

KRESGE LEARNING INSTITUTE

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REMARKS BY INTERIM CASE PRESIDENT
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“ADVANCING ADVANCEMENT”

1

As you heard in the introduction, I have spent much of my career as a public relations professional. And I must tell you that I have always been amused and frustrated by the fact that PR gets such bad PR. Did you ever wonder about that?

In my new role as interim president of CASE, I feel a special obligation to ensure people understand and value the entire field of advancement. To put it another way, a key part of my job is to advance advancement.

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At times, we tend to downplay our own significance at our institutions. We often allow others to define our role and determine our value within the academy, whether it is a majority or minority-serving institution.

And, of special concern these days, we can find ourselves retreating, not advancing, due to institutional budget cuts based on the view that advancement is discretionary, if not dispensable.

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It may seem like preaching to the choir to talk with all of you about advancing advancement. After all, you wouldn't be at this conference if you weren't strong proponents of the profession. However, the choir is a great place to start -- at the very least, to make sure that we are all singing from the same page.

What then, do we need to do to advance advancement? What tune should we all be singing?

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We can start by agreeing on what we mean by educational advancement. Many people use the term incorrectly as a synonym for fund raising. Instead, advancement encompasses multiple disciplines: alumni relations; communications and marketing; and fund raising, as well as advancement services and advancement management.

It also covers scores of subdisciplines, like media relations and foundation relations, as well as emerging and related disciplines, such as government and community relations.

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And I want to stress that advancement is more than a disconnected set of administrative functions. In fact, if we allow ourselves to be defined only as a conglomeration of disciplines, the battle is half lost.

↓ We need to assert that, first and foremost, educational advancement is a profession devoted to the strategic management of long-term relationships with key constituencies. Let me take a few moments to deconstruct that sentence for you, because within it are the keys to advancing advancement.

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↓ The word “profession” indicates that we are engaged in an activity that requires high-level skills applied according to best practices and established standards. If advancement is to command the respect it deserves, then we must demonstrate and assert our professionalism.

For CASE that means providing the research, the information, and the professional development opportunities that are the hallmarks of any profession. For you, that means availing yourselves of those resources, adapting them to your institution, and applying them with consistency and integrity.

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↓ The next word is “devoted.” While advancement salaries have improved in recent years, I would contend that most of us are not in this for the money. We are in it because we believe in what we do, we believe in the nobility of this calling.

And I would contend that those who are truly devoted to the profession are also best at it. After all, if you don’t have a passion for your institution, you are not likely to instill passion in donors, alumni, or other key constituencies.

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In recent months, I have heard several college presidents talk about the role of the advancement officer as the institution’s storyteller. And they place great value on that role. They understand the importance of being able to take a complex organization and find in it compelling and unifying themes.

They understand the skill it takes to translate those themes into terms appropriate to the given audience. And most important, they understand that the story must be told with passion so that the listener wants to become part of that story.

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Quite frankly, I can think of no institutions with more inspiring stories to tell than historically black colleges and universities.

↓ Moving on, the phrase “strategic management” tells us several things. It suggests that advancement professionals are not merely technicians. We are more than just wordsmiths or data clerks or event organizers or schmoozers. We manage complex programs that are planned, executed and evaluated based on clear goals and measurable results.

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And, as managers, we are represented at the executive levels of the organization, helping set the direction and make the decisions vital to the organization’s survival. We are counselors to the CEO every bit as important as the legal counsel or the chief financial officer.

We are “strategic” when and only when we plan, execute, and measure our work against the strategic goals of the organization as a whole.

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If I could leave you with only one message this afternoon it would be this: as an advancement officer you greatly enhance your opportunities for professional success by focusing on institutional success.

In the end, it is not about how many dollars were raised, or how many alumni attended an event, or how many press releases were issued, it is about how much you contributed to the achievement of the institution’s strategic goals.

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↓ Moving along in the sentence, why the emphasis on “long-term,” when it comes to relationships? The short answer is because those are the relationships that matter most in the life of an institution that expects to survive for generations to come.

Allow me an aside. Over the past decade or so, colleges have adopted the language and the practices of the business world. College presidents are increasingly bottom-line oriented in their management style.

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And certainly we ourselves have borrowed corporate marketing principles and applied them to our institutions. Indeed, there are things we can and should learn from the corporate sector.

But I would argue that the one thing we should not adopt from the for-profit world is the tendency to think short-term. On the contrary, I think that corporations could learn a thing or two from universities about survival.

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↓ As the late Clark Kerr, the former Chancellor of Berkeley, has pointed out, there are 85 institutions in the western world that were established by 1520 and still survive today. Included among them are the Catholic Church, as well as the parliaments of Great Britain, Iceland, and the Isle of Man.

The striking fact is that among those 85 surviving institutions, 70 are universities.

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And while historically black institutions may not date back to the sixteenth century, they do go as far back as 1837; a claim few businesses can make. Clearly, universities are in it for the long run, not just for the next quarterly profit statement. And we need to build relationships accordingly.

Another reason that building long-term relationships is central to educational advancement is a fact of life that may make any presidents in the room a bit uncomfortable.

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↓ In all likelihood, the chief advancement officer will outlast the chief executive officer on a college campus. According to CASE's most recent survey, advancement managers work at a given institution an average of almost nine years. By contrast, the American Council on Education found that the average tenure of a college president is less than seven years.

Even more important, the alumni, benefactors, and friends of the institution are the constant over time.

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Governing board members change with some frequency, especially at public institutions. Students, of course, come and go in four years (or maybe five or six). The faculty may be around a long time, but their focus is often on their particular field or department. But alumni are alumni till they die ... and beyond, according to those institutions that offer alumni burial plots.

And it is the particular responsibility of the advancement officer to steward those long-term relationships.

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Perhaps most important, long-term thinking pays off. While there are certainly wonderful stories about the gift from a long-lost alumna, these are the exceptions not the rule. You cannot build an advancement program based on waiting for those chance gifts to arrive.

You also cannot build a solid alumni relations program or media relations program or government relations program based on a sudden flurry of activity that is created only when you need someone's help.

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Study after study demonstrates that volunteer engagement over time is what leads to significant results for the institution. Let's focus for a moment on fund raising, since it is the most easily quantified.

↓ Consider Independent Sectors' report on Giving and Volunteering in the U.S. 2001, which looked at households that volunteer as well as give, compared to households that just give. According to that report, households that both volunteer and give, donate more than twice as much money. ↓ And they are much more likely to contribute to education.

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↓ Then there is the AARP study "Time and Money." They reported that 92% of people 45 and older who volunteer also have made a donation or donations in the past year, and they give more.

Interestingly, African-Americans are among the most active volunteers. It should also be noted that their charitable giving is more likely to be to religious institutions and to be motivated by personal contact than is the case with other demographic groups studied in the survey.

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Obviously, the link between volunteering and giving requires development over time. Other studies have consistently shown that most major gifts are made by those who have been engaged with the institution for an extended period. And they are preceded by a number of smaller gifts.

One of those studies has found that, with very few exceptions, eventual million dollar donors give within the first four years of graduation. And those initial gifts are usually small. An Ivy League campus has documented that three of its million dollar donors began their giving with an average donation of \$6.

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↓ The connection between volunteering and giving also reinforces the next word in the definition of advancement – "relationships."

It is, indeed, the management of relationships that binds the disciplines of advancement together and distinguishes our work from that of other educational administrators.

Fundamentally, we are in the business of establishing, fostering and stewarding relationships.

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↓ Returning again to the field of fund raising, philanthropy researcher Paul Schervish reports that "charitable giving derives from forging an associational and psychological connection between donors and recipients."

↓ Similarly, Russ Prince and Karen File report in their study, "The Seven Faces of Philanthropy," that more intense feelings of involvement are associated with the intention to give more and the more the involvement, the greater the willingness to recommend the nonprofit to others.

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↓ An important part of any relationship, of course, is trust. In the CASE International Journal of Educational Advancement, Adrian Sargeant and Stephen Lee demonstrated that the level of trust placed by a donor in a university “is a function of the degree to which the donor is satisfied with the outcomes of the sum of previous exchanges with the organization.”

So our job is to help ensure the quality of those “previous exchanges.” And this brings up a very important point that is central to the concept of integrated marketing, which many institutions are now adopting.

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Like it or not, many of those previous exchanges will be with other parts of the organization. For example, the relationship you have with alumni may have more to do with their experiences as students than with their experiences after graduation. The relationship your institution has with a donor may be influenced by everyone from the physical plant staff to the receptionist to an admissions officer.

So if we are going to effectively manage relationships then we need to reach out across the campus and engage other offices in that effort.

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↓ On a related note, my colleague at CASE John Taylor often cites statistics from the for-profit world about the value of the customer experience. According to those data, a totally satisfied customer contributes 17 times as much revenue as a somewhat dissatisfied customer.

Conversely, a totally dissatisfied customer adversely affects your revenues by 1.8 times more than the totally satisfied customer contributes.

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Another way of looking at the same phenomenon is that the happy customer relays her experience to three to five people. The unhappy customer will tell 10 to 20 people about her problems with the organization. To make matters worse, for every complaint filed with you, you can assume there are 26 unreported problems.

So in managing relationships, it is not simply a matter of looking at our own behaviors, it is also a matter of considering the behaviors of our campus colleagues as well.

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As advancement officers, we have an important leadership role to play in modeling those behaviors and in helping others understand their own role in relationship building.

↓ Managing relationships also means determining with whom we want to have those relationships, which leads us to the final phrase “key constituencies.” To establish, foster and steward long-term, trusting relationships requires a significant investment of resources, especially staff resources.

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I know of no institution that has unlimited staff time at their disposal. Therefore, we need to prioritize our work by focusing on those who can or do have significant influence over the future of the organization. Put another way, we need to spend our time on those who can make or break your ability to achieve institutional goals.

It is our very nature as advancement professionals to want to please everyone, to say “yes” to everyone. But if we are to be effective, we have to make choices about who matters most to the successful fulfillment of the institutional mission.

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We need to consider both supporters and detractors and prioritize them based on the influence they wield.

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A good strategic plan for advancement -- or for any one of the disciplines within advancement -- begins with prioritizing key constituencies and ends with measuring the attitudes and behaviors of those key constituencies.

So, taken together, those are the words and the concepts that define advancement. Earlier, I suggested that getting the right definition is half the battle. So what's the other half? The other half is not what we say, but what we do. And there are two things we need to do to ensure sustained success. ↓ We need to invest and deliver.

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↓ Institutions simply cannot have an effective advancement operation without adequate investment of time and money. And let me stress that adequate does not mean exorbitant. Many of you are running very effective operations on very modest budgets.

But you also know that there is a point of diminishing returns, when short-term efficiency turns into long-term inefficiency.

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The obvious question is what constitutes an adequate investment? Having worked inside the Washington beltway for nearly twenty years, I have been well-schooled in saying "it depends". It depends on the maturity and nature of the institution, the current attitudes and behaviors of key constituents, and the infrastructure and other resources already in place.

The best advice I can give you is to benchmark your institutional investment against that of a peer institution that is outperforming you.

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If you're spending less, that may be why you're getting less. If you're spending the same or more, then the issue may not be money.

↓ Once again, the one area for which we have some good data is fund raising. In a well-established fund raising program at a mature institution, the cost to secure a major gift runs between 5 and 10 cents for each dollar raised. The national average for all types of institutions and all types of gifts is about 20 cents on the dollar.

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Much harder to quantify is the right amount to invest in the alumni relations program or in communications and marketing. When it comes to communications and marketing, a very good place to start is to assess what the institution is already investing.

By conducting a simple audit of what all units within the institution are spending on publications, for example, you might be surprised at the totals. And you then might want to consider what could be accomplished if all those resources were pooled, or at the very least, coordinated.

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By creating synergies and efficiencies across the campus, you might be able to release some existing funds for new initiatives.

Of course, new investment in your advancement operations may also be required. The Kresge program, from which many of you have benefited, was designed to provide funding to build institutional capacity. The institution is then expected to sustain and enhance that capacity based on the success of the advancement program.

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Even if you didn't receive a grant from Kresge, the model offers a strong argument for your institution to provide a similar jump-start to the advancement effort. The model may also be useful in arguing for infrastructure support from other external agencies or individual donors.

In the end, you cannot escape the reality that without a reasonable level of investment the advancement operation is unlikely to be successful.

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John Donohue at Dillard is eloquent on this point and on the fact that the investment does not need to be huge. It is more important to invest wisely than to invest heavily. Investing wisely means selecting one or two projects – such as database development or a new communications vehicle – that have high impact and relatively low cost.

Efforts that provide early wins for your office will increase the likelihood of the next investment.

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↓ And that leads to my final point. Once the institution makes the investment, it is very important that the advancement office delivers results.

When you launch a new effort, set clear, measurable, achievable goals. Report regularly to the institutional leadership about progress toward those goals. Provide solid analysis of final results, indicating the reasons behind your successes and the opportunities for even stronger performance in subsequent efforts.

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One of the most frequent questions we get at CASE is how to properly measure results. In fund raising, the simple answer is to look at how you performed against the goals you established and to benchmark your results against peer institutions, using sources such as the Voluntary Support of Education report.

↓ By drilling down into the VSE data, for example, you will find that the percentage of alumni who give to historically black institutions averaged 8 percent last year.

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That figure is relatively low when compared with the average for all private institutions but equal to that for all publics. And that figure is also a good place to start in benchmarking your own program.

(By the way, in his session this afternoon, John Taylor will be offering additional ideas on mining the VSE data.)

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Given my earlier emphasis on long-term relationship building, it is equally important to look at the engagement levels, not just the current gifts, of your alumni. For both alumni and donors, you want to demonstrate more engagement by more people over time.

One of the experts on measuring the stages of alumni and donor engagement is Jim Langley, from University of California San Diego. Many of you heard Jim this morning or will hear him tomorrow and I'm sure he would be happy to entertain questions on this point.

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In communications and marketing, the measurement issue is particularly complex. In the effort to demonstrate our productivity, we have often resorted to output measures, such as the number of press releases generated.

However, these kinds of approaches are inherently flawed. Are 100 press releases twice as good as 50? They aren't unless they had twice the impact on the target audience.

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The real measure of success in communications and marketing is the same as it is for alumni relations and fund raising. ↓ Success is measured by changes in the attitudes and behaviors of key constituencies.

The difference is that, while fund raising and alumni relations have clearly defined and delimited constituencies, communications and marketing has multiple constituencies, many of them broadly defined.

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But that does not change the need to measure attitudes and behaviors. It simply means that communications and marketing folks need to work especially hard at defining key constituencies and what attitudes and behaviors are desired from them.

Despite the difficulties of measurement, advancement professionals have a fundamental responsibility to deliver results and document those results. We cannot expect the investment of institutional resources unless we are prepared to provide a solid return on that investment.

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That return may take the form, for example, of increased donations, an improved applicant pool, legislation favorable to the institution, or enhanced pride in the campus among faculty and staff. But the return needs to be real and the return needs ultimately to accrue to the institution and not just the advancement office.

And that brings us full circle. The results you deliver – to pay off the initial investment and to justify the next investment – need to be directly linked to the long-term, strategic goals of the institution as a whole.

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↓ In the final analysis, the advancement operation will be valued by the institution in direct proportion to the value it delivers to the institution.

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Whether we are working in small shops or large shops, have mature programs or fledgling programs, we cannot escape the responsibility to demonstrate that our day-to-day work is contributing to the advancement of the institution. And when we successfully demonstrate that we are advancing the institution, doing so – more than anything else – will serve to advance advancement.

👇 Thank you. I'd be happy to take any questions from you now, anytime during this conference, or by e-mail.

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