

# Effective Chief Advancement Officer & Chief Business Officer Relationships: Lessons Learned in Their Own Words

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Quotes are drawn from interviews conducted for the "[Chief Advancement Officer Onboarding Center](#)," an EAB initiative that helps incoming advancement leaders hit the ground running in the first six to nine months. They have been edited for clarity, brevity, and to anonymize revealing details.

## **Have Conversations about Counting Standards Sooner Rather Than Later**

"There is an elephant in the room between me and my CFO right now – this lingering awkwardness that is slowly growing...The way our fundraising is reported in press releases, the way we fill out benchmarking surveys on our performance, and the way dollars actually hit our ledger are totally out of whack. Now we have a new president coming in, lured here, I think, by the fundraising momentum the board told her about. And I just feel like I let this go on for way too long. I wish that right when I got here, or when I was interviewing, I made it a precondition to get the board chair, the CFO, the president, my foundation account, and everyone in a room and said, 'let's all get on the same page about what we're reporting and how we're counting.'

I realize it's in my interests to have these numbers look as big as possible, but I really worry about the unrealistic expectations that in turn fuel more unrealistic expectations."

-Vice President of Development and Alumni Relations, Private Master's Institution

## **'Return on Investment' Means Something Different to the CBO**

"When we ask for more budget, we promise 'return' on the investment, but not all return is created equal. Return in cash? Bequests? Pledges? Restricted revenue? Nothing frustrates my CBO more than when we generate 'return' that he feels we're not actually able to utilize at all in the near-term and that won't hit the ledger in any substantial way. So I try to be very honest with him in budget planning conversations about what kind of gifts I think we'll be able to raise in the next year."

-Vice President of Development and Alumni Relations, Private Master's Institution

## **Do Not Discount the Value of Involving Your CBO in Fundraising**

"I have a CBO who I pull into donor visits all the time. He's great at explaining how the university is funded and why we need dollars, very good at walking through a proposal during a solicitation and explaining how money is used, and so on. It just inspires confidence from the donor because in some ways, he is who the donor is looking to ensure the money is stewarded faithfully. This is also good for me, because my CBO 'gets' development – because he's been a part of it.

When I've been in positions where I had to do things that I knew would cause production to stagnate or decline in the short-term – end a vendor contract, fire a star fundraiser who was toxic, reorganize things – when that was going to happen, I'd always give the CBO a heads up, and he appreciated it.

The other thing I appreciate about my CBO is that he is well-connected from his extensive life in the corporate world before coming here. He still knows all the bigwigs in town and serves on half a dozen boards. He's brought me prospects on several occasions and gives great advice about how to navigate the business community here."

-Vice President for Development, Public Research University

### **Help Unpack the Big Picture, Emphasizing the How and Why of Fundraising**

"I calculated that out of our 45,000 alumni, about 1,100 had a history of giving to the institution or meaningful contact with it in the last ten years and explained that I thought it was reasonable that we have enough gift officers that every one of these 1,100 could have one face-to-face meeting by the end of the campaign. I also walked the CBO through our top 25 wealthiest alumni, only four of whom had given, but explaining the number of moves and touches it took to secure those four as donors. This strategy helped me get the gift officers I needed. I explained the bigger 'why' and 'how' in development that I find my colleagues sometimes skip with their CFO."

-Vice President of Development and Alumni Relations, Mid-Sized Public University

"My first month on the job, I saw my CFO present a 'balanced scorecard'-type dashboard to the trustees. They loved it. So I asked for his help in creating a similar visualization of performance metrics for my foundation board. He was flattered and eager to help and in the end, the foundation board liked what we worked on together. But this project was never about them...

In reality, I created this project to give me an opportunity to engage in in-depth conversations with him about the utility of various advancement metrics. This is a guy who hadn't been much exposed to sophisticated fundraising planning. Working together on the dashboard, I explained how flawed 'cost-to-raise-a-dollar' and 'return-on-investment' is for a shop like ours that is still maturing. I talked about trends in annual giving and why 'alumni participation rate' isn't a metric I'd focus on. Even better, I got to explain the importance of pipeline development and stewardship – and why I'd want to communicate to the board how much discovery and qualification work we're doing, not just how many gifts we're closing, because it communicates longer-term sustainability.

He began to see the parallels to his early private-sector career. He realized the development officers are the 'sales force', that 'moves management' is like the 'sales funnel', and why I'd care as much about metrics like 'acquisition, retention, and upgrading' as 'total production' any given year. He remembers that when he worked in sales, he had to do so many visits before he could close a contract, and how major gifts work is similar.

It took quite a bit of time, but it was a great bonding experience. We co-presented the new dashboard at the board meeting. The board chair asked why we were spending so much on student philanthropy, class gift, and 'culture of philanthropy'-type initiatives when they didn't bring in much revenue. I started to explain that our approach to annual fund was more about 'pipeline than participation,' but the CFO interrupted me and said to the board member - whose background is also in sales - that annual giving should be understood in a framework of 'lifetime customer value' instead of 'total sales', like a 'loss leader' to a 'higher-margin product line' down the road. It was incredible."

--Executive Vice President for Advancement, Public Research University

### **Earn Chips with the CBO Under the Assumption You'll Eventually Need Them**

"If you get the level of resource investment you need and already see eye-to-eye with the rest of the cabinet and president, then a strong working relationship with the CBO is one of those things that would be nice, but often feels dispensable – that is, until you have a crisis. And then you will wish you had spent the prior months and years getting to know him or her. I think of my regular transactions with the CBO – and of the mid-level managers on my team with his – as largely about building up trust and capital that I know I will eventually need for something, and I just don't know what it is yet."

-Vice President for Development and Alumni Relations, Public Master's College