

# **Development for Deans**

## **Annual Meeting of the**

### **Council of Colleges of Arts & Sciences**

#### **Jacksonville 2013**

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# Development for Deans

## Agenda

- Introduction
  - The Fundraising Landscape
  - Expectations of the Modern Dean
- The Four Components of Successful Fund Raising
  - Identification, Cultivation, Solicitation, Stewardship
- Development Plans and Strategies

# Development for Deans

## Agenda

- Engaging Department Chairs and Faculty
  - Expectations and Realities
- Making Development Part of the Schedule

# Development for Deans

**What attracted you to this session?**

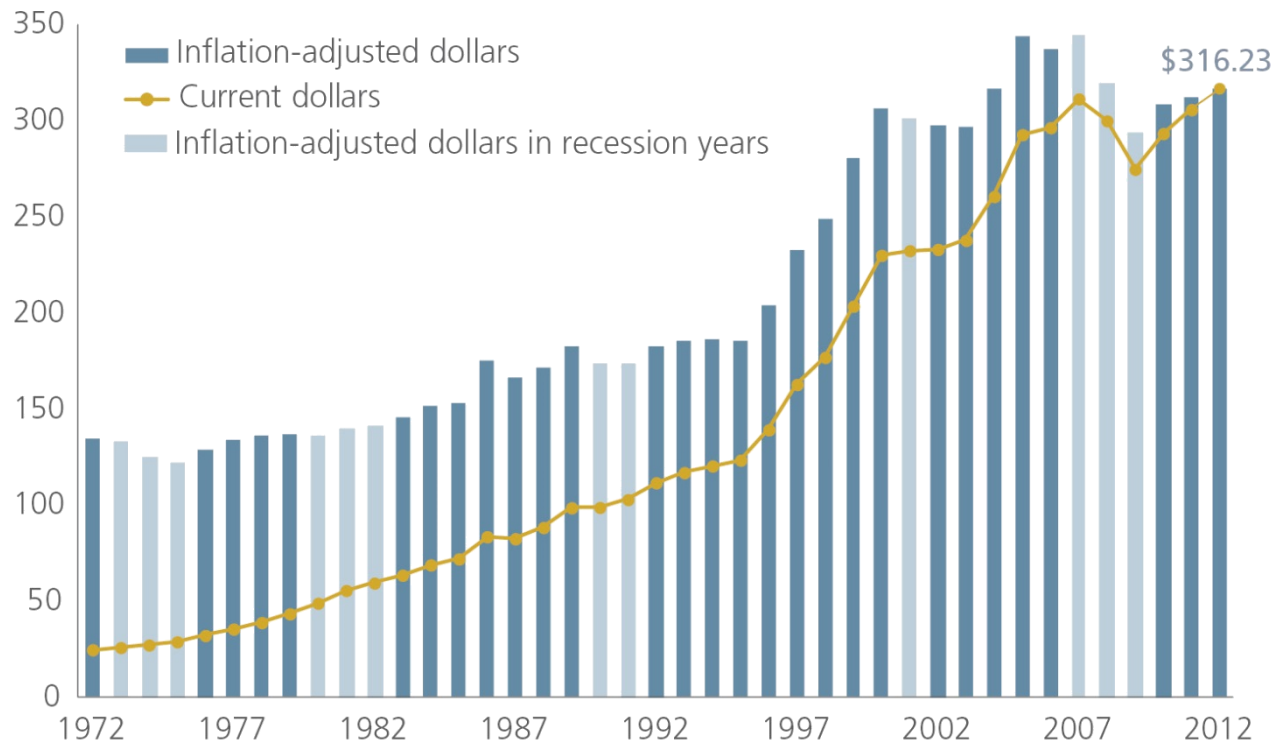
**What do you hope to learn?**

**What scares you about the fund-raising process?**

# Introduction

## Total giving, 1972-2012

Total giving, 1972–2012  
(in billions of dollars)

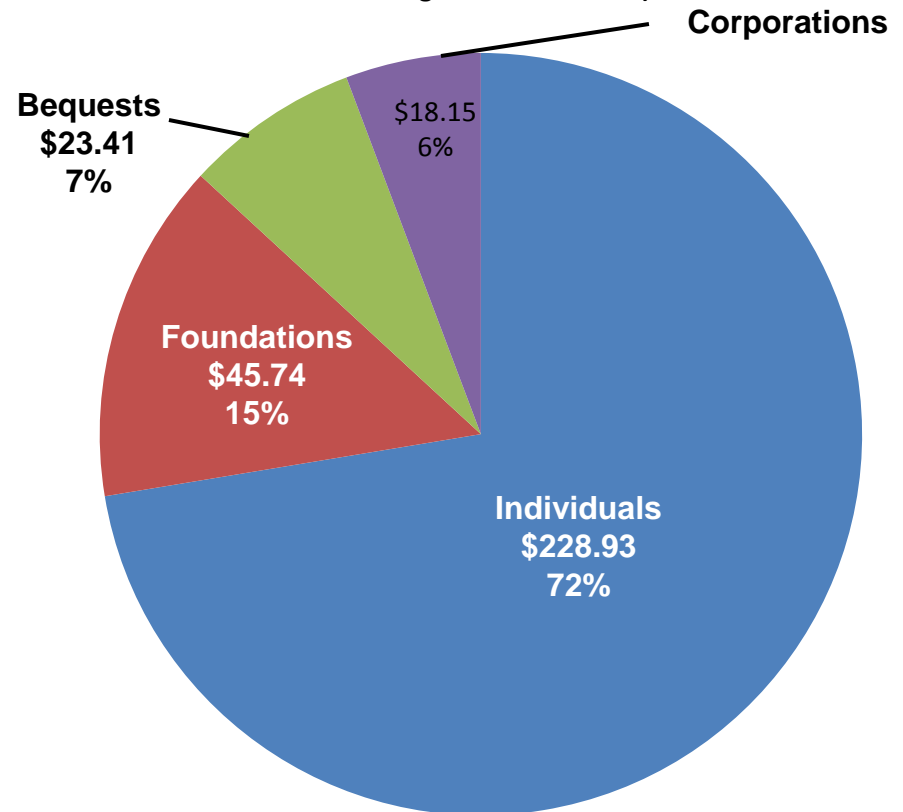


# Introduction

## Who is being philanthropic?

2012 Charitable Giving  
Total = \$316.23B

2012 contributions: \$316.23 billion by source of contributions (in billions of dollars-all figures are rounded)



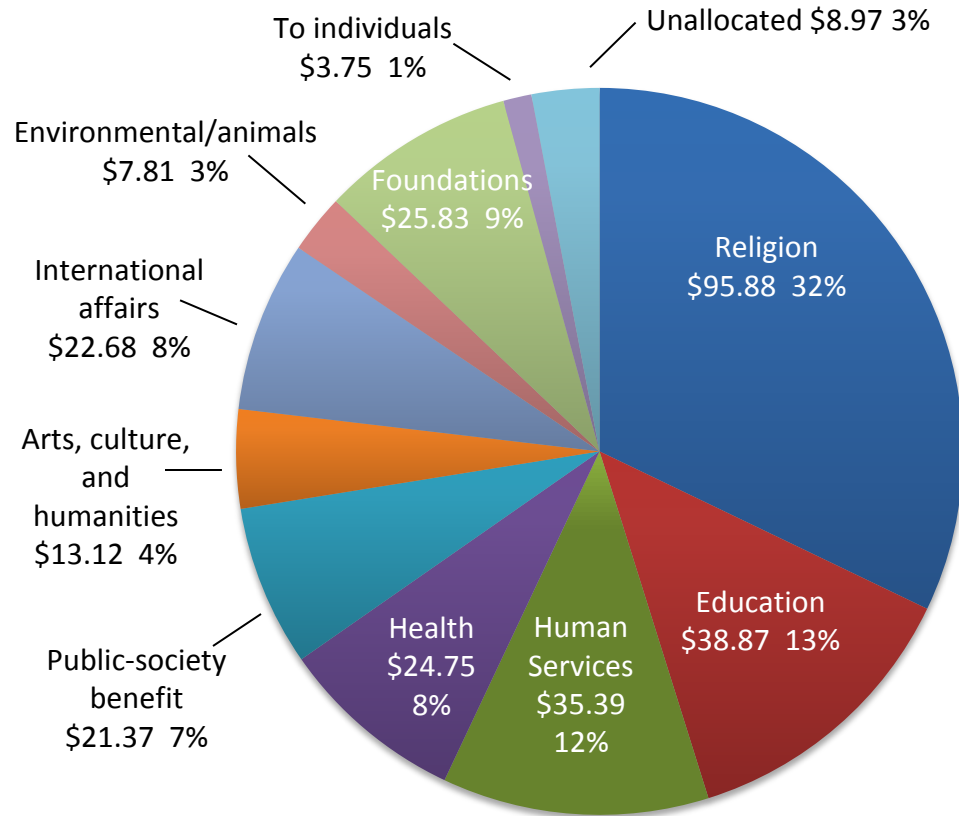
(\$ in billions – All figures are rounded)

# Introduction

## Recipients of Contributions 2011

**\$298.42 billion**  
Includes  
rounding to  
total 100%

## Recipients of Contributions 2011



(\$ in billions – All figures are rounded)

# Introduction

## Expectations of the Modern Dean *(The Official Statement)*

- Attract and graduate large cohorts of students
- Maintain and advance the curriculum
- Attract and retain high quality faculty
- Increase research volume
- Manage the budget



# Introduction

## Expectations of a Modern Dean *(The Reality)*

Development

- Bring in more money (gifts, indirects, grants)
- Reduce budget expenditures
- Solve personnel problems
- Make the curriculum attractive to students
- Do what it takes to ensure that students graduate

# Introduction

## Expectations of a Modern Dean

- Development – the process of raising money through a series of planned interactions with individuals and organizations

# Introduction

## Expectations of a Modern Dean

### ▶ Successful Development

- ▶ dedication
- ▶ coordination
- ▶ a well-crafted plan
- ▶ people skills
- ▶ money

Much of your work will  
It takes time!

one or two  
everyone, from  
the students to the

Know what you want

People give money  
to people.

It takes money to  
make money.

# Development for Deans

## Institutional Models of Fund Raising

**Centralized ↔ Decentralized**

**Development personnel in central office**

**Development personnel in local offices**

# The Four Components of Fund Raising

## Identification

- Making contact (name → friend)

Meet and greet.

## Cultivation

- Making the connection (friend → prospect)

Interest and engage them in what you do.

## Solicitation

- Making the ask (prospect → donor)

Present a plan or proposal and ask them to provide

## Stewardship

- Making the return commitment (donor → happy donor)

Provide formal annual reports and contact them routinely.

# The Four Components of Fund Raising

## Identification

- ▶ An up-to-date and complete list of alums and friends with contact information.
- ▶ Responsibility of Dean during events, travel, etc. and Development Officer vis-à-vis data mining.
- ▶ Work with advancement database (e.g., Advance®)

# The Four Components of Fund Raising

## Identification

- ▶ Upon identifying a prospect, develop a plan based on the following parameters:
  - ▶ Best possible outcome
  - ▶ Minimal acceptable outcome

(Define outcome prior to every meeting with prospect.)

# The Four Components of Fund Raising

## Cultivation

- The second most important component.
- Develop a genuine and personal relationship.
- Learn the interests of the prospect (they will usually provide funds based on their interests).
- Listen!



# The Four Components of Fund Raising

## Solicitation

- Develop a request based on your plans/goals and known interests of prospect(s).
- The dollar amount should reflect the project need and the donor capacity.
- Would the prospect be willing to make a stretch gift?
- Who should make the ask (President, Dean, Development Officer, Chair, Faculty, Alum)?

# Thoughts on Preparation

Remember: you are not asking for money for yourself, but for your institution.

Academic leaders are critical to success.

Major donors want and **expect** this level of attention.

Developing personal relationships with top donors will drive success in raising largest gifts. Building relationships takes **time and sincere effort**.



# Don't Underestimate the Role of Dean and Academic Leader

**“How much money we raise for a particular area is directly proportional to how much time the academic leader invests in the (fund raising) partnership.”**

» Jerry May, VP, Institutional Advancement,  
University of Michigan

# The “Permission to Ask”

As you build the relationship, there will come a time when you want to “test” the ask:

“May we prepare a written proposal outlining our discussions and what a commitment to this project would entail?”

“When you are ready, we’d like to make a proposal to you that we think may be of great interest. When would be a good time for you?”

# The “Ask”

**Acknowledge and thank for past involvement/investments.**

**Review previous discussions on project.**

**Ask for specific amount and for specific project.**

**Appeal to pride and excellence, future leadership, tradition, competitiveness.**

# The “Ask”

**As appropriate, outline naming or other recognition in honor of the gift.**

**Listen** carefully to responses.

**Answer questions that are asked.**

**Follow-up!**

# Sample Ask

**“One of our highest priorities in the campaign is to create more endowed chairs and I know that we have talked about your strong interest in creating/ maintaining our stellar faculty.**

***Would you consider a gift of \$1.5 million to endow a chair in your name, which would also allow us to honor your support and commitment?”***

# Sample Ask

**“The classroom/research building we have discussed is one of our highest priorities, and there are a number of opportunities for naming areas and labs ranging from \$100,000 to \$1.5 million. *Would you consider a gift of \$1 million in support of the X building which would allow us to name the entrance lobby in your honor?”*”**



# **“The Follow Up!”**

**Make plans for next steps and follow-up on gift decision.**

**Provide letter and/or proposal immediately following the ask.**

**Take into consideration any issues learned in the solicitation.**

# **“The Follow Up!”**

**Continue to keep the prospect involved while the gift is being considered.**

**Close the gift (may take 6 – 18 months).**

**Conclude with signed gift agreement.**

# The Four Components of Fund Raising

## Stewardship

- The most important component.
- Demonstrate appropriate fiscal management and report same to donor.
- Maintain connection via informal contacts, invitations to college events.
- Encourage donor to identify and/or cultivate and/or solicit additional prospects.

# Development Plans and Strategies

**Prior to developing plans and strategies, answer the following questions:**

- How important is development in the eyes of your supervisor?
- How important is development for you to achieve your vision for the college?
- How committed are you to development activities?
- What percent of your time could/should be devoted to development related activities?

# Development Plans and Strategies

## Plans

- Start with your vision for the college.
- Develop a strategic plan (even if not made public).
- Establish a list of programmatic priorities.
- Establish a list of development goals/targets.

# Development Plans and Strategies

**Very important to remember**

*Donors want to fund new and exciting ideas and programs, not base budget items and not “needs”.*

# **Dean's Personal Fundraising Checklist**

**Have you developed the habit of speaking regularly with your top prospects?**

**Can you ask for money?**

**Are you confident in your development officer and do you like spending time with him/her?**

**Have you developed the short version of your vision for the school or college?**

**Can you accept rejection gracefully?**

# Development Plans and Strategies

## Strategies

- ▶ Top 4% of your donors will provide 96% of the money. Spend your time with that 4%!
- ▶ Typically you need a managed prospect list with 100-150 names per full-time development professional.
- ▶ The success rate with prospects is ~25%.



# Development Plans and Strategies

## Realities of Major Gift Fund Raising

- 18 - 24 months from initial contact to secure a major gift
- 6 - 8 contacts per prospect
  - (average of one contact per quarter)
- 3 - 4 prospects for each major gift secured
- Typically receive 75-85% of what you request

# Case Studies

**Curriculum Control**

**Tax Evasion**

**Preferred Admission**

**The Intractable Situation**

**The Unexpected**

# Case Studies

## Curriculum Control

- Extensively cultivated major prospect
- Decides to establish an Endowed Chair in Biology and agreement is being developed
- Late in the process a request comes forward: stop teaching evolution

# Case Studies

## Tax Evasion

- Donor plans to establish a scholarship that will be funded on an annual basis.
- Request is that donor gets to select the student recipient.

# Case Studies

## Preferred Admission

- ▶ Contribution contingent upon child's admission to university.

# Case Studies

## The Intractable Situation

- Donor plans to establish Endowed Chair
- Appointee has been identified and gift is contingent upon the appointment
- Appointee has issues that are not easily solvable:
  - Who is occupying specific space
  - Appointee wants to feel loved by the institution, but cannot define what that means.

# Case Studies

## The Unexpected

- ▶ Alum made introduction to a top prospect.
- ▶ The ask was for \$20M during first meeting.
- ▶ Three years later the response was “Yes”.

# Case Studies

## Audience Experiences?



# Engaging Department Chairs & Faculty

## Realities

- Departments need to be involved for development to be successful.
- Chairs/faculty are generally reluctant to be involved in development.

# Engaging Department Chairs & Faculty

## Expectations

- ▶ Develop a unit-specific priority list based on College goals/priorities (University will supersede if different goals).
- ▶ Provide talking points related to unit strengths and priorities.
- ▶ Review and refine unit prospects list.

# Engaging Department Chairs & Faculty

## Expectations

- ▶ Help develop proposals for prospects.
- ▶ Determine how involved the unit leader will be (minimum is above four bullets, maximum is asking for money in person).

# Making Development Part of the Schedule

**It is entirely about your priorities!**

# Time Management

## Some thoughts . . .

- Managing and communicating your needs to your supervisor (upward management)
- Controlling your workload; delegation
- Avoiding the meeting trap
- Blocking calendar for travel / local donor meetings
- Do a calendar analysis – how are you really using your time?

# Time Management

**Should make 10-15 significant non-travel related contacts per month.**

**70% of development time devoted to top prospects.**

**Key is understanding how you work best.**

# Take Home Messages

**Listen**

**People give money to people**

**Ideas not needs**





# The End