

## Ask a Simple Question

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You're in a board meeting discussing goals, priorities, or budgets when someone on the board asks, "What do other development offices do?" There are several ways to answer this. You can pretend you already know what everybody else does. You can suggest hiring a consultant to study the issue, taking up both money and time, and maybe postponing a decision you don't want to make. Or you could go out and ask. But, you protest, I don't have the resources to do a proper study; I don't know how to find a representative sample of my peers. I don't know anything about statistical analysis. And what if I don't like the answers I find?

Good points, all, but look back at your choices. If the issue doesn't warrant hiring a consultant but you don't want to rely on the staff and board's common knowledge, a small-scale research project is your best option. I undertook this research process three times at Bellarmine College and found the results convinced both the staff and the board that we were on the right path.

### **Bellarmino's Background**

In 1995 the development office helped Bellarmine realize a 30-year dream of funding a new library. We also increased annual giving substantially and won a CASE Circle of Excellence Award for improving our fund-raising program. We thought meeting these goals might give us a little breathing room, but as many campuses have seen, fundraising demands seem to grow at an exponential rate. We would barely finish the funding for one project when four or five more would be ready to take its place. As vice president for institutional advancement I found this particularly frustrating, since demands were growing at a time when I believed my staff was working at maximum productivity.

Bellarmino College, founded in 1950, had a small endowment (about \$11 million in FY 1996) and a young alumni base. It was heavily dependent on tuition and fundraising. Even though more than 40 percent of alumni gave annually, because of their relative youth the amounts they gave were small.

Most of our philanthropic support actually came from non-alumni sources such as local and regional corporations, entrepreneurs, and members of the surrounding community. While their support had been generous, securing it required a great deal of time and effort. For example, we developed a seven-point cultivation system for adding prospects to our major giving club, the President's Society. This led to the society's growth, but we could not build it quickly enough to meet our accelerating fundraising needs.

In one of our planning sessions, it became apparent to the entire development staff that if we were going to achieve these increasing goals, we needed help. We determined in late spring 1995 that two actions could increase our probability for success. Our board and president would have to provide funds for additional staff; step up with a stronger volunteer effort themselves, or do both. Of course, we didn't storm the next board meeting and present our demands – we knew we had to position these recommendations correctly. Despite our successful track record, we knew the board would probably challenge any request for additional staff. But we also believed that our assessment was

right and that comparative data from other institutions would support our recommendations.

We had successfully turned to this kind of peer research twice before, first when the administration asked me to take on admissions responsibilities in 1991 and again in 1992 near the end of our most recent capital campaign. In the latter case, when we were close to surpassing the \$20 million goal, we realized one of our projects, the library, was substantially under-funded. By surveying other institutions we determined the best way to proceed.

We found that campuses commonly exceed the overall campaign goal without fully funding every project. In many cases those institutions would announce success, then focus their fundraising on the under-funded priorities without creating a formal campaign. That's the path we chose as well, and it resulted in our securing the funds we needed for the new library. Based on that success, we decided to turn to research once again.

### **Looking for answers**

To find out how our fundraising goals and performance measured up, in spring 1995 we designed a telephone survey on staff; board, and volunteer support of fund raising. We limited ourselves to nine questions – only what we felt we really needed to know – so we wouldn't take up too much of the respondents' time. We surveyed 20 campuses similar to Bellarmine: private liberal arts colleges with solid academic reputations in the Southeast or lower Midwest. In fact, some of those surveyed compete with us directly for both students and philanthropic support. But when we explained clearly why we were collecting the information and how we intended to use it, people were quite helpful.

One staff member did all the calling. By using just one person for the entire survey, we eliminated the potential problem of answers being interpreted differently by different surveyors. Including phone tag and follow-ups, the data collection took about 15 hours over the course of a month. Generally, the interviewer spoke to the vice president or director of development for about 15 minutes. In most cases this person either knew the answers offhand or had easy access to them in one or more internal reports. A few respondents had to generate new reports to find the answers, but they all cooperated.

### **Using the results**

As we analyzed the data, we were surprised and encouraged to find our hypotheses were correct. As we suspected, our four fund raisers' performance compared favorably to the performance of those surveyed. For example,

- **Goals:** For unrestricted dollars, our staff ranked second with an average goal of \$332,500 per full-time fundraising staff person in FY 1996. The institution that ranked first had a goal of \$416,250 per person. The average goal among all the surveyed institutions was \$208,833 per person.
- **Productivity:** The previous year we raised a total of \$1,439,000 in unrestricted dollars, exceeding our goal of \$1,265,000. That was an average of \$359,750 in unrestricted dollars raised per staff person. Virtually all the surveyed institutions had exceeded their goals in the previous year. Although not all of them would tell us what they raised, most said that the current goal

represented a significant increase over what was raised the previous year. Therefore we knew our productivity was quite high by comparison.

- **Alumni and staff:** The average size of the full-time fund-raising staff was 8.1 people per institution. Two campuses also had part-time fundraising staff and one had a part-time alumni staff person who could work on fundraising. The average number of solicitable alumni at each institution was 12,641. With 8,400 solicitable alumni and four staff members, we again measured up quite favorably.
- **Volunteer involvement:** Here our campus fell short. Of those surveyed, 65 percent said they have volunteers actively involved in fundraising, which we defined as at least 10 volunteers making three to five solicitation calls a year. That's a level we had not yet reached. See following for more details:

<b>The Survey Says ...</b>			
<i>Results from Bellarmine College's phone survey of 20 private liberal arts colleges</i>			
	<b>High</b>	<b>Low</b>	<b>Average</b>
Number of fundraising staff	21*	3	8.1
Number of alumni affairs staff	6	1	1.9
Unrestricted giving goal, FY 1996	\$4,000,000	\$700,000	\$1,691,550
Average unrestricted dollars per fundraiser	\$416,000	\$100,000	\$208,833
Undergraduate alumni	25,000	7,000	12,641
Endowment size	\$390,000,000	\$7,500,000	\$78,500,000
Age of the institution, in years	216	46	133
	<b>Yes</b>	<b>No</b>	<b>Limited</b>
Do alumni affairs staff actively raise funds?	7	5	8
Do volunteers actively raise funds?	13	3	4
<p>*Three additional staff members spend some part of their time on fundraising.  **Defined as at least 10 volunteers each making three to five calls on prospects in one year.</p> <p><i>Source: A spring 1995 telephone survey of 20 private liberal arts colleges in the southeastern and midwestern United States.</i></p>			

By conducting this survey we found objective data to support our requests for additional staff and more volunteer involvement or – if that wasn't possible – a revised fundraising goal. Although I left the college before the findings were implemented, we had given the president the information he would need to make an appropriate decision and seek the board's support.

One unintended consequence of the study was that it bolstered morale. Seeing our goals and productivity compared with those of other campuses gave us a clear confirmation that we were performing at a high level. The result could have lowered morale if our goals or performance were substandard, but we were prepared to adjust our activities if that had been the case.

## **Lessons learned**

Our small sample size limits our ability to generalize our findings to the larger population of campuses, but I'm satisfied that we determined some pretty good benchmarks for our narrow purposes. In retrospect, I would have liked more information on staff activity. It would have been helpful to know, for example, the number of solicitation visits each staff person and the president make annually and the average cost per dollar raised. Of course, asking these questions assumes that I would have more resources to gather the data and that the institutions would be able to provide it. The information we did collect proved quite valuable to us.

If you're interested in doing a similar study, don't worry about having a statistically valid sample that represents overall giving to education. It's more important to determine whether the institutions you're asking are similar enough to yours that you feel the comparisons are valid. Look at things like an institution's size, age, academic reputation, geographic location, and whether it's public or private to determine whether it fits into your study. You can compare yourself to your current peers – or to the institutions in the peer group you wish to be a part of.

Finally, if you face increased pressure to raise more private dollars, you may find it helpful to keep your president and board informed about marketplace realities. Spend a few resources on this type of reality check and ask the right questions of the right people. With the results you may be able to evaluate your performance more objectively and plan for the future more realistically.

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