



The Donor Investor Imperative

Engaging with Advancement for Transformational Ideas and Impact

Prepared for February 1 Workshop

Advancement Forum

1 The Rise of the Donor Investor

2 Sourcing Big Ideas

3 Supporting the Donor Engagement Process

4 Other Fundraising Products

5 Creating Opportunities for Practice

The Rise of Giving While Living

A Generational Shift in Philanthropic Planning

Past Generations Gave to Leave a Legacy...



John D. Rockefeller's Giving
Epitomizes Old-School
Philanthropy



...But Today's Top Donors Don't Want to Wait



Jeff Bezos @JeffBezos · Jun 15

Request for ideas...

This tweet is a request for ideas. I'm thinking about a philanthropy strategy that is the opposite of how I mostly spend my time – working on the long term. For philanthropy, I find I'm drawn to the other end of the spectrum: the right now. As one example, I'm very inspired and moved by the work done at Mary's Place here in Seattle. I like long-term – it's a huge lever: Blue Origin, Amazon, Washington Post – all of these are contributing to society and civilization in their own ways. But I'm thinking I want much of my philanthropic activity to be helping people in the here and now – short term – at the intersection of urgent need and lasting impact. If you have ideas, just reply to this tweet with the idea (and if you think this approach is wrong, would love to hear that too).

Thanks!
Jeff

41K 9.6K 20K

Emerging Challenges Impeding Progress

Three Main Pain Points Keep Us from Realizing Principal Gift Success

Strategic Plan Inadequate



- Institutional uniqueness lost in favor of broad thematic areas
- Many priorities merit internal funding
- Statement of priorities too broad for advancement

Lack of Ideas on a Grand Scale



- Immediate needs prioritized over long-term vision
- Research in silos, yet global problems cross disciplines
- Emphasis on scholarly publications over universal impact

A New Breed of Donor



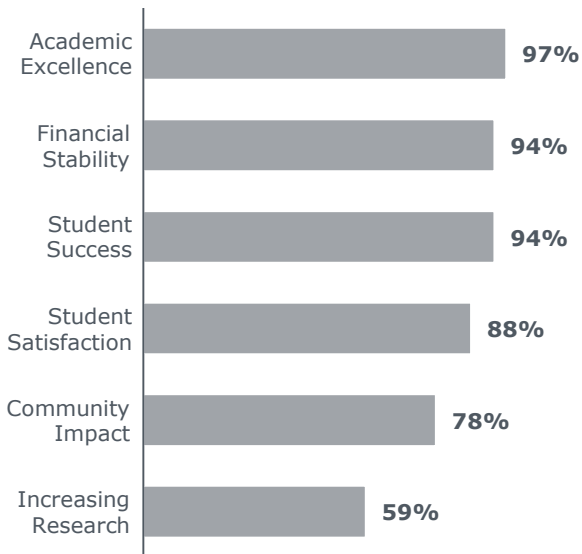
- Donor investors seek long-term sustainable impact
- Expectation of deep relationship with project leaders
- Desire for hands-on engagement and influence

What Got Us Here Won't Get Us There

Reflecting on a Decade of Campaign Priorities

Strategic Plan Goals Become Campaign Priorities

EAB Analysis of Strategic Plans



Higher Education's Pinnacle Gifts Cross Silos



Johns Hopkins University

Michael Bloomberg pledges **\$250M** for interdisciplinary research



Santa Clara University

Jeff and Karen Miller pledge **\$25M** for center for social entrepreneurship



Swarthmore College

Eugene Lang pledges **\$50M** to foster links between engineering and the liberal arts



University of Oregon

Connie and Steve Ballmer give **\$20M** for human development faculty cluster



A Lack of Ideas on a Grand Scale

Advancement Doesn't Have All of the Ideas

“What I’m not finding at our institution are enough big ideas that will take the \$1M gift and make that next gift \$5M. The ideas are very operational. Faculty are not thinking longer-term or coming to me and saying “if I had a \$20M gift, I could do X, Y, and Z.” We’re just not seeing those conversations emerge.”

*Vice President, Development
Public Research Institution*

Internal Obstacles Impede Progress

Factors Contributing to Inability to Think Big



Academic Culture

- Day-to-day operational needs more urgent than long-term vision
- Few incentives for academic partners to think outside of their department, college, or school
- Scarcity of resources means today's needs take precedence

“Deans come to me with every one-off need and idea they have, even though they're not all good for donors. **I feel like the campus ATM**, and the line forms every morning.”

*Vice President, Institutional Advancement
Public Master's Institution*



Advancement-Faculty Disconnect

- Advancement often unaware of interdisciplinary faculty collaboration
- Limited understanding of advancement's role on campus
- Campus leaders asked to work with fundraisers without prior training or preparation

“If we hire a secretary, that person will have to go through dozens of university trainings for their job responsibilities. **I have never been trained for 95% of what I do, especially the 30-40% that is fundraising.**”

*David Perlmutter, Ph.D.
Dean, College of Media and Communication
Texas Tech University*

A New Breed of Donor

With Heightened Expectations for the Organizations They Support

An Emerging Donor on Advancement's Mind



Strategic Philanthropy: The Shift in Donor Behavior That's Shaking Up the Nonprofit Sector



Philanthropy: How to Give Away \$1B

THE JOURNAL OF
PHILANTHROPY

Treat Donors Like Investors, a Top Philanthropist Urges

“Donors everywhere are much more strategic and thoughtful about their giving. They want to see data and outcomes. They constantly ask ‘Can you show me the numbers?’”

*Heidi McCrory
Vice President, College Relations
Kenyon College*

The Donor-Investor Seeks



Transformative Impact

Evidence that their gift has led to change that would not otherwise be possible



Compelling Ideas

Innovative, large-scale solutions to local, national, or global problems



Credible Connections

Investment in people who can link big ideas to impact

Donors Seek Transformative Impact

Affinity to Issues, Not Institutions

Donors Are Impact-Centric

62%

Want information on how the organization plans to use the gift

75%

Want information on results achieved with their gift

64%

Want stories about people who were helped

How Next Generation Donors Consider Philanthropic Investments¹

- 1 Setting Goals**
First decide philanthropic goals, then search for potential recipients
- 2 Evaluating Organizations**
Conduct research and due diligence before deciding what to support
- 3 Solving Problems**
Fund efforts that address root causes and attempt systematic solutions
- 4 Analyzing Results**
Prefer information on proven effectiveness or measureable impact

Source: Burk P, "The Burk Donor Survey: Where Philanthropy Is Headed in 2013," Cygnus Applied Research, Inc., Sept. 2013; Johnson J, "Including the Young and the Rich," *New York Times*, Apr. 18, 2014, www.nytimes.com/2014/04/20/fashion/white-househosts-next-generation-young-and-rich.html?_r=2; Johnson Center for Philanthropy, 21/64, "#NextGenDonors: Respecting Legacy, Revolutionizing Philanthropy," 2013, www.nextgendonors.org/wp-content/uploads/next-gen-donor-reportupdated.pdf; Fulfilling the Donor Investor Mandate, Philanthropy Leadership Council, The Advisory Board Company 2014, 11; Advancement Forum interviews and analysis.

1) Survey participants were individuals aged 21 to 40 years-old who were "currently or potentially active in their families' significant philanthropic processes and/or who are wealth creators themselves and currently or potentially active in their own philanthropy."

Donors Seek Compelling Ideas



MacArthur Foundation Sets the Bar

Higher Stakes for Higher Education

100&Change

Our Strategy

100&Change is a MacArthur Foundation competition for a \$100 million grant to fund a single proposal that promises real and measurable progress in solving a critical problem of our time. We will consider proposals from any field or problem area.

Our Approach

Some problems cannot be solved by grants of the size that foundations typically provide. By level far above what is typical in philanthropy, we can address problems and support solutions radically different in scale, scope, and complexity. \$100 million is a large enough sum to focus on a serious problem and its solution in a meaningful and lasting way. We hope that 100&Change will spark conversation about solutions and about how we can solve some of our most significant problems.

The openness of the 100&Change competition is a counterbalance to the Foundation's big bets that strive for transformational impact in areas identified by the Foundation's board and staff. We recognize that we do not know it all and have designed 100&Change to be agnostic with respect to field or problem area.

We are seeking proposals that articulate both a problem and its solution. Competitive proposals must address a meaningful problem and provide a solution that is verifiable, durable, and feasible.

The Selection Process

We have designed a selection process that is fair, open, and transparent. In the first round, panels of external judges will review and score proposals using a common rubric. Based on the reviews, up to ten semifinalists will be asked to provide further details about their proposals and engagement with targeted communities. The semifinalists will also receive technical assistance from an expert team who will assess and advise plans for implementation of the proposed solution. From this group, a smaller number of finalists will be selected. These finalists will present their solutions at a live event in the fall of 2017. Selection of the final award recipient rests with MacArthur's Board of Trustees.

Specific terms and conditions are available on the [competition website](#). The competition closes on Thursday, June 2, 2016; applications are due no later than Monday, October 3, 2016, at 11:00 a.m. Central. However, you must first register by Friday, September 2, 2016, at 11:00 a.m. Central.

\$100M grant competition open to anyone in any field anywhere

Goal of solving "a critical problem affecting people, places, or the planet."

Impact must be "meaningful, verifiable, durable, and feasible."

Transparent selection process

“Donors are interested in substance. They are trying to achieve something in the world, and they can use universities to do that. What we have to do is convince them that a **university is a good investment for how they want to change the world.** That information is only going to come from the academic leaders.”

*Provost
Canadian Research Institution*

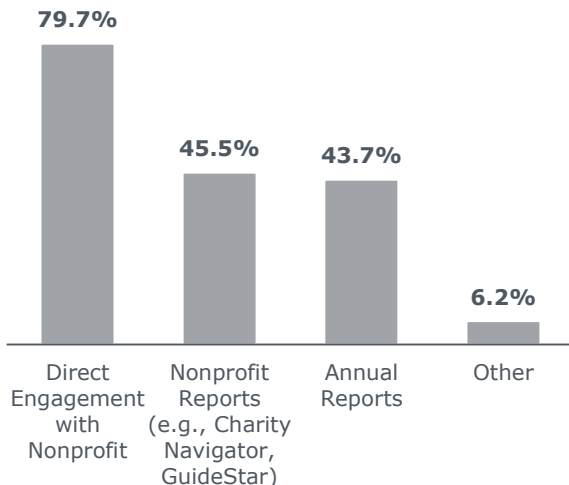
Source: "100&Change," MacArthur Foundation, <https://www.macfound.org/programs/100change/strategy>; "Big Charitable Gifts: Where Donors Have Given \$1 Million or More," *Chronicle of Philanthropy*, https://philanthropy.com/factfile/gifts/1?DonorDisplayNames=&lang=&Category=any&GiftRecipients_RecipOrgDateLine_c=&GiftRecipients_RecipStateFull=any&GiftDonors_SourceWealth_cu=&GiftDonors_aStateFull=any&GiftYear=any; "Campaign Nets \$50 Million Gift," University of Oregon, <http://giving.uoregon.edu/s/1540/development/index.aspx?sid=1540&gid=28&pgid=3341&cid=7128&ecid=7128&ccid=0&calpgid=2113&calcid=4773>; Advancement Forum interviews and analysis.

Donors Seek Credible Connections

Donors Engage with Leaders to Evaluate the Impact of Their Gifts

Direct Engagement Favored as an Evaluation Tool

How High Net Worth Philanthropists Evaluate Organizations



Donors Invest in People

“Any nonprofit is only as good as the people who run it. **At the end of the day, you’re investing in people...** It’s a lot more informative to have a conversation with whoever is carrying out the group’s mission than to read about them online.

Carrie Morgridge
Vice President, Morgridge Family Foundation
Author, *Every Gift Matters: How Your Passion Can Change the World*

Alumni Invest in Faculty



Of alumni consider relationships with their professors to be a primary source of affinity for their college, university, or school

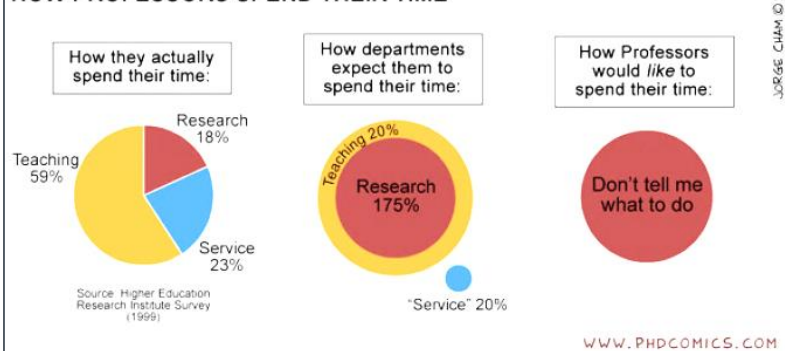
Source: “The 2014 U.S. Trust Study of High Net Worth Philanthropy,” US Trust, Oct. 2014; Morgridge C, *Every Gift Matters: How Your Passion Can Change the World*, Austin: Greenleaf Book Group, 2015, 38; “Alumni Attitude Study,” Performance Enhancement Group, in Henderson N, “It’s Academic,” Council for Advancement and Support of Education, Jan. 2014, http://www.case.org/Publications_and_Products/2014/January_2014/It%E2%80%99s_Academic.html; Advancement Forum interviews and analysis.

Faculty Reluctant to Engage

Multiple Barriers to Participation

Scarcity of Faculty Time

HOW PROFESSORS SPEND THEIR TIME



Advancement Asks for the Wrong Things



Time

Annual fund solicitations, prospect research, project feasibility studies



Giving

Participation in faculty and staff campaign



Contacts

Sharing connections built with students and alumni

Faculty Misconceptions About Their Role



Finding donors



Writing proposals



Asking for gifts

1

The Rise of the Donor Investor

2

Sourcing Big Ideas

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Supporting the Donor Engagement Process

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Other Fundraising Products

5

Creating Opportunities for Practice

The Big Ideas are Hard to Find

Traditional Idea Sources Necessitate a New Process

Idea Sources

Institutional Challenges



Donor Interests

- Idiosyncratic
- Mismatch with institutional needs
- Unrealistic expectations

"The donor wants to start a new college, but we'll never be great in that area."



Unit Leaders' Immediate Needs

- Focus on today's operations
- Limited vision for tomorrow
- Unappealing to donors

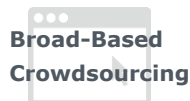
"Donors don't want to pay to clean the carpets and keep the lights on."



Faculty Pet Projects

- Perceived as advancement "playing favorites"
- Difficult to sustain over time
- May be unaligned with institutional priorities

"Faculty do not have insight beyond their corner of campus."



Broad-Based Crowdsourcing

- Mixed quality of ideas
- Unrealistic plans
- Unsustainable over time



Bringing Order to Chaos

Developing a Process to Capture Big Ideas

Six Steps to Sustainably Source Big Ideas



Case Exemplars



What Is a Big Idea?







Ensuring Success By Clarifying What is Expected

A Big Idea Should:

-  Transform the University and the world
-  Make the University unique in the marketplace
-  Focus on where the University is good but could become better
-  Include areas where the University is emerging as a leader

A Big Idea Should Not:

-  Be defined *solely* by a capital project
-  Bundle together smaller ideas
-  Solely feature a naming opportunity
-  Lead to slow, incremental improvement

Providing Additional Details to Advancement

Substantiating Your Idea



Ensuring Faculty Provide Necessary Information

Faculty should explain:

- Alignment with mission and academic plan goals
- Building on existing academic strengths
- Fostering interdisciplinary collaboration
- Links to fundamental societal challenges or opportunities
- Viable funding model, including philanthropy and institutional funding
- Sustainability beyond three to five years

Other Questions to Support Your Idea Proposal



Institutional Niche

- How does this take advantage of our existing strengths?
- How does this make us unique, or differentiate us in the marketplace?
- How will this make a difference on campus in the long-term?
- Which regional or global problems does this initiative solve?




Implementation Thresholds

- How much is this idea worth?
- Could this idea be funded through philanthropy or other outside sources?
- How will funding be sustained over time?
- How will the project use both existing and new resources on campus?

A Big Ideas Information Hub

Dedicated Website Clarifies the Process



The screenshot shows a web browser displaying the 'Call for Big Ideas' page on the UC Davis website. The URL in the address bar is <http://devar.ucdavis.edu/resources/big-ideas/>. The page features a dark blue header with the UC Davis logo and navigation links: Home, About Us, Career Opportunities, and Resources. The main content area is titled 'Call for Big Ideas' and includes a paragraph about the university's fundraising campaign, a list of criteria for big ideas, and information about the Campaign Steering Committee. A sidebar on the left contains links to various resources, and a contact information box is at the bottom left. Annotations with arrows point to specific elements on the page:

- Hosted by Development and Alumni Relations**: Points to the UC Davis logo and the 'Resources' link in the header.
- Endorsed by Chancellor**: Points to the 'Message from the Acting Chancellor' link in the sidebar.
- Contact information for further questions**: Points to the 'Development and Alumni Relations' contact box in the sidebar.
- Open to all members of academic community**: Points to the first bullet point in the 'Call for Big Ideas' criteria list.
- Big ideas criteria**: Points to the list of criteria for big ideas.
- Link to next steps**: Points to the 'move forward to' link in the text about the Campaign Steering Committee.

Call for Big Ideas

The University of California, Davis will enter into the silent phase of a comprehensive fundraising campaign in the next 12 months. A critical component of a successful campaign is the generation of "big ideas" that represent audacious, forward-thinking programs and projects that will keep UC Davis at the forefront of academia, and position us for continued success for many years to come. These Big Ideas will come from all levels of the academic community, including faculty, students, staff, department chairs, center directors, the Council of Deans and Vice Chancellors, and university leadership, and should embody the characteristics listed below:

- Transformational (strategic, reputational, leveraging/inspiring, programmatic, financial)
- Single-concept idea (ie. not a collection of smaller naming opportunities)
- Build on strength/foundation at UC Davis but moving toward something more leading-edge
- Interdisciplinary OR having an interdisciplinary impact
- Area where we have the unique capacity to be the best

The university has convened a Campaign Steering Committee that is comprised of Acting Chancellor Hexter, all permanent deans, select university administrators, and the chair of the faculty senate. This committee in partnership with students and staff will review initial submissions for Big Ideas, give feedback, and determine which ideas should [move forward to the next stage](#).

Call for Big Ideas

- Definition of a Big Idea
- Message from the Acting Chancellor
- Timeline
- Big Ideas Next Steps
- Big Idea Champions
- Campaign Steering Committee
- News

Development and Alumni Relations

- University of California, Davis
One Shields Avenue
Davis, CA 95616-5270
phone: (530) 754-8616

IMAGE CREDIT: UNIVERSITY OF CALIFORNIA, DAVIS.

Embedding Transparency in the Decision Process



Creating a Principled Scoring Process



Big Ideas Criteria

- ☒ Aligned with the strategic plan
- ☒ High degree of distinction related to preeminence in select disciplines
- ☒ Required philanthropy to achieve excellence

80 Proposals met criteria and continued to scoring process →

Big Ideas Scoring System

Transformative impact on campus	10
Meets an immediate need	8
Increases national acclaim	6
Creates pan-campus collaboration	4

Maximum score possible	28

An Objective and Inclusive Evaluation

Scorecards Indicate Best Idea Proposals

College of Charleston Sample Scorecard

Proposal	Campaign Bucket	Committee Members						Average Score
		Provost	VP Advancement	VP Business Affairs	VP Student Affairs	Chief of Staff	Director of Athletics	
Center for Southern Jewish Culture	Power of Place	14	16	16	14	24	16	16.7
Student Leadership Initiative	Student-Focused Community	20	14	18	20	18	24	19.0
Center for Livable Communities	Academic Excellence	9	12	9	8	7	13	9.7

Proposals from deans and faculty

30

Priorities sent to President

Scores from committee members

11

Commitments of at least \$1M

Priorities sent to President for approval

\$17M

Revenue from big ideas

Extensive Communication Plan Leads to Success



Benefits for Leaders Across Campus

“The process we executed has **been fantastic for development and has had far-reaching benefits for the entire campus.** Leadership is thrilled with what came of the process, because **it galvanized hundreds of faculty and staff around the idea of stopping, taking a deep breath, and really thinking about what we’re good at, where we can go big, and what will define us for the next 20 to 30 years.**”

*Shaun Keister
Vice Chancellor, Development and Alumni Relations
University of California, Davis*

Process Far Exceeds Expectations

40

Proposals
expected

196

Proposals
submitted

46

Proposals fully
met criteria

10

Featured as
campaign priorities

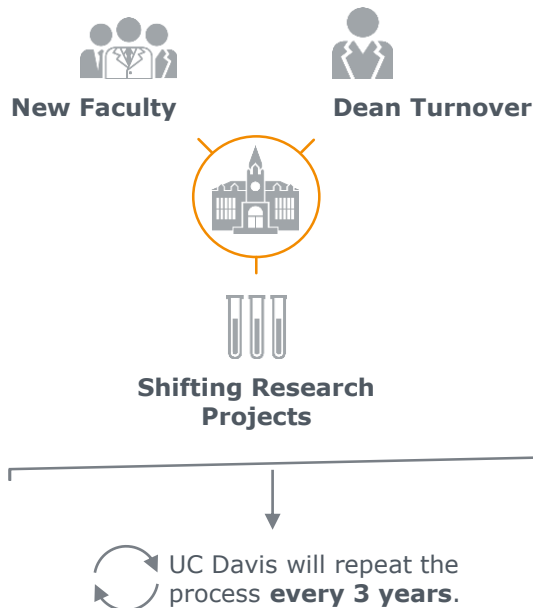
\$40M

First gift from
big ideas



Show Results and Repeat the Process

Big Ideas Don't End At the Deadline



Uncovering Funding Priorities In and Out of Campaign

“Big ideas aren't generated at once—they come and go, so you can't just do this and stop. **We'll do this even if we aren't in a campaign, because the process works so well.** Leadership sees ideas they haven't heard about before. They have a better sense of what faculty are passionate about, where the strengths are, or where some faculty have come together for the first time to create these ideas.”

*Shaun Keister
Vice Chancellor,
Development and Alumni Relations
University of California, Davis*

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Other Fundraising Products

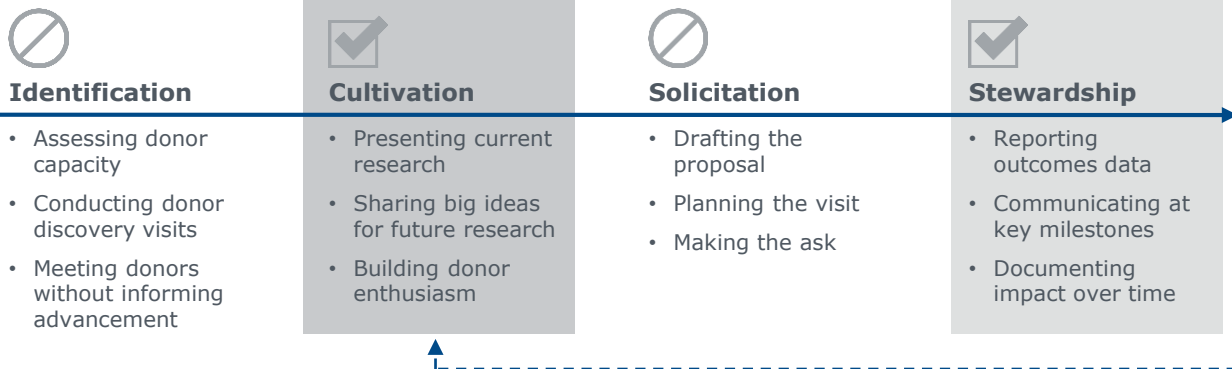
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Creating Opportunities for Practice

Clarifying the Role of Campus Partners

Emphasizing Where You Can Shine

Where Campus Partners Should Be Involved in the Donor Life Cycle



“**Deans don’t need to make the ask.** That is the role of their development officer, and that’s why **it has to be a partnership.** Deans need to speak with passion about an area that is important to them and the donor. Then, when it’s time to make the ask, turn to the fundraiser.”

*Heather Engel
Associate Vice President for Campaigns and Constituent Development
Rochester Institute of Technology*

“Whoever Tells the Best Story Wins”

Elements of a Winning Story



Authentic voice, including imperfections



Provides a sense of time and place



Adds meaning to data

Where Faculty Go Wrong

“The purposes of this **planning process** are to improve upon and leverage existing **engagement programs**, to identify opportunities for additional engagement on campus and to develop a long-term plan for **supporting and sustaining such efforts**. This project would leverage the knowledge and skills of faculty and staff currently **implementing engagement programs** to **work with campus leaders** on a campus-wide engagement plan.”

Lacks specific details, unique features, and meaning for non-academic audiences



Helping Numbers and Narratives Work Together

“In the past two decades, cognitive science has increasingly come to support the claim that we, as a species, think best when we allow numbers and narratives, abstract information and experiential discourse, to interact, to work together.”

Scott Slovic, Ph.D. and Paul Slovic, Ph.D.
Editors, Numbers and Nerves: Information, Emotion, and Meaning in a World of Data

Helping Faculty “Talk Like TED”

“Ideas Are the Currency of the 21st Century”



Be Emotional

You can't inspire others without being inspired

An enthusiastic, meaningful connection to the topic is transmitted to the audience

Tell stories that engage hearts and minds

Stories help the speaker connect with listeners and make a new idea more convincing

Have a conversation

Practice so that delivering the presentation is as comfortable as speaking with a friend



Be Novel

Teach the listener something new

Include unexpected elements or give the audience a new way of looking at the world

Deliver a jaw-dropping moment

Elicit a strong emotional response to grab the listener's attention and make the presentation memorable

Lighten-up

Don't take yourself or your topic too seriously



Be Memorable

Set a Time Limit

Keep the presentation short for successful transmission of ideas

Paint a mental picture

Allow the audience to envisage concepts that are foreign, complex, or otherwise hard-to-understand

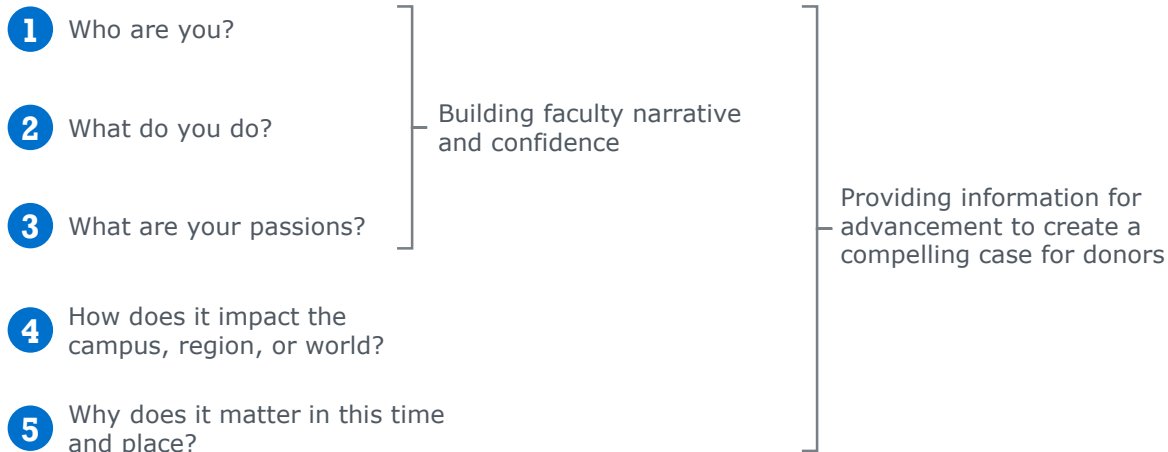
Stay genuine

Openness, authenticity, and vulnerability are strengths to be cultivated, not weaknesses to erase

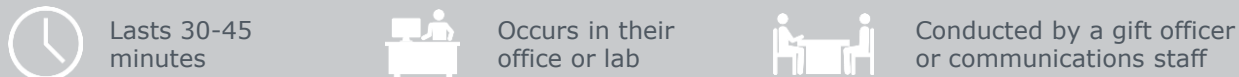
Capture Details to Create the Proposal

Using a Storytelling Framework to Start the Conversation

Get to Know Their Passions and Help Build the Project Narrative



Faculty Discovery Visit Logistics



Source: Simmons A, *Whoever Tells the Best Story Wins: How to Use Your Own Stories to Communicate with Power and Impact*, New York: AMACOM, 2007; Philanthropy Leadership Council, "Story Building Framework for Prospect Conversations," *Philanthropy-Physician Partnership Toolkit*, Washington, DC: The Advisory Board Company, 2013, 71; Advancement Forum interviews and analysis.

Framing Projects in a More Appealing Light

Helping Faculty Translate the RFP into Donor Investor Terms

Original “Program Overview”

“The program will successfully link concerns over access, diversity, and equity in the United States with a **hemispheric model** of internationalization. We will champion **new paradigms** to offer responses to this challenge that understand U.S. socio-economic and political processes within larger global and hemispheric contexts. This proposal includes **new classes and research agendas, multi-lingual classrooms, a strategic cluster hire, and an endowed chair.**”

Revised “Value Statement”

“We will **take the lead** in studying the **impact** of internationalization and respond to the **challenges** it presents on a local, regional, and global scale. We will answer questions about access, diversity, and equity through innovative teaching and research, fostering **collaboration among experts** and building a dialogue that is **unique to our institution.**”

Key Language Elements



Minimize academic jargon



Clearly focus on short-term outcomes and long-term impact



Highlight how this institution is uniquely positioned to have an impact

Communicating in Their Terms

Value Category	Sample Terms and Phrases for Donor Investors
Innovation	Academic and translational research leader, innovation incubator, technology pioneer, entrepreneurship center
Competitive Advantage	Attract and retain top talent, improve access to higher education, become the leader in the field, maintain a tradition of excellence
Research Outcomes	Solve global problems, answer societal questions, translate data into impact
Impact	Improvement over time, catalyst for change, local community, regional development, global shift
Financial Performance	Sustainable initiatives, efficient management, seed funding, institutional investments
Recognition	National rankings, faculty awards, public reputation, competitive research grants and fellowships
Progress	Time to reach goal, key milestones, new or additional investment, seed funding
Community Value	Impact on the local community, reach underserved populations, student engagement

Developing Storytelling Skills

An Opportunity to Help Academics Craft Their Narrative



Storytelling Workshop for Deans

Workshop Goals

- 1 Learn the basics of storytelling and the aspects of a compelling narrative
- 2 Have an opportunity to practice stories and receive feedback
- 3 Build relationships between academic leaders, communications staff, and development officers

Evolved into Larger Training Series

▶ 3 learning modules



Roles for academic partners and prospect management



Storytelling, communications, and stewardship



Unit visioning in the context of a comprehensive campaign

▶ Deans brought modules to their units

Participants included department chairs and faculty leaders



Workshops Create Space for Practice

Blending Learning, Sharing, and Feedback

Session Overview



Pre-Session Preparation

Attendees prepare a story to share with the group

Session Overview

Elements of a compelling narrative and feedback guidelines

Sharing Stories

Attendees tell their narratives to their peers and advancement partners

Feedback

- ✓ Positive and constructive comments
- ✓ Peer review
- ✓ Self review



Refining the Message

Continued improvement over time

Key Benefits for Academic Partners



Overall role and impact of philanthropy, and their role in advancing philanthropic conversations



How to tell a compelling story to a non-expert audience

Module Logistics



One-hour session for academic leaders



Round tables and assigned seating encourage department-specific discussion



Development officers at each table facilitate discussion

Making It Work on Your Campus



Keys to Success



Ensure that attendees are peers



Prioritize practice over lecture



Assign seating to develop partnerships



Encourage learning in action and long-term sustainability



Campus Resources

- Identify potential workshop facilitators in faculty and staff
- Ask experienced development officers to share best practices
- Use the forthcoming **Storytelling Toolkit**



Audience

- Deans
- Department chairs
- Academic leaders
- Faculty associated with campaign priorities
- Principal investigators



"It's our first time really convening this group in a purposeful fashion. We really facilitated conversations that deans and development officers weren't having about the larger vision for the colleges and how that could be communicated. In their day-to-day lives, they weren't making the time to sit down and have those connected conversations."

*Tom Evelyn
Associate Vice President, Strategic Communications and Marketing (former)
University of Florida*

Could Newton Get Donor Funding Today?

Big Ideas RFP



Grand Ideas Process

Principal Investigator:

Isaac Newton

Project Title:

Mathematical Principles of Natural Philosophy

I. Basic Description:

This project will describe the mathematical laws that govern the motions of all bodies and will propose a law of universal gravitation from which can be derived the motions of the planets.

II. Predicted Impact Over Time:

This will revolutionize human knowledge and scientific investigation

III. Estimated Cost:¹

\$5 million over five years

IV. Other Sources of Funding

Donors' Comments

What kind of societal impact might this project have?

Have you lined up any corporate partners?

Do you have institutional matching funds?

Do you have collaborators from other disciplines (especially engineering, bioscience)?

What are the potential real-world applications?

What types of outreach will be involved (beyond an academic publication in Latin)?



1) Adjusted for inflation.

Faculty Critical for Identifying Impact

Peer-Reviewed Journal Articles Are Not For Donors

Unique Attributes of Big Idea Faculty



Expertise

Specialized knowledge and training about a specific discipline or issue



Data

Qualitative and quantitative information about research and results



Narratives

Passionate, compelling stories about why the research matters

Burden of Scholarly Impact Often Impedes Easy Data Extraction

“In marketing speak, you take liberties that might not be fully substantiated. But the academic side wants to be accurate and fully explain everything.”

*Vice Chancellor, University Relations
Public Research Institution*

“Their credibility is on the line, and they worry about what other academics will say, which sometimes prevents them from telling a good story, or adds tension to the process.”

*Associate Vice President for Development
Private Research Institution*

“Impact” Is a Flexible Term

No Standard Definition or Expectation

Multiple Indicators of Impact

Issue-Specific Impact



Of donors seek information about long-term benefits to society from addressing or resolving issues

Organization-Specific Impact



Of donors seek information about the impact of an organization

Overall issue size and scope



Specific issue subset addressed

All populations affected



Geographic area and population served

Innovative solutions developed



Projects to be funded through philanthropy

Setting Expectations Upfront

Using Impact Worksheets to Plan for Stewardship



A Tool to Set Expectations for Faculty (and Donors)

Discovery Visit



Create Impact Reporting Worksheet



Implement Impact Worksheet



Use visit to determine next steps

- Define “success”
- Identify crucial project milestones
- Consider potential roadblocks

Sets path for stewardship with Impact Reporting Worksheet

- Create donor engagement and reporting plan
- Set faculty expectations for participating in stewardship
- Determine data to be shared during project

Check-in with faculty to gain data for impact reporting

- Impact worksheet sets schedule for check-ins
- Stewardship meets donor expectations
- Plans in place for roadblocks or delays

Tell Them Exactly What You Need

Worksheets Simplify, Standardize Process for Big Ideas Faculty



Impact Information Worksheet

- 1. What is your progress on the milestones agreed upon initial receipt of funding?**
- 2. How are you tracking towards desired project outcomes?**
- 3. Do you have an example of an impact story from this project?**
- 4. What could philanthropy enable you to do next?**



Forthcoming Toolkit



Key Considerations

- Refer to case proposals for metrics and milestones that faculty agreed to track
- Development staff pre-populate worksheet with milestones
- Request anecdotes, photos, and charts to add color to impact communications
- Ask for information about future opportunities for reinvestment
- Provide faculty sufficient time to complete worksheets
- Share worksheet via email or in a live conversation with faculty

Show How the Funds Will Be Used

Building a Donor-Friendly Project Budget

Riva Ridge University¹ Faculty Determine Project Details

“Things have to be faculty-driven. It's been a process of **educating faculty about practical considerations** of what the plan looks like. **They're the ones who are going to have to sustain it.** If faculty aren't committed to a project, there's no way a project would be sustainable over the long-term... **They have to connect all of the dots** before we can have bigger strategic conversations or get donors involved.

*Executive Director of Development
Riva Ridge University*

Elements of a Project Budget



Faculty Cost Estimate

Faculty create budgets with projected expenses for new initiatives



Institutional Investment Projection

Chief Financial Officer determines institutional funding for new initiatives



Impact Over Time

Pro forma shows long-term impact of philanthropic and institutional investments



Showing Impact of Funding

Project proposal includes overview of funding sources and sustainability over time

1) Pseudonym for a private master's institution.

Modeling Gift Impact

Donors Receive Individualized, Simplified Five-Year Pro Forma Pro Forma Models Gift Outcomes and Investments

Entrepreneurship Center: No Philanthropic Support

	Year 1	Year 2	Year 3	Year 4	Year 5
Student Fellowships	5	5	6	7	8
Business Seed Funding	\$4,000	\$4,080	\$4,160	\$4,250	\$4,300
Cost to Institution	\$500,000	\$100,000	\$75,000	\$75,000	\$75,000

Entrepreneurship Center: \$5M Philanthropic Support

	Year 1	Year 2	Year 3	Year 4	Year 5
Student Fellowships	5	10	12	14	17
Business Seed Funding	\$10,000	\$10,200	\$10,400	\$10,600	\$10,800
Cost to Institution	\$0	\$0	\$25,000	\$25,000	\$25,000

Entrepreneurship Center: \$10M Philanthropic Support

	Year 1	Year 2	Year 3	Year 4	Year 5
Student Fellowships	10	20	24	28	33
Business Seed Funding	\$15,000	\$15,300	\$15,600	\$16,000	\$16,300
Cost to Institution	\$0	\$0	\$0	\$15,000	\$15,000

Critical Components to Model Gift Outcomes

- Proposal and project budget from academic partners
- Financial data from CBO or investment manager
- Financial model to predict future costs and returns based on gift size
- Estimated project investment from the institution
- Size of potential gift from prospective donor

Shows increased impact and reduced cost to institution for largest gifts

- 1 The Rise of the Donor Investor
 - 2 Sourcing Big Ideas
 - 3 Supporting the Donor Engagement Process
 - 4 **Other Fundraising Products**
 - 5 Creating Opportunities for Practice
-

Generating a Sense of Ownership

Fundraising Products Bring Major Gift Experience to Mid-Level Donors

Key Components of Fundraising Products

1 Explicit Price Tag

Required funding levels attached to priorities allow gift officers to make direct asks for specific amounts

2 Upfront Impact

Compelling descriptions of how gifts will be used draw more donors who want to know impact ahead of time

3 Clear Stewardship

Parameters of fundraising products give fund admins clear guidelines on how to steward donors

4 Natural Upgrades

Larger endowed funds replicate the look and feel of fundraising products, leading to easy upgrades

Named Scholarships for Mid-Level Donors

The University of North Florida Solicits 3-Year Pledges

Named Annual Scholarships at the University of North Florida



- *Minimum Pledge:* \$5,000
- *Term:* At least 3 years
- *Stewardship:* One-on-one scholarship lunches, photos of students with their donor, ongoing communication with student recipient
- *Examples:* Nursing student scholarships, study-abroad stipends, business scholarships in focused areas (e.g., logistics)

“

Feeling a Sense of Ownership

“In the communications back and forth with the donor, we want them to feel ownership of the scholarship. We want to talk about it in terms of them meeting their students and them hearing from their students. We invest some staff time upfront in this, but we look at it as a long-term opportunity to grow to much larger giving.”

*Ann McCullen
Associate Vice President
for Development
University of North Florida*

Moving from Mid-Level to Major Giving

Immediate Returns Are the Tip of the Iceberg



A Popular Giving Option

50

Average number of donors giving to annual named scholarships

\$100K

Average annual revenue from named scholarships

Next Steps for Scholarship Donors



Completes 3-year term of scholarship pledge



Upgrades to \$25,000 endowed scholarship



Includes bequest to university in will



A Stepping Stone to Major and Planned Gifts

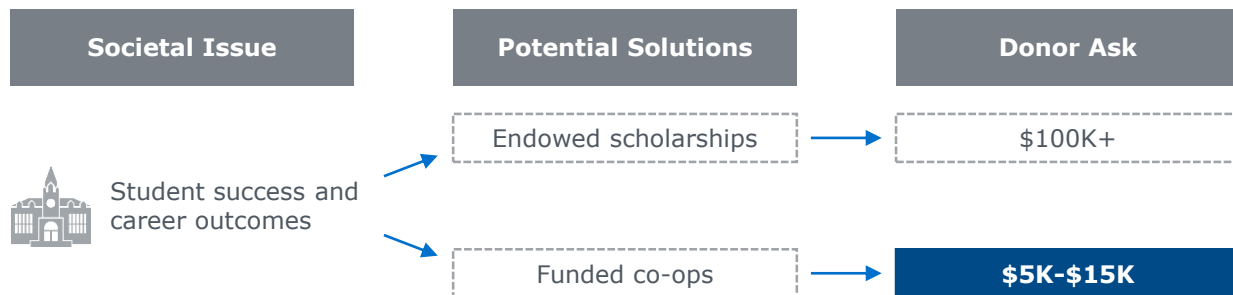
"The upgrade is kind of an easy sell. They meet the student, they get attached, they feel really good about it. Then we say, 'We would love for you to make this a permanent scholarship by creating an endowment at \$25,000.' We move them along, so to speak."

*Ann McCullen, Associate Vice President for Development
University of North Florida*

Ask for Gifts with Immediate Impact

Drexel Adds Urgency by Focusing on Solvable Problems

Pinpointing Issues that Can be Solved Today



Prioritizing Causes That Appeal to Rising Donors

“It’s hard to make the case to Millennials that investing in higher education will have immediate impact. We need to do a better job of framing the investment in the institution as a way to solve things that matter to people on a societal level.”

*David Unruh, Senior Vice President,
Office of Institutional Advancement, Drexel University*

Turning Priorities into Fundraising Products

College Advancement Works with Departments to Price Out Needs

Process for Developing Fundraising Products Prior to Campaign Launch

The University of Michigan's College of Literature, Science, and the Arts



Central staff send departments a template with key questions for identifying, describing, and pricing funding priorities



Information on priorities is compiled in attractive, multipage fundraising brochures with prices clearly displayed

Circulate Templates

Interview Chairs

Develop Collateral

Roll Out to Donors

One staff member from college advancement interviews department chairs to explore priorities and develop products



Brochures are circulated to gift officers, who are trained to talk about fundraising products and upsell donors

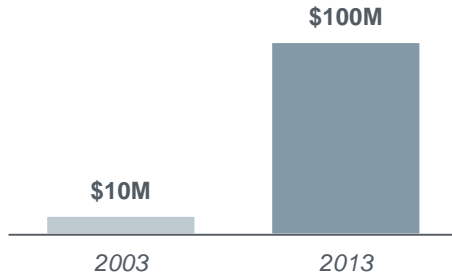


A Boon to Giving

Fundraising Products Spur Exponential Increase in Annual Returns

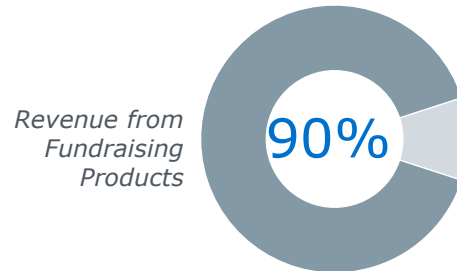
Annual College Gift Revenues Before and After Fundraising Products' Introduction

2003 and 2013



Gift Revenue from Fundraising Products and Other Sources

2013



“

An Incredible Donor Experience

“I was a top salesperson at Xerox for 15 years. I never walked in to people just loving me because they had such a good experience. I had a lot of customer loyalty, but not like this.”

*Peggy Burns, Assistant Dean for Advancement¹
University of Michigan*

A Road Map to Larger Gifts

Fundraising Products Provide Pathway for Upgrades

Example Campaign Gifts

	Campaign Year 1 <i>Initial Investments</i>		Campaign Year 4 <i>Upgraded Support</i>		Campaign Year 7 <i>Transformational Gifts</i>
Economics	\$5K annual Visiting scholar seminar series	→	\$40K annual Experimental economics technology center	→	\$800K endowed Center for the study of financial markets
History	\$10K annual Career development for history majors	→	\$50K annual Visiting fellowships for historians in the Global South	→	\$1M endowed Visiting professorship in the history of law
Molecular Biology	\$20K annual Outreach program for molecular biology student recruitment	→	\$50K annual Undergraduate summer research fellowships	→	\$2.5M expendable New equipment for biological imaging lab

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No Crystal Ball Required

Providing Answers for Predictable Questions



Proposal Elements Anticipate Donor Questions



Mission and Purpose

- What problem are you trying to solve?
- How is your unit uniquely qualified to tackle this problem?

Goals

- What action will you take?
- How will you measure success?



Fundraising Plan

- What will the gift fund?
- How will the donor's gift shape the outcome?

Impact

- What will be the benefits of your action?
- Why is this now a pressing need?



A Lab to Test the Narrative

Donor Conversations With Training Wheels

Nyquist University Deans' Councils Create Low-Stakes Donor Interactions



Deans Develop Narratives

- Division heads determine short- and long-term priorities, and overall vision
- Deans develop donor pitch to promote vision and priorities



Donors Invited to Preview Narratives

- Current donors invited to hear a preview of new priorities
- External prospects invited to gauge interest and build enthusiasm for projects



Feedback Session

- Donors asked to respond to vision and priorities presented
- Advancement staff guide the discussion

“

It was shocking **how little faculty knew about how to express a big idea in a compelling way with donors.** Faculty are learning that donors aren't only going to fund what you need them to fund. This is a longer process of aligning interests with campaign priorities.”

*Associate Vice President for Development
Nyquist University*

Establishing Clear Ground Rules for Feedback

Clarifying Volunteer Roles During the Session

Feedback Session Process

1

Establish Ground Rules

Clarify what constitutes positive feedback to maximize benefits to donors and faculty

2

Time for Reflection

Allow donors to consider the presentation before soliciting feedback

3

Guided Discussion

Questions for donors include:

- Does this resonate with you?
- What's missing?
- What other information do you need?
- What follow-up would you like?

Guidelines for Feedback

Feedback Should:

- ☒ Focus on improving the narrative
- ☒ Target the content of the presentation
- ☒ Share donor's knowledge and unique perspective
- ☒ Provide direction and cite specific examples

Feedback Should Not:

- ☐ Criticize without proposing a solution
- ☐ Target oration or presentation skills
- ☐ Set unrealistic expectations
- ☐ Be too general to be helpful

Donor Angel Investing

Pitching Critical Funding Priorities to Would-Be Investors

Brigham Young University's Leadership Society Encourages Donor to "Spend" Their Pledged Dollars Across Top Priorities



President's Leadership Council (PLC)

- Premier giving society at Brigham Young University founded in 2000
- Triggered by potential \$100,000 gift by high-capacity donor, they ask donors to consider PLC membership and pledge to give \$1M annually over 5 years
- 300-350 members on average
- Twice-annual conferences to receive university updates from senior leaders



President-Approved Priorities

- Donors are asked to give to one of top 5-6 "President-Approved Areas" that reflect yearly needs and change
- "Gift destination evangelists" (campus partners associated with each president-approved area) **come to annual conferences to pitch the importance of their priority and get feedback**
- Ever-changing causes ignite natural "upgrading" effect as donors become attached to last year's priorities but excited about this year's as well

1) This amount is in addition to the regular President's Leadership Council giving requirements.

Preparation One Visit at a Time

Assuaging Faculty Concerns Before the Visit

“I am best used by getting me in front of the **right people** with the **right preparation**, the **right understanding of why we are meeting**, and **what we hope to accomplish**. For recent big gifts in the \$10M range, it was all about the relationship and not at all about a transaction.”

*Larry Pulley, Ph.D.
Dean, Raymond A. Mason School of Business
College of William & Mary*

Clarifying Roles, Goals, and Messages

Before meeting with a donor, brief academic partners on:

- ☒ Donor background information
- ☒ The goal for the meeting
- ☒ Who will do what during the meeting
- ☒ How the conversation will flow
- ☒ How to answer difficult questions

Reflecting on Visit Execution

Embedding Feedback and Coaching After the Visit

Post-Visit Questions

Discuss the visit as soon as it is over, starting with the following questions:

- What key thoughts do you have about our interaction with the donor?
- What went well in this visit?
- What could we do better next time?
- What could I do to make the experience better for you?
- Do you have any specific feedback for me?
- Was our preparation helpful? What do we need to remember for the next visit?

Effective Feedback

Share feedback about what did or did not go well using the following guidelines:



Ground comments in specific circumstances



Provide objective impressions and perceptions



Communicate impact or consequence

Next Steps

Strengthen relationships over time by keeping faculty in-the-loop:

- 1 Determine follow-up, including individual responsibilities and timelines
- 2 Inform academic partners about the final results
- 3 Publicly acknowledge the role of faculty in attaining the gift



EAB

2445 M Street NW, Washington DC 20037
P 202.266.6400 | F 202.266.5700 | eab.com