



RESEARCH BRIEF

# Development Office Organization and Structure

# Advancement Forum

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# 1) Executive Overview

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## Terminology

**Unit:** Major gift officers may fundraise for specific institutional units. These units include academic colleges and schools (e.g., College of Letters and Sciences) and other non-academic units (e.g., athletics, libraries, museums).

## Key Observations

**All profiled institutions operate central development offices which conduct fundraising by type of giving (e.g., annual, leadership, major, planned).** In particular, major gift officers (MGOs) in central development offices travel to certain geographic regions to secure donations for the university at large and/or specific units. Additionally, central offices manage core services including alumni relations, the annual fund, campaigns, development services, donor relations, and prospect management.

**Three of five profiled institutions utilize decentralized development structures in which individual units employ major gift officers.** Unit teams at **Institution B**, **Institution C**, and **Institution E** work in collaboration with central development offices. At **Institution D**, the central development office fundraises on behalf of all seven units; MGOs report to the central development office, rather than to the units' deans. **Institution A** employs a fully centralized development structure (i.e., all development teams report to the central development office).

**Prospect management and research teams at profiled institutions conduct discovery work (i.e., identification of new prospects).** Research analysts use data mining tactics to identify and qualify new prospects. Directors also typically require MGOs to discover new prospects. For example, MGOs at **Institution E** dedicate 20 to 25 percent of their portfolios to discovery work. Additionally, **Institution D** recently introduced a university gift officer team. This three-person team qualifies prospects in regions infrequently traveled to by MGOs. Development directors at Institution D are still determining whether university gift officers will keep these prospects in their portfolios or transfer them to MGOs.

**Central development offices at profiled institutions host all-staff meetings and trainings, design internal websites, and conduct portfolio reviews to increase communication across all fundraising teams.** At **Institution C**, administrators dedicate the second week of each month as a "no travel" week for fundraisers. Administrators utilize this week to hold all-staff meetings for the development office. MGOs on Institution C's central team and five unit teams also attend day-long training sessions on topics of interest (e.g., fundraising strategies) on a quarterly basis. Contacts at **Institution A** created a SharePoint website with separate pages for each team within the development office to increase communication and collaboration. Teams utilize their SharePoint pages to share resources and news of secured donations.

**Administrators at profiled institutions track data to establish goals and evaluate the success of individual staff members, as well as their offices' overall fundraising performance.** Development directors set thresholds for different metrics based on staff roles (e.g., management responsibilities, type of giving) and track these metrics in databases (e.g., Ellucian Advance). For example, administrators at **Institution D** expect each MGO to complete 15 to 20 qualification visits out of 100 total visits. Contacts then generate monthly reports in development databases to determine whether MGOs fulfilled these expectations.

## 2) Development Office Structure and Staffing

### Organizational Structures

No profiled institution arranges major giving by student population (e.g., undergraduate versus graduate students). However, **Institution D's** central office fundraises primarily for undergraduate programs. The central alumni relations office also focuses on planning events for alumni of undergraduate programs (e.g., through regional alumni associations). Graduate programs typically oversee their own fundraising and alumni relations functions.

### Central Development Offices at All Profiled Institutions Conduct Fundraising by Type of Gift and Organize Major Gift Teams by Geographic Region

Central development offices employ teams that manage core development services, including alumni relations, the annual fund, campaigns, development services, donor relations, major and/or leadership giving, planned giving, and prospect management.

Major gift officers (MGOs) in central offices fundraise for various geographic regions. At two profiled institutions, MGOs also conduct fundraising for specific units.

### Fundraising Teams within Central Development Offices at Profiled Institutions

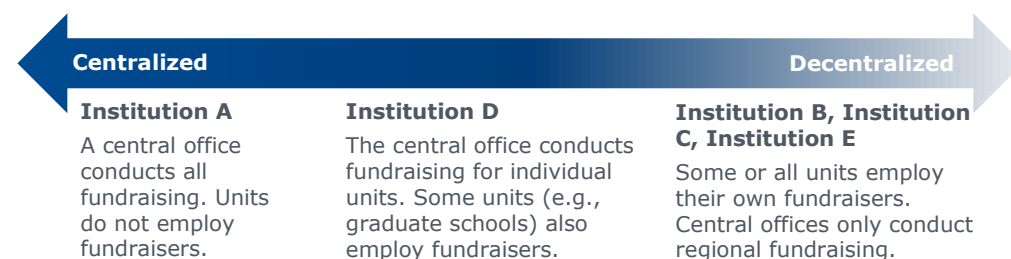
Institution	Type of Giving (e.g., annual, leadership, major, planned)	Regional Major Giving	Unit-Focused Major Giving
Institution A	✓	✓	✓
Institution B	✓	✓	
Institution C	✓	✓	
Institution D	✓	✓	✓
Institution E	✓	✓	

### Four of Five Profiled Institutions Operate with Decentralized Development Structures

Of profiled institutions, only **Institution A** possesses a fully centralized development structure. The central development office employs approximately 25 MGOs, who serve particular units and geographic regions.

At the four other profiled institutions, some or all individual units also conduct fundraising. Unit-employed fundraisers typically do not work in specific regions. However, MGOs in seven of 39 units at **Institution E** work regionally.

### Degree of Centralization of Major Gift Officers at Profiled Institutions



Profiled institutions employ various organizational structures for their development offices, including the following overviews of structures at **Institution C**, **Institution D**, and **Institution E**.

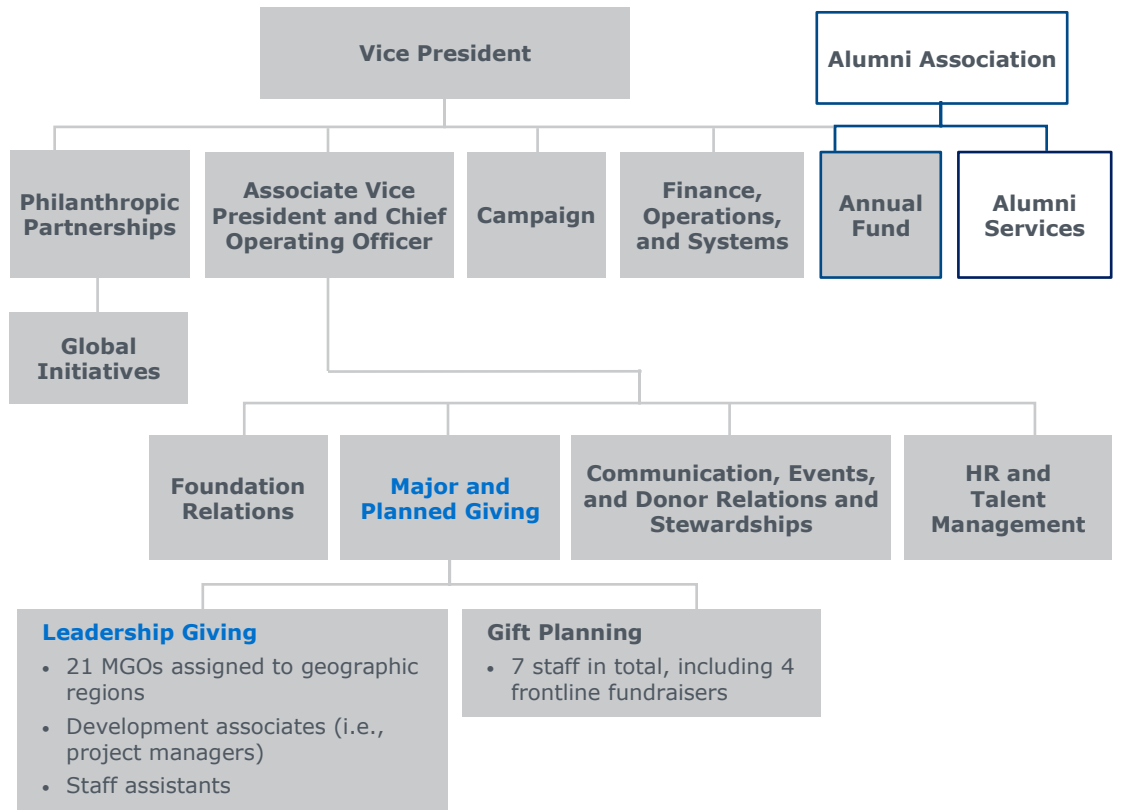
## Development Structure and Staffing at *Institution C*

**Institution C** employs 75 MGOs across a central office and five individual units. The central office qualifies all prospects. Administrators assign prospects to central and unit fundraisers on a case-by-case basis. If a prospect mentions a particular interest (e.g., engineering), a fundraiser based in the respective school will receive that prospect in their portfolio.

Contacts report that hiring additional manager-level staff has increased the number of one-to-one interactions between staff and their supervisors.

Institution C has possessed the same reporting structure for the past 10 to 15 years. Approximately four years ago, administrators hired additional MGOs and two new associate directors in the leadership giving office. The associate directors do not hold portfolios and instead manage staff in two regional divisions (i.e., West Coast, East Coast). In total, the leadership giving office now includes three regional teams. Individual units have also grown their staff in the past five to six years.

### Organizational Structure of the Development Office at *Institution C*<sup>1</sup>



**Unit Fundraisers**

- Unit MGOs report directly to deans of their respective units
- Some departments (e.g., engineering, sciences) also hire department-level fundraisers. Department MGOs report to department heads and via "dotted lines" (i.e., unofficial reporting) to deans.

**Key**

- **Light blue** text indicates an MGO team
- Blue outline indicates a separate office from the central development office

<sup>1</sup> The annual fund is a shared service between the Office of Resource Development and the Alumni Association.

## Development Structure and Staffing at *Institution D*

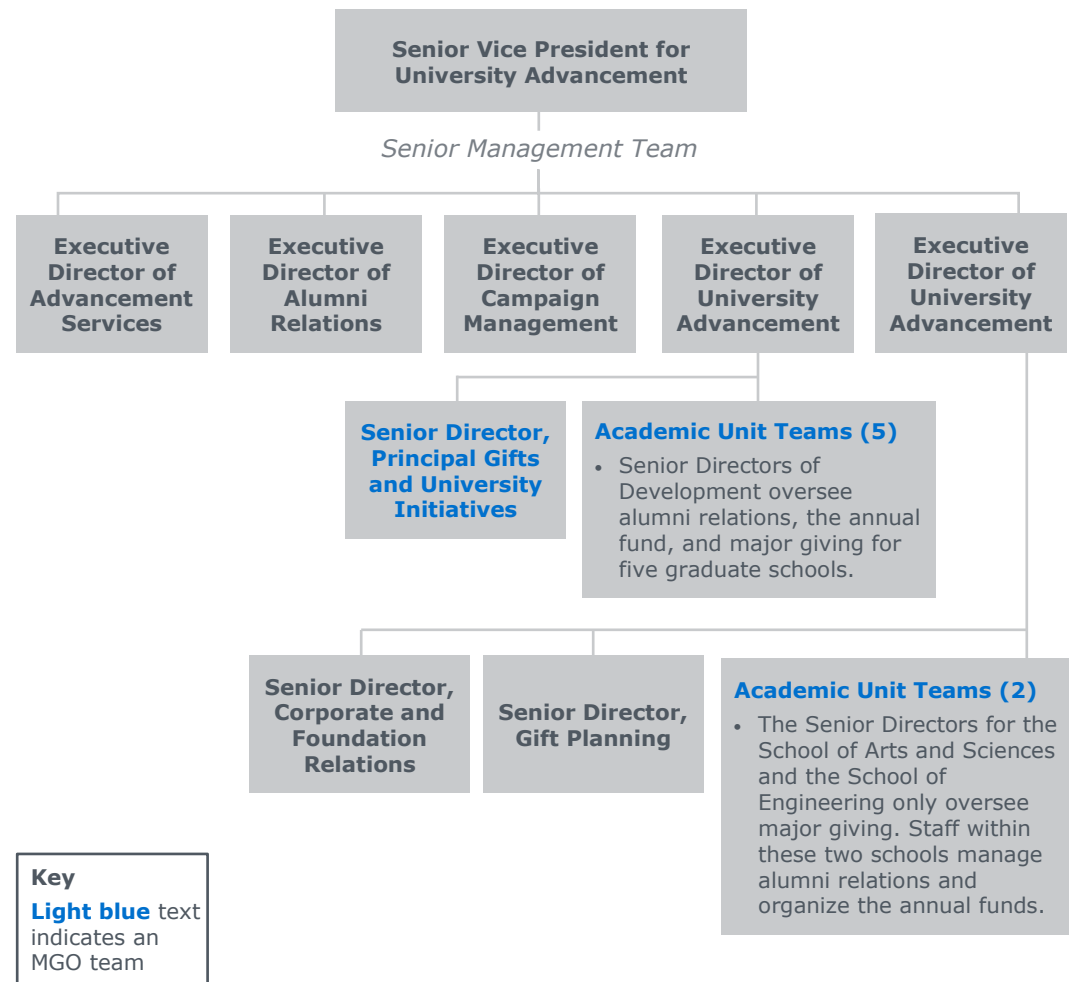
The Office of University Advancement at **Institution D** oversees centralized services, such as corporate relations, gift processing, and prospect research.

Within this central office, seven teams employ MGOs dedicated to Institution D’s seven academic units. Senior directors of these fundraising teams work closely with their respective academic deans, who guide solicitation strategies, particularly for graduate programs. However, unit teams report to two executive directors within the central development office, not to the unit’s dean.

Due to the high volume of alumni from the School of Arts and Sciences, multiple administrators manage portfolios for the School of Arts and Sciences donors. Specifically, the Senior Vice President for University Advancement manages donors with the largest gifts (i.e., \$1 million and above).

Administrators at Institution D have utilized this particular structure for three to four years. Previously, all teams reported directly to the Senior Vice President for University Advancement. The Senior Vice President added two Executive Director of University Advancement positions to the senior management team. Contacts indicate that the modified structure does not impact the office’s work.

### Organizational Structure of the Office of University Advancement at *Institution D*



## Development Structure and Staffing at *Institution E*

**Institution E** introduced a regional fundraising model (e.g., fundraisers who travel to specific geographic regions) in the late 1970s. Currently, the central development office (i.e., Office of University Development) employs 165 fundraisers. Additionally, 39 unit-based teams employ fundraisers.

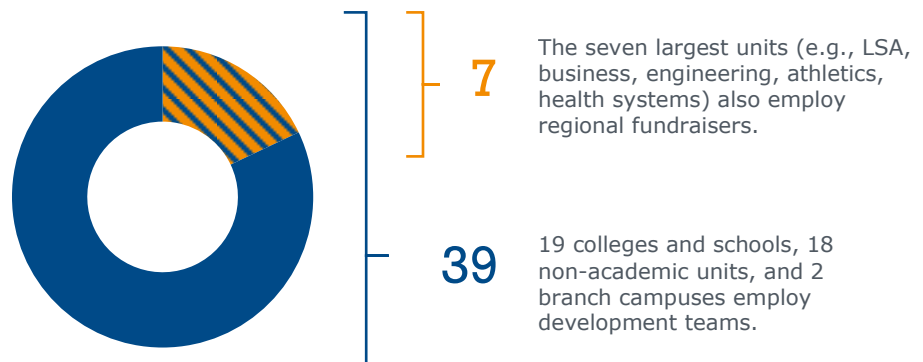
**Institution E** operates a regional office in New York City. Administrators closed a regional office in Pasadena, California.

The MGO team in the central development office conducts regional fundraising. The team consists of three regional teams each led by an executive director. MGOs are “generalists” who fundraise within regions, rather than for specific units.

The degree of collaboration between central MGOs and unit-based MGOs varies based on the size of the unit and the size of the respective unit fundraising team: smaller units either do not employ fundraisers or employ fundraisers who travel infrequently (i.e., attend one event annually), so the central team manages and closes most donations. Larger units employ fundraisers, particularly the seven largest units, which employ regional fundraisers. Therefore, the central team assists large units primarily through discovery work.

Contacts do not believe that their organizational structure affects staff members’ success. The central MGO team, for example, is the highest performing team and secured over \$76 million in donations in 2015.

### Unit-Based Fundraisers at *Institution E*





## Identify and Qualify New Prospects through Data Mining and Research from Prospect Management Teams

MGO teams work closely with prospect management and research staff to identify and qualify new prospects. Research analysts primarily mine data (e.g., event attendance, gift activity) to identify new prospects and qualify prospects on their capacity to donate.

At **Institution E**, administrators expect MGOs to dedicate 20 to 25 percent of their portfolio to “discovery work,” or the identification of new prospects. Because the Institution E is in the midst of a campaign, contacts launched the “discovery challenge,” which staff informally refer to as the “disco challenge.” The fundraiser who completed the most discovery work the previous month receives a disco ball trophy.

### Prospect Management & Research Team at *Institution A*



## Consider Introducing Prospect Development Teams to Identify and Contact Previously Uncontacted Prospects

**Institution D** recently launched a university gift officers program based on the suggestion of a director of prospect management and research. Administrators had already planned to hire additional staff for an upcoming campaign and allocated a portion of that funding to create the new university gift officer team.

Because university gift officers are contacting “cold leads,” directors reduced their assessment metric for secured donations to \$1,000, the lowest threshold to become a member of **Institution D’s** giving societies.

University gift officers (UGOs) track “cold leads,” or prospects who have been identified but not contacted by an MGO. In particular, UGOs work in “B regions” (e.g., Colorado, St. Louis area) that are not the primary focus of MGO teams. UGOs will travel to these regions to qualify prospects. Administrators have not yet decided if UGOs will keep these prospects in their portfolios or if they will transfer them to other MGO teams.

Contacts have hired two university gift officers and are currently in the process of hiring one additional gift officer. Along with central MGO teams, the university gift officer team reports to the Senior Director of Principal Gifts and University Initiatives.

## 3) Communication and Collaboration within Development Offices

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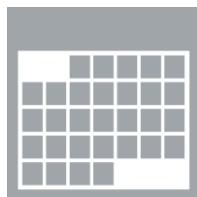
### Team Collaboration

#### Maintain Cohesion between Offices through Joint Trainings, Strategy Meetings, and Internal Websites

MGOs in different development offices attend group trainings and staff meetings to ensure consistency and market awareness across teams. In particular, central MGOs hold strategy meetings with their colleagues in academic and non-academic units to promote consistency across all fundraising efforts. Additionally, MGOs coordinate with administrators in units (e.g., deans) to understand units' goals and determine which individuals can travel with MGOs to fundraising events.

#### Strategies to Promote Fundraising Team Collaboration

##### MGO Staff Meeting and Training Schedule at *Institution C*



**Second week of each month:** "No travel" week, all-staff meeting scheduled to conduct trainings, reveal the latest number of gifts, and share updates from Human Resources

**Quarterly:** MGOs from central teams and five unit teams attend one-day training sessions about campaign priorities and fundraising techniques

**Ad hoc basis:** All MGOs attend trainings about topics including gift challenges, prospect review, and reunion giving

##### SharePoint Website at *Institution A*



Last year, Institution A launched a SharePoint website for the development office. Each team maintains a separate page about their team's activity, and staff can view all pages. For example, the SharePoint page for the Office of Prospect Management & Research contains resources on how to manage prospects, recent fundraising success stories and metrics (i.e., the percentage of prospects identified by prospect management researchers who became donors), and a ticketing system with a record of the individuals and teams who collaborate with the office's researchers.

#### Contacts Observe Minimal Effect on Organization and Daily Function of Major Giving during Campaigns

Administrators at profiled institutions do not believe that campaigns affect the daily work of their teams. During campaigns, MGOs attend more strategy meetings and adjust fundraising goals and metrics to reflect campaign goals. For example, one goal of the campaign at **Institution E** is to raise \$1 billion for student support. Therefore, MGOs focus on securing donations in that area.

## Encourage Frequent Communication to Strengthen Relationships between Fundraising Teams and Prospect Management Teams

Fundraisers meet regularly with prospect management researchers to discuss prospects and receive additional leads. Research analysts evaluate solicitation plans and provide insight about which prospects appear most likely to donate.

Contacts report challenges in securing MGOs' trust in the recommendations of researchers. As a result, administrators use change management techniques to encourage MGOs to view prospect management researchers as their partners. Researchers present data and findings (e.g., a prospect's historical giving rates) and build relationships with MGOs through informal conversations and lunch meetings.

### MGO and Prospect Research Analyst Interactions at *Institution A*

#### One-on-One Relationships

Each research analyst at **Institution A** works exclusively with five to seven MGOs. This research analyst communicates daily with their dedicated MGOs through phone and email. Research analysts learn the working styles and goals of individual MGOs. For example, an MGO who fundraises in the \$100,000-500,000 range may request only prospects rated at \$500,000.

#### Prospect Management Education Sessions

The Prospect Management & Research team leads trainings four times per year on using prospect management research to enhance MGOs' fundraising performance. For example, one training session focused on contact reports, including standards for how long MGOs should wait before they input contacts' information into databases. Research analysts use interactive exercises to engage training participants.

#### Portfolio and Proposal Reviews

Research analysts annually review the portfolios of their 5 to 7 dedicated fundraisers to suggest prospects to be added or dropped from the portfolio. MGOs design the structure of these meetings so that they receive the help and support they believe they need.

## 4) Assessment of Development Offices

### Evaluation and Metrics

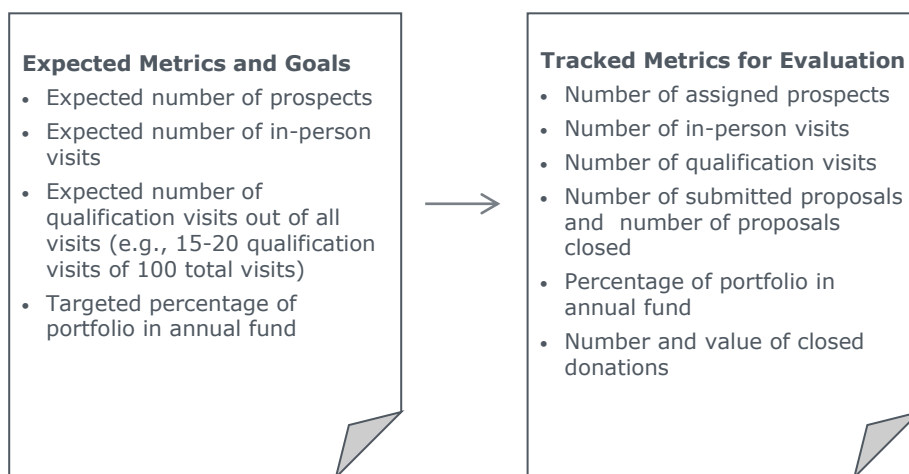
#### Set and Track Fundraising Goals for Individual MGOs and Teams Using Performance Data

Development offices store and track all interactions with donors in databases (e.g., Ellucian Advance). Directors generate reports in the databases regularly (e.g., at the end of the month) to share metrics for staff success and to evaluate individual fundraisers.

Typically, administrators evaluate MGOs' performance through the amount and volume of fundraising activity, particularly the number of "asks" and how much money MGOs requested from donors. Ultimately, directors consider the overall number of asks and the value of staff members' secured donations.

Expected values and thresholds for donations vary by role. For example, fundraisers with management responsibilities may have lower fundraising goals than MGOs who consistently travel. Similarly, thresholds correspond with fundraisers' type of giving (e.g., annual fund, major giving).

#### Performance Metrics for Individual MGOs at Profiled Institutions



#### Encourage Graduate School Fundraisers to Think Strategically about Long-Term, University-Wide Goals

While contacts do not believe their organizational structures affect staff's ability to fundraise successfully, administrators note that university-wide initiatives may not be the top priority for fundraisers in graduate schools. MGOs in graduate schools typically work closely with the deans of graduate schools and focus primarily on the priorities of that graduate school.

However, contacts also explain that the "imbedded" nature of MGOs within individual units, particularly graduate schools, can be an advantage. MGOs appeal to donors and deliver different messages based on the experiences and demographics of alumni from those units. Through familiarity with the alumni audiences of their individual units, decentralized fundraisers typically send the most relatable messages to prospective donors.

## Retain Talent through Open Communication, Professional Development Opportunities, and Flexible Work Options

Directors encourage open discussion within and among teams to develop staff partnerships and discuss successful fundraising techniques. Administrators may also conduct surveys to identify staff members' preferences and desires. For example, a staff survey at **Institution C** informed administrators that staff would like greater recognition for their accomplishments (e.g., public acknowledgement at all-staff meetings).

Administrators also attribute retention to investment in their staff through fair pay, professional development, and flexible work options that encourage fundraisers to continue working at their institutions.

### Flexible Work Options at *Institution C* and *Institution E*



#### Work from Home

While all MGOs live in the surrounding metropolitan area, **Institution C** staff can work from home one to two days per week.



#### Distance Working

Regional fundraisers at **Institution E** can choose to live in the region in which they fundraise. For example, the New England regional fundraiser lives in Boston, and the Northwest regional fundraisers lives in Seattle.

## 5) Research Methodology

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### Project Challenge

Leadership at a member institution approached the Forum with the following questions:

- How do profiled institutions organize development offices with respect to
  - Regional major gift officers versus unit-based major gift officers?
  - Type of giving?
  - Central development offices versus units within individual academic units?
  - Undergraduate versus graduate programs?
- How many staff members work in each unit?
- What are the roles of individual fundraising teams?
- What reporting structure do contacts employ for development units? Why did administrators select this particular reporting structure?
- Have administrators changed the structure of their development units within the past five to 10 years? If so, what factors motivated this change?
- How do contacts manage and organize prospect/portfolio management?
  - What strategies do contacts employ to increase penetration of prospect pools?
- Have contacts introduced discovery or prospect development teams? Why or why not?
  - At institutions with discovery or prospect development teams, how are these teams organized?
- How, if at all, do the responsibilities of different offices within development units overlap? How do offices collaborate to support overall institutional development?
- What strategies do administrators employ to introduce new organizational structures?
- What impact, if any, do campaigns have on the organization or functions of development units?
- What metrics do contacts use to evaluate the success of their offices? How did offices perform relative to these goals in the past year?
- What changes would contacts make to their organization and staffing models in development units?
- How does the organizational structure of the development office affect the ability of staff to complete their duties?
- What are the advantages and disadvantages of different organizational structures for development units?

## Project Sources

The Forum consulted the following sources for this report:

- EAB’s internal and online research libraries ([eab.com](http://eab.com))
- National Center for Education Statistics (NCES) (<http://nces.ed.gov/>)
- Institutional websites

## Research Parameters

The Forum interviewed administrators in the advancement and development offices at the following institutions.

### A Guide to Institutions Profiled in this Brief

Institution	Location	Approximate Institutional Enrollment (Undergraduate/Total)	Classification
Institution A	Pacific West	1,000 / 2,200	Doctoral Universities (highest research activity)
Institution B	South	6,600 / 11,300	Doctoral Universities (highest research activity)
Institution C	Northeast	4,500 / 11,300	Doctoral Universities (highest research activity)
Institution D	Northeast	5,200 / 10,900	Doctoral Universities (highest research activity)
Institution E	Midwest	28,400 / 43,600	Doctoral Universities (highest research activity)