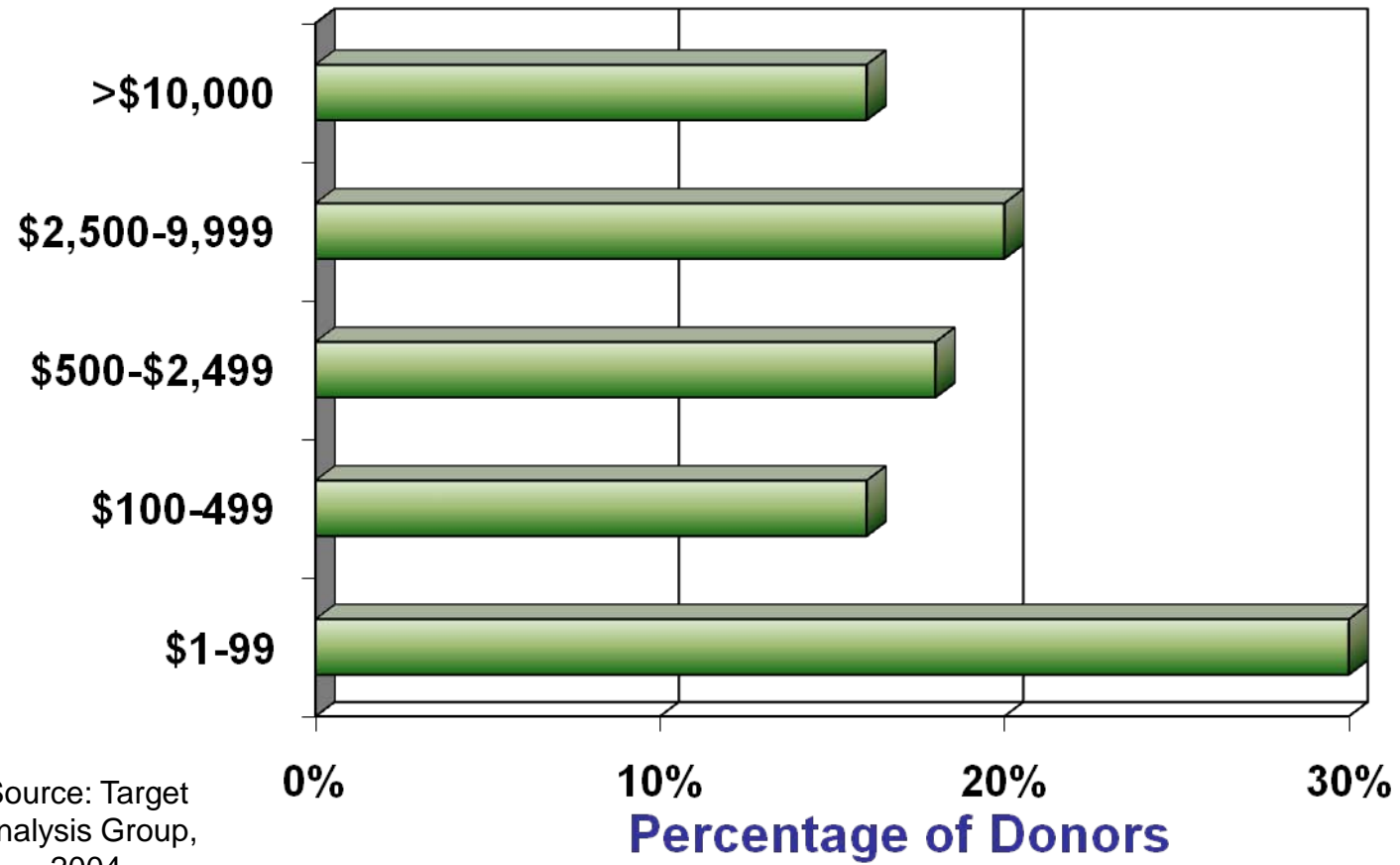
	<b>% of Alumni of Record</b>	<b>% of Lifetime Donations</b>
<b>Univ. A</b>	<b>0.4%</b>	 <b>77%</b>
<b>Univ. B</b>	<b>1.0%</b>	 <b>83%</b>
<b>Univ. C</b>	<b>0.9%</b>	 <b>81%</b>
<b>Univ. D</b>	<b>1.0%</b>	 <b>68%</b>
<b>Univ. E</b>	Source: Peter B. Wylie, 2005 <b>0.7%</b>	 <b>60%</b>



# Impact of Small Gifts

## Initial Gift Among First-time \$10K Donors

Size of 1st Gift



Source: Target Analysis Group, 2004



# Fundraising Campaigns

**1958 – \$100 million campaign**

**1974 – \$500 million campaign**

**1987 – \$1 billion campaign**

**1990 – \$2 billion campaign**

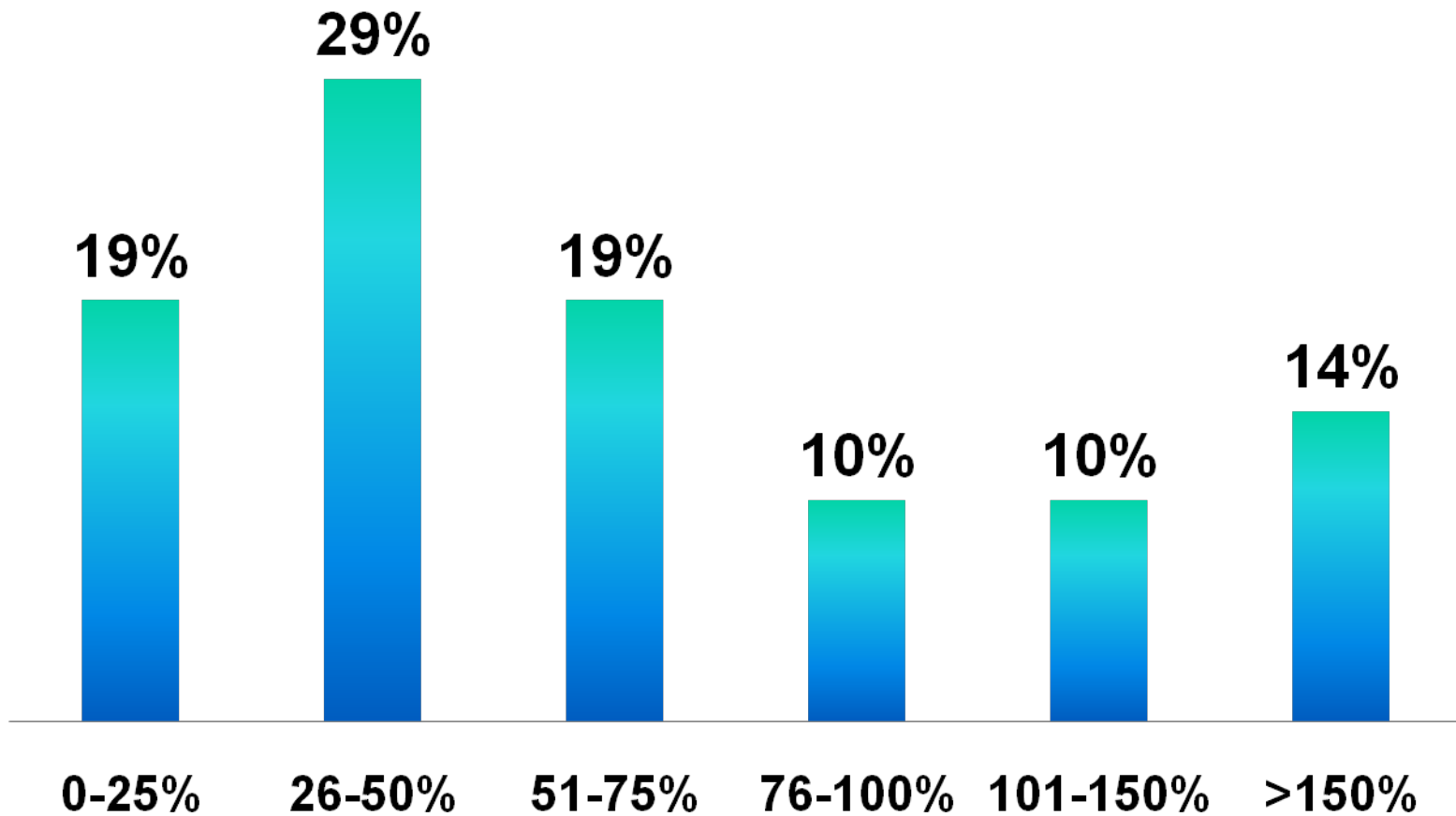
**2004 – \$3 billion campaign**

**2006 – \$4 billion campaign**



# Fundraising Campaigns

## Effect on “Normal” Fundraising Results

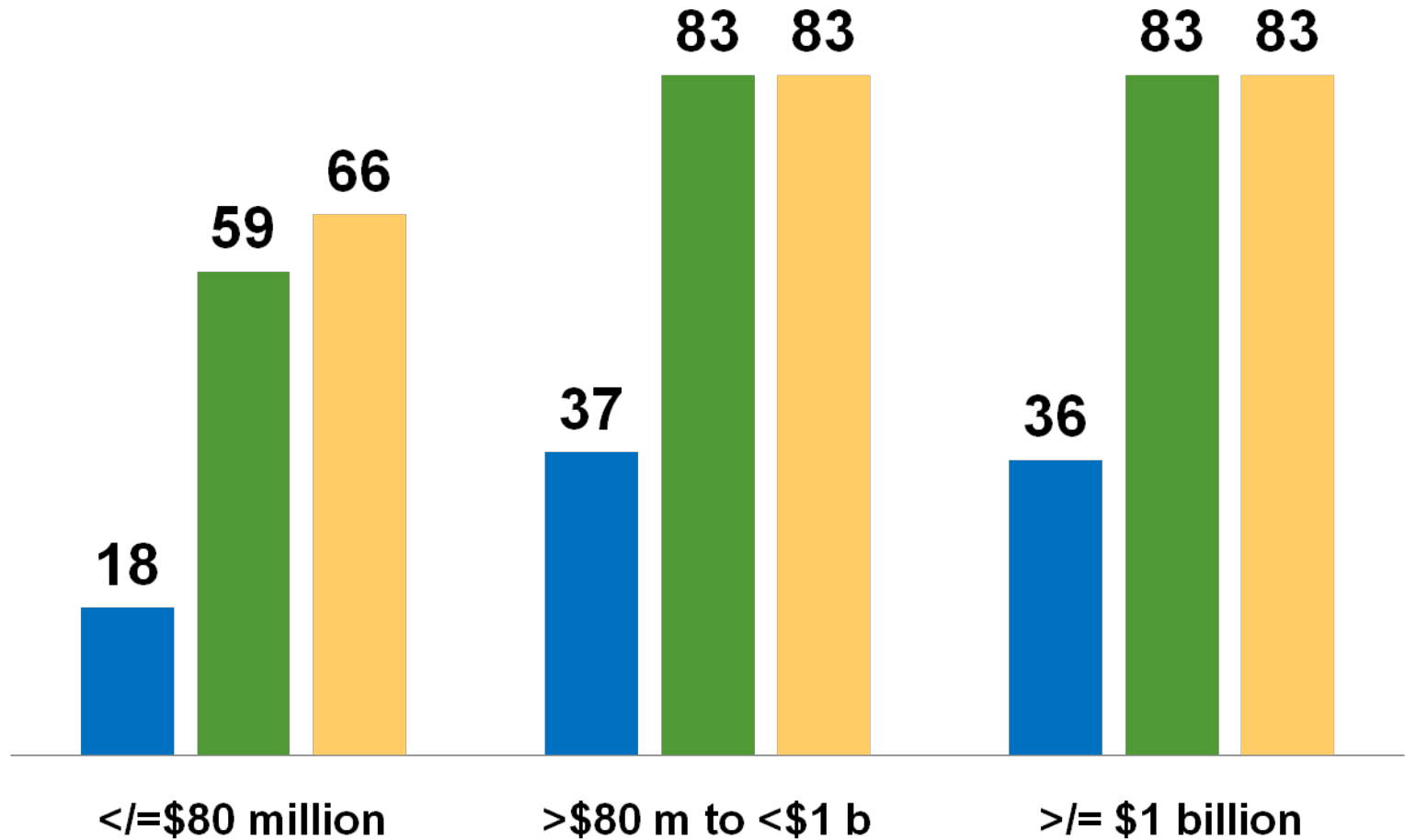




# Fundraising Campaigns

Campaign Duration (median in months)

■ Quiet Phase ■ Original ■ Revised

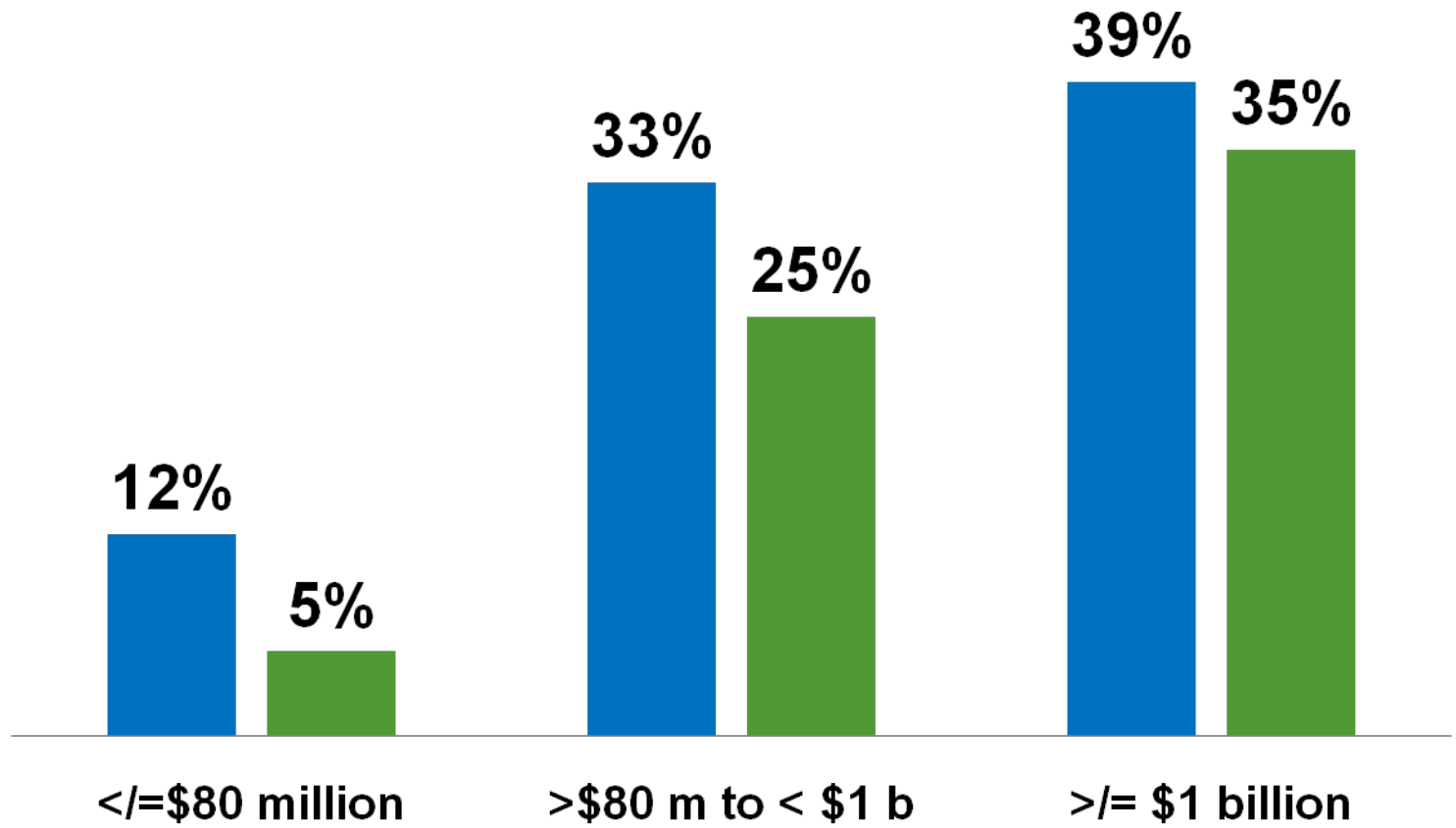




# Fundraising Campaigns

Percentage of Alumni of Record Who Give

■ Average ■ Median

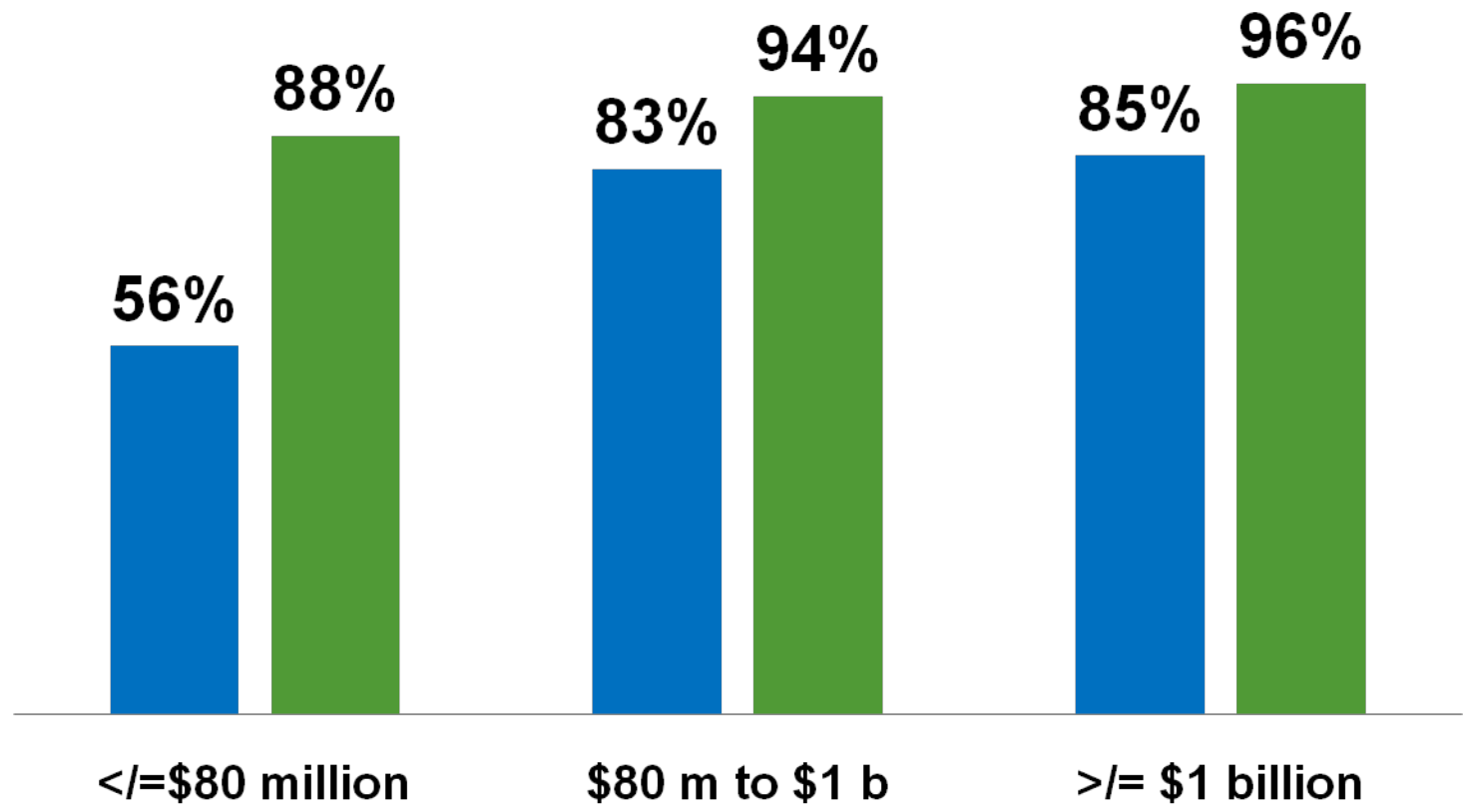




# Fundraising Campaigns

## Top Donor Gifts as % of Total Giving

■ Top 1% ■ Top 10%





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SKILLS

INTEGRITY  
EFFECTIVENESS

Recognition



# Closing Thoughts

- Invest in the future
- Start small, think big
- Get the “right people on the bus”
- Tell your story
- Call on CASE



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Resources

# Thank you!

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Recognition

ETHICS

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