

Inside Philanthropy

With University Fundraising in Meltdown, the Usual Ways of Doing Things Won't Cut It

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Higher education, it's often said, is recession-proof. When the economy tanks and jobs are lost, displaced workers take the opportunity to return to school and retool, hoping to upgrade their skills and value and reduce the likelihood of future layoffs. The Great Recession of 2008 certainly rocked the educational world, especially wealthy institutions that relied heavily on endowment income to fund operating budgets. Still, for most colleges and people who worked at them, the upheaval wasn't catastrophic.

This current economic meltdown is different, of course, because we have a pernicious pandemic to thank for it, one that's turning higher education upside down. University fundraising is now in turmoil, given the poor economy and high unemployment, the challenges of travel, a fear of physical interaction, the limitations of virtual engagement, and an uncertainty about the duration of this new social order. According to a recent report from the consulting firm Marts & Lundy, 85% of colleges are cutting development budgets, and nearly a quarter are furloughing and/or laying people off.

Instead of using this downtime to book spa treatments, fundraisers are scrambling to keep (or at least look) busy and maintain donor relationships. Managers also are rethinking how they evaluate productivity. The notion of "meaningful contact" has temporarily changed, allowing for virtual interactions that would have been deemed a poor substitute way back in 2019. Suggestions from pundits, consultants and other astute observers include not only moving conversations to phone and Zoom, but also redoubling annual giving efforts, revisiting donor lists, cleaning up databases, and investing in professional development.

An observer and a consultant myself, I have some thoughts about how I'd be spending my time and energies as a fundraising manager during the pandemic prorogation. Let me here offer a few ideas that happen to challenge prevailing wisdom and current conventions.

Cut the Deadwood

It's a familiar scene. The development head comes back from the cabinet meeting sporting a hangdog look and conveys a mandate from on high requiring all programs to take a 10% cut. Suffering will be distributed evenly, with each department tightening its belt one notch. It was a tough decision, he relays, but it had to be done this way in the spirit of fairness.

Not really. Across-the-board cuts are politically expedient, but strategically feckless. If I were in a position to influence university decision making, I'd advocate for a targeted approach. When budgets must be trimmed, why not use the opportunity to eradicate weaknesses? Spreading the pain not only further enervates the poor-performing operations within the organization, but also diminishes strong performers.

This logic applies directly to personnel decisions. Rather than settling for an across-the-board pay reduction for all employees within my division, I'd cut "Doug," the major gift officer who hasn't produced for three years, but is just so entertaining at staff meetings. Everyone will miss Doug and his witty puns, but morale won't suffer as much, and long-term retention might improve. If that weren't enough to satisfy budget concerns, I'd move on to whoever's next up as Least Valuable Player.

Focus on Content More Than Numbers

Ever wonder why fundraiser "Priscilla" meets or exceeds every metric but dollars raised? She diligently pursues donor meetings, piles up touches, and submits plenty of proposals, but the money doesn't flow in. Now multiply this by 15 and picture major gift officer meetings during which numbers and tables are arrayed on a screen and the discussion centers on why these inputs don't translate into expected outcomes.

Seldom does the conversation turn to content. Perhaps the problem lies with what they're saying, not how often they're saying it. What's their opening salvo? How are they positioning the university and its future? Are they connecting this vision to the donor's desires? Can they sufficiently answer salient questions? A little role playing will share insights into what works and what doesn't. Also, I'd review the print and digital communications to ensure those, too, are telling the right stories the right ways.

Fundraisers do love numbers and metrics, and any such efforts to measure productivity and lend a scientific air to what they're doing. To be sure, running a large enterprise comprising dozens of fundraisers will require an aggregated examination of activities, lest there be chaos. Yet just as sociology lost its "slow journalism" charm when it decided to quantify everything in a desperate attempt to become the next economics, too much emphasis on the science of development subjugates the art. There's a simple truth underlying that art: that fundraising rests on a foundation of relationship-building and human interaction. Words matter.

Make the Story More About Us

Donors don't give to your organization, experts say. They give through it to achieve their philanthropic goals. It's not about you, they'll have you believe; you're merely a conduit. Well, sometimes, it really is about you. If you run a local homeless shelter and a donor's goal is to eradicate homelessness in your city, then yes, you're the likely solution to the problem and the pass-through organization a donor will use to achieve their aims.

But donors support universities because of affiliations. They give scholarship dollars to enable future generations to achieve their own goals—at your institution, just like they did. They fund

scientific research and healthcare programs because they seek answers and cures, and they give to your university, not the one across town or the world's leading center for that particular disease, because of their affiliation with you. They give millions to athletic programs because they want your teams to recruit the best athletes and win.

So when revamping pitches and materials, I'd make sure there's language about why donors should support us, why we are the ideal target for their philanthropy. Yes, ultimately, it's all about the donor, but I wouldn't be afraid to make my university the hero of the story, as well.

Leave People Alone

Don't let COVID derail your donor outreach, experts suggest. Call your donors to see how they're faring, and offer help in whatever way you can provide it. They want to hear from your organization and know how you're dealing with the crisis. Keep the relationship momentum moving forward so when the pandemic dust settles, you won't have to make up ground lost during an extended interregnum.

Here's a thought: Perhaps some people just don't want to be bothered during the pandemic. Maybe they want to keep their social distance from you, virtual or otherwise. Despite all the rhetoric about reaching out, empathizing and comforting, I'd use my best judgment with certain donors I know want to be left alone. With some folks, such attempts to engage may at best ring hollow, and at worst actually piss them off. We'd have fewer touches but fewer annoyed donors.

Across the nonprofit spectrum, the COVID crucible is forging new norms for fundraising. Some might persist, and some might prove ephemeral. While it's imperative to operate today under the revised set of rules, it's equally important to reimagine the evergreen aspects of fundraising management and communications so when we all emerge from this national nightmare, we'll be stronger for having gone through it.

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