Welcome to the 2020 Advancement Forum
Virtual Roundtable

Executive Roundtable Agenda

Adapting to Advancement’s New Era

12:30 -12:40 p.m.	Opening Remarks and Zoom Tips
12:40–1:00 p.m.	Virtual Networking Lunch
1:00–3:00 p.m.	Charting a Course Through COVID-19

Charting a Course Through COVID-19

Challenges and Opportunities in a Time of Disruption

Advancement Forum

The Team Behind the Research: Meet our Advancement Forum Experts

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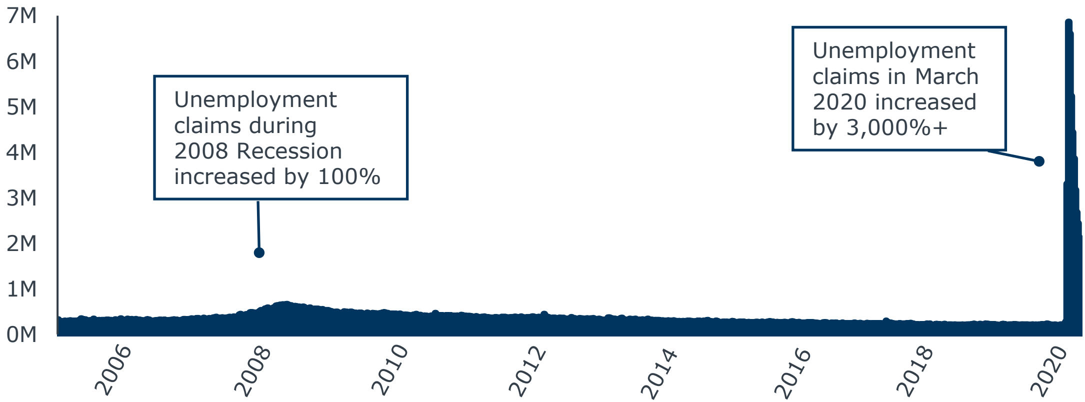
Our World Changed Overnight

COVID-19's Arrival Takes a Devastating Economic Toll

COVID-19 has Both Short-Run Consequences…

Initial Claims for Unemployment in the U.S.



…and Long-Term Economic Costs

9.5%

Second quarter GDP decline, the worse quarter on record

2022

Earliest projected year GDP will return to pre-pandemic levels

Source: Initial Claims, FRED Economic Data; The Coronavirus Recession is Already Here, Vox; How Coronavirus Grounded the Airline Industry, Washington Post; Ripple Effects of Downturn Show Pandemic's Early Economic Toll was Just the Beginning, Washington Post; CBO's Current Projections of Output, Employment, and Interest Rates and a Preliminary Look at Federal Deficits for 2020 and 2021, Congressional Budget Office; New York Times; Advancement Forum insights and analysis.

A Bubble Waiting to Burst?

Market Growth, Enriching Many Donors, May Have a Short Shelf Life

Stock Market Bucks the Trend…

Economic Indicator	Change from June 2019-June 2020
S&P 500	↑ 11.0%
Bent crude oil price	↓ 42.0%
Durable goods orders	↓ 28.8%
Industrial production index	↓ 17.0%
Employment-population ratio	↓ 13.0%
Retail and food sales	↓ 6.6%
Consumer confidence	↓ 3.1%

…But for How Long?

Glut of "Safe Haven" Investments

Declining returns elsewhere drive investors to stocks and prices upward

Persistent Investor Anxiety

Slightest hint of COVID-19 resurgence boosts market "fear index" to 2x normal

Punishing Blow to Corporate Profits

13.9% corporate profit drop may be tip of long-term iceberg

The New York Times

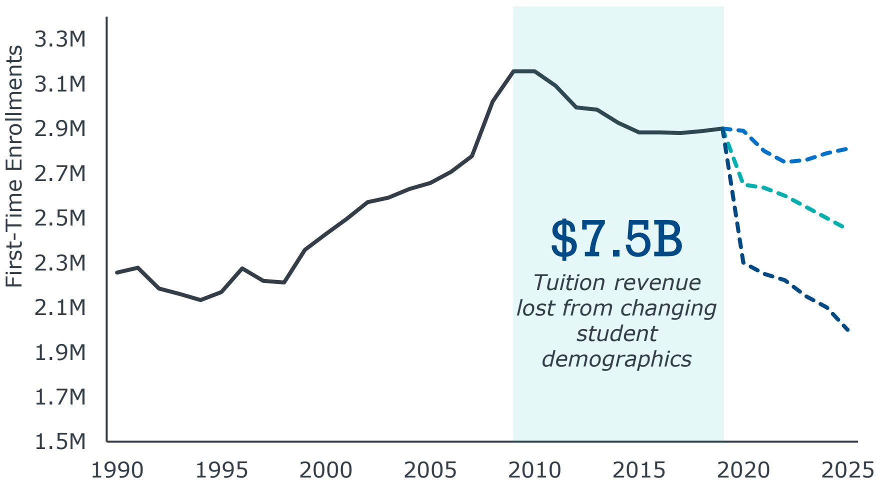
"Those fundamentals look scary…Without a robust economy, corporate profits are unlikely to recover fully, **eventually pulling down stocks**."

Source: "The Economy is a Mess. SO Why Isn't the Stock Market?" 19 June 2020, FiveThirtyEight; "Corporate profits drop in first quarter by most since 2008 Great Recession" 28 May 2020, MarketWatch; "The Mystery of High Stock Prices"3 July 2020, The New York Times; Advancement Forum analysis

The Demographic Cliff May Already Be Here

Projecting the Impact of Increased High School Dropouts and Delayed College Plans

Number of first-time enrollments, 1990-2025[1]



Recovery before fall
Most students return but declines spike in year two. HS dropouts near 1.5M as remote instruction fails to engage

Partial recovery by fall
30% increase in HS dropout rate; 10%+ of would-be students delay matriculation by a year or more

No recovery by fall
High school dropouts top 2M in the next year. 500k would-be freshman delay their plans indefinitely due to the crisis

Indicators

Institutions at Most Risk for Enrollment Declines

- Access-oriented institutions
- Small student populations
- Limited remote instruction capability

Institutions at Least Risk for Enrollment Declines

- Larger student populations
- Ability to admit “down the waitlist”
- Robust remote instruction capability

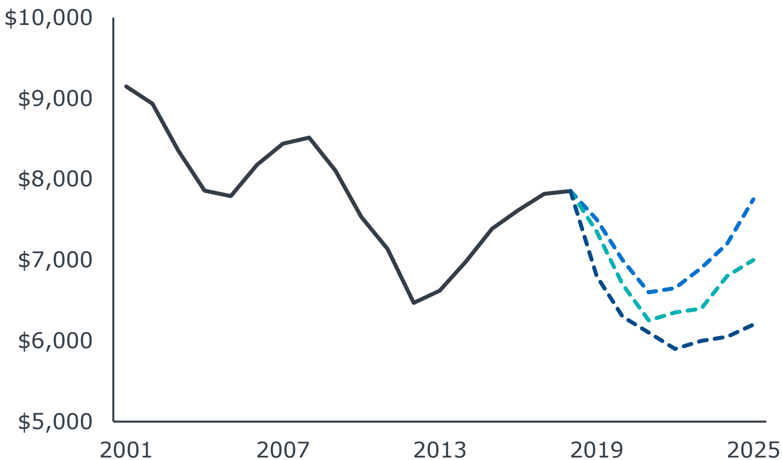
1) EAB projections included for years 2020 onward.

Source: EAB research and analysis.

Other State Priorities Crowd Out Higher Ed

Despite Recent Rebound, State Spending Will Likely Drop Again

State appropriations per student, 2001-2025[1]



Recovery before fall
Spending on higher education will follow similar trajectory as 2008 recession, rebounding to pre-crisis rates in 2-5 years

Partial recovery by fall
Unemployment claim payouts increase exponentially in most states; temporary redirection of millions away from higher ed

No recovery by fall
State spending on health and social programs increases 100x over the next five years, permanently redirecting millions away from higher ed annually

States Already Decreasing Higher Ed Appropriations in Response to COVID-19

14%
Freeze on annual appropriations in New Jersey

8.3%
Decrease in FY20 appropriations in Missouri

4%
FY20 cut; 6-14% FY21 cut expected in Nevada

3.8%
Projected decrease in Arkansas

1) EAB projections included for years 2020 onward.

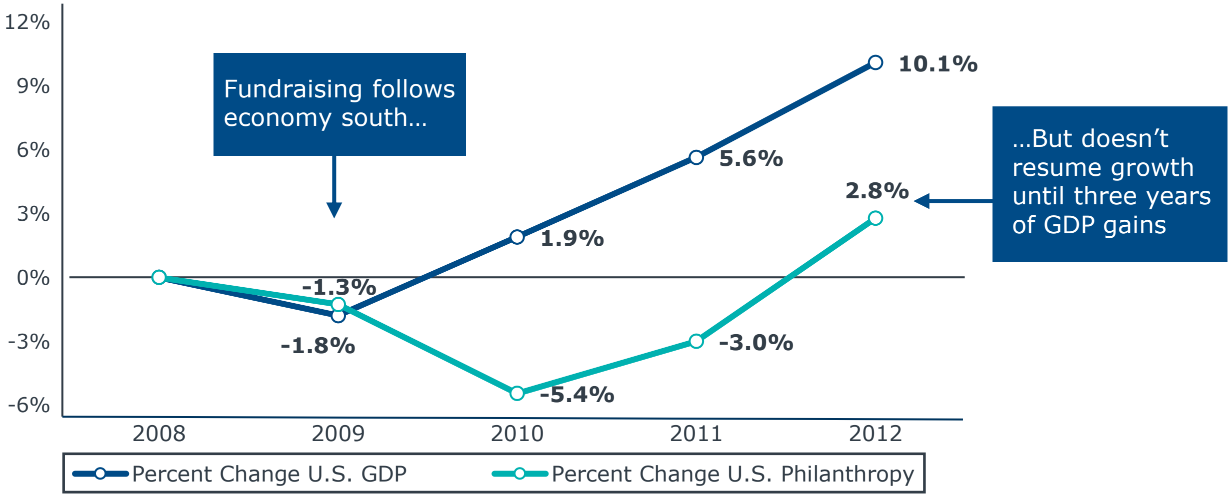
Source: K Murakami, "The Next Financial Blow," *Inside Higher Ed*, April 13, 2020; M Korn, "Public Colleges Lose State Funding," *WSJ*, April 23, 2020; New Jersey FY2020 Budget; "Summary of COVID-19 Reserved Balances," State of New Jersey; EAB interviews and analysis.

Fundraising Poised to Take a Sustained Hit

Declining GDP Historically Signals a Sustained Drop in Giving

Prolonged Pull-Back in Philanthropy During Great Recession

U.S. GDP and Philanthropic Giving Compared to 2008 Totals by Year



History Prepares to Repeat Itself Amid COVID-19 Economic Recovery

"If GDP declines by 5% this year, and if charitable giving dips to 1.9% of GDP as it did in the aftermath of the Great Recession, then **we would be looking at a $43 billion drop in giving**—in other words, a decrease of 10%."

Source: U.S. Bureau of Economic Analysis; Giving USA; "How much will charitable giving decline? A new survey provides us with a starting point", *The Chronicle of Philanthropy*, 13 April 2020

CAOs Juggling A Million Balls

New Priorities Abound for Advancement Leaders Besieged by Pandemic

The Vice President of Advancement's 2020-21 To-Do List

Hit revenue and campaign goals

How can we position the institution as an answer to philanthropic goals while being sensitive to the moment?

Stem alumni participation declines

What kind of programming would be a "must attend" for our alumni even as Zoom fatigue sets in?

Engage alumni exclusively online

What is the best format to keep alumni engaged when we can't see them in person?

Help MGOs adapt to remote work

How do we translate what made them good in-person fundraisers to a virtual environment?

Significantly cut operating budget

What can we cut that will help us maintain both efficiency and effectiveness?

Manage board expectations

How can we set realistic goals with our board and cabinet amidst so much uncertainty?

1. Plan for Strategic Budget Cuts
2. Begin to Fill Next Year's Proposal Pipeline
3. Mitigate the Biggest Risks in Your Pyramid
4. Sustain Mindshare through Innovative Digital Engagement

Plan for Strategic Budget Cuts

SECTION

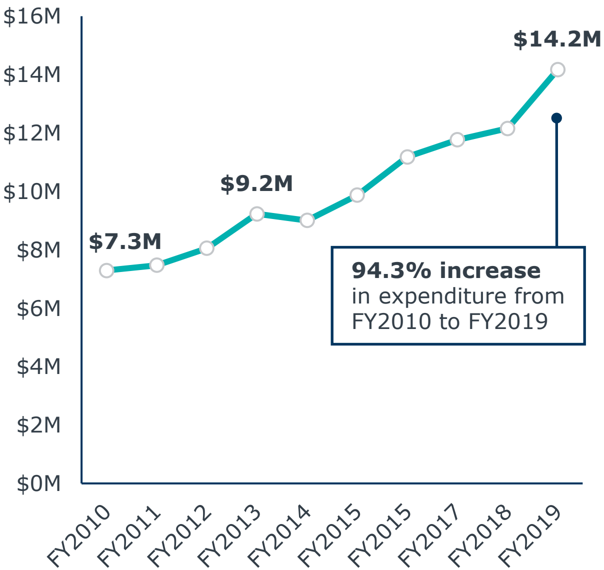
1

A Decade of Growth—And Heightened Expectations

After Doubling Advancement's Budget, Presidents Ask for More

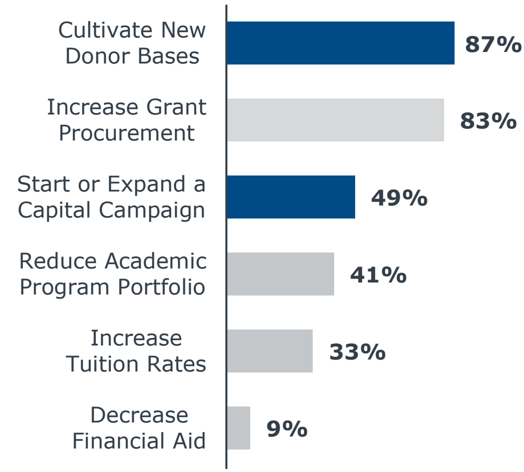
Years of Bigger Budgets

Average Advancement Expenditure FY2010 – FY2019



Presidents' Expectations Sky-High

% of Presidents Likely to Take Each Action to Manage Budget Shortfall (April 2020)

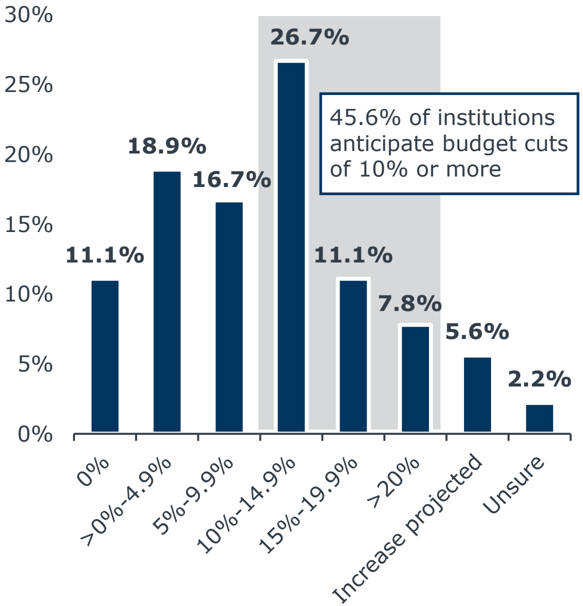


Source: EAB analysis of Voluntary Support of Education Survey dataset, Advancement Forum insights and analysis

Cuts to Advancement Risk Hitting Revenue…

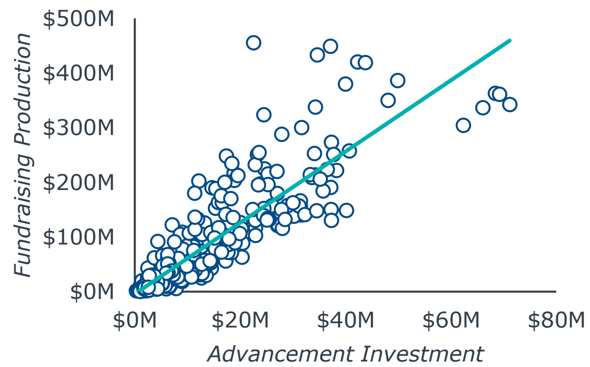
…At a Time When Fundraising Dollars are a Key Institutional Priority

Expected Decrease in Advancement Budget for FY 2021 v. FY2020



Fundraising Tied Closely to Budget Size

Fundraising Production v. Advancement Investment, FY2017-FY2019



$1M Smaller advancement budget

$6.5M Fewer fundraising dollars

Source: EAB Advancement Investment and Performance Initiative dataset; https://www.insidehighered.com/news/survey/presidents-biggest-covid-19-worries-low-income-students-and-colleges-financial-strain; Advancement Forum interviews and analysis.

CAOs Find Immediate Savings in New Status Quo

A Potential Silver Lining from the Crisis

Uncontrollable Consequences of Quarantine

Deliberate Choice, but Minimally Invasive

Travel Restrictions

"Now and into the future, we will take advantage of the normalcy of doing business digitally."

4.2% Budget savings from travel restrictions

Event Cancellations

"We can still celebrate big events, but we'll do it when it's more economically appropriate."

2.3% Budget savings from event cancellations

Hiring Freezes

"By leaving vacant positions open, we can avoid layoffs and furloughs."

3.1% Budget savings from hiring freezes

9.3% Total budget savings

Source: Advancement Forum interviews and analysis

Just the Beginning of the Budget Cuts?

If Fall Enrollment Declines Sharply, Our Shops May End Up Much Smaller

“

We’ve been able to cut costs naturally so far, but that could all change this Fall. Our worst-case scenario includes a 20% decline in enrollment. That would lead to **layoffs, furloughs, and further deep cuts to our operating budget**. We may have only seen the beginning at this point.

Vice President for Advancement
Public Research University

”

Source: Advancement Forum interviews

Strategizing to Sustain Fundraising Revenue

CAOs Weigh Difficult Tradeoffs and Decisions Amid Tough Budget Cuts

Three Proactive Strategies Under Consideration for Budget Reductions

1 **Out-Counsel Low Performers**

"I'm going to do my best to retain my highest performers. To be honest, a few fundraisers on our team aren't great fits anyway."

2 **Merge Overlapping Departments**

"We've been talking for years about bringing alumni relations and annual giving together. Now may be the time, especially since it would yield cost-savings."

3 **Avoid Cuts in Units Correlated with ROI**

"I need to avoid hitting our fundraising revenues. Expectations are too high. I'm going to start with the units that have the lowest short-term ROI."

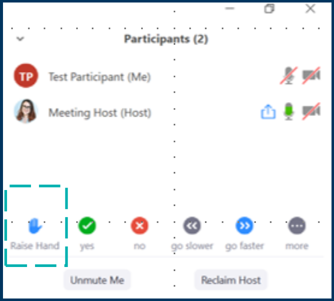
Source: Advancement Forum interviews and analysis

Quick Discussion Question

Raise Your Hand to Share with Colleagues

What plans are you putting in place to mitigate the impact of deeper budget cuts?

Use the 'Raise Hand' function here



Not All Staffing Structures Created Equal

High-ROI Shops Direct Staffing Growth to Where It Matters Most

More Investment in the Front Lines…

+6.1%

Greater share of staff assigned to **development** at high-ROI shops

(47.9% of all FTEs)

…And Strategy/ Operations Support…

+1.1%

Greater share of staff assigned to **advancement services** at high-ROI shops

(23.5% of all FTEs)

…But Less Investment in Engagement

-7.0%

Smaller share of staff assigned to **engagement and communications** at high-ROI shops

(19.6% of all FTEs)

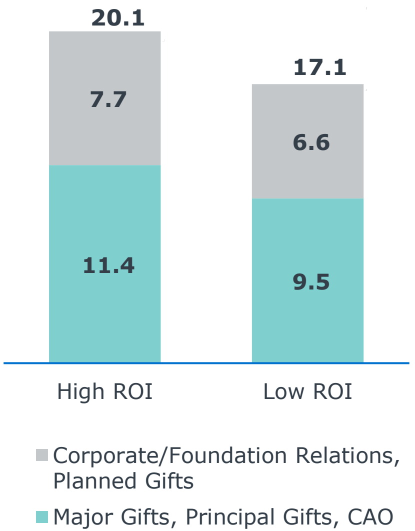
Source: EAB Advancement Investment and Performance Initiative dataset; Advancement Forum interviews and analysis.

Getting the Right Boots on the Ground

Top Performers Prioritize Major Gift Staffing

Saturating the Market with Fundraisers

Number of Frontline Officers Focusing on Major/Principal Gifts



+17.8%

More fundraisers in the field **pursuing major gifts** at high-ROI shops

1 in 3

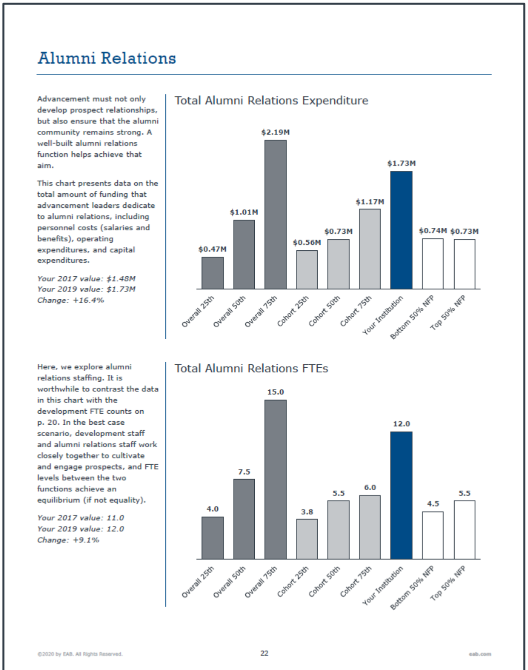
Advancement FTEs at high-ROI shops **focus on major gift fundraising**

*(v. **1 in 4** at low-ROI shops)*

Source: EAB Advancement Investment and Performance Initiative dataset; Advancement Forum interviews and analysis.

Look for True North in Difficult Times

EAB’s Customized Consultations Offer Insight for Tough Budget Decisions



Alumni Relations

Advancement must not only develop prospect relationships, but also ensure that the alumni community remains strong. A well-built alumni relations function helps achieve that aim.

This chart presents data on the total amount of funding that advancement leaders dedicate to alumni relations, including personnel costs (salaries and benefits), operating expenditures, and capital expenditures.

Your 2017 value: $1.48M
Your 2019 value: $1.73M
Change: +16.4%

Here, we explore alumni relations staffing. It is worthwhile to contrast the data in this chart with the development FTE counts on p. 20. In the best case scenario, development staff and alumni relations staff work closely together to cultivate and engage prospects, and FTE levels between the two functions achieve an equilibrium (if not equality).

Your 2017 value: 11.0
Your 2019 value: 12.0
Change: +9.1%

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The Advancement Investment and Performance Initiative

Schedule a **personalized walkthrough** of your results with an EAB expert

Identify **areas of overinvestment** compared with high-performing peers

Pinpoint **markers of top performance** and distinction within your team

Develop a **strategic staffing plan** for FY2021 and beyond

Contact your Strategic Leader for a walkthrough

Source: Advancement Forum insights and analysis

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Begin to Fill Next Year’s Proposal Pipeline

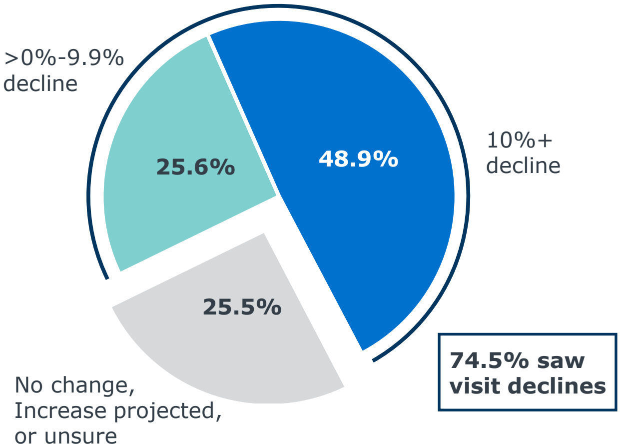
SECTION 2

Poised to See a Steep Proposal Drop

Advancement Leaders Fear the End of the Pipeline Will Dry Up in FY21

Today's Drop in Visits…

Change in Visit Counts, FY2020



…is Tomorrow's Decline in Proposals

48.9% Percent of CAOs project a decline in FY2021 **proposals submitted**

61.1% Percent of CAOs project a decline in FY2021 **proposals closed**

Pipeline Warnings Starting to Sound

"I'm keeping a close eye on the proposal pipeline. **Proposals are a lagging indicator**, and right now we just don't have the levels of movement I need to see to inflect that."

Associate Vice President of Development, Public Master's University

Source: Advancement Forum insights and analysis

Tomorrow's Proposals Tied to Activity Today

Qualification, Cultivation Challenges Yield Devastating Downstream Effects

Pain Points Surfaced in EAB Research

Qualifying New Prospects

"The donors that our gift officers have been working with continue to move forward with their gifts. It's **getting new prospects on the phone that's proven the most difficult**."

Moving Cultivation Forward

"Our gift officers have done fine with qualifications. They're sending more outreach than ever before. But without in-person options, **they're left wondering, 'What's next after a successful qualification?'**"

!

Likely Contraction in FY2021 and FY2022 Proposals and Revenue

Source: Advancement Forum interviews and analysis

Quick Discussion Question

Answer the Zoom Poll Prompt

Which of these pain points presents a bigger challenge at the current moment for your institution?

A) Qualifying new prospects

B) Moving new prospects forward

Prioritizing the Warmest Prospects

Find Prospects Who Are Already Raising Their Hands

Four Areas to Mine for Qualification Leads

Social Media Activity

Who recently increased their engagement with your social media pages?

Digital Events

Which names make frequent appearances on attendee lists?

Volunteering and Mentorship

Who has signed up to give their time to the institution in recent weeks?

Giving

Which donors have upgraded or started giving at a $1K+ level?

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Strike While the Iron's Hot

Brandeis University Moves New $1K Donors to Front of Qualification Line

Quick Qualification Brings Steady Stream of New Prospects Into the Fold

Before the COVID-19 Crisis

- ✖ $1K prospects not assigned for 1-2 months
- ✖ Normal follow-up only involves secondary consideration of major gift potential
- ✖ Hard-to-reach prospects remain in portfolios for at least one full fiscal year

After COVID-19's Arrival

- ✔ $1K donors immediately get **personalized attention** from leadership annual giving officers
- ✔ Early meeting request aims to quickly qualify and further follow-up or **major gift assignment**
- ✔ Line-by-line **replaces stagnant donors** in portfolios with warm $1k donors with major gift capacity

Source: Advancement Forum interviews and analysis

Meaningful Touches at a Distance

Advancement Rethinks Prospect Moves in a World Without Campus Visits

Three Cultivation Tools in the Gift Officer Toolbox

Université Concordia University

Engagement with Students

- Proactively seek alumni to serve as **mentors** for students
- Connect students to alumni businesses for **internships**
- Invite alumni to guest **speak in a class** on Zoom

UtahStateUniversity

Thoughtful 'Nudge' Gifts

- Send **chocolates** from a local store to donors with recent qualification visit
- **Forget-me-not seed mix** in school colors sent to donors from local flower shop

Gonzaga University

Value-Additive Resources

- **Virtual mass** provides spiritual outlet for alumni
- **Career-focused webinar** series offers professional development tools
- Kids **science projects and coloring pages** help parents in quarantine

Source: Gonzaga University; Advancement Forum interviews and analysis.

Quick Discussion Questions

Share With Colleagues in the Chat

How are your gift officers convincing new, unqualified prospects to engage with them?

What next-steps are you giving your gift officers for their recently qualified prospects?

Even Pre-COVID, Pipeline Activity Lagged

Gift Office KPIs Point to Problems with the Portfolio Model

Every Year, the Median Gift Officer Reports…

33	→	17	→	13	→	6
Visits with assigned prospects		Submitted proposals		Gifts closed		Gifts closed above $25K

Are Portfolios to Blame?

"Too many of my gift officers think of their portfolio as a holding pen for donors. They'll claim a prospect who looks like they could have major gift potential, but they don't do anything with them. **They're lethargic fundraisers, and I'm starting to suspect our whole portfolio system is at the root of the problem**."

Vice President of Advancement
Private Research University

Source: EAB fundraiser productivity dataset; Advancement Forum interviews and analysis.

A Bold Departure from Business as Usual

Utah State Eliminates Portfolios in Favor of Proposal-Centric System

“

Portfolios are gone. **Our whole system is based on future and expected proposals**. We’ve created a culture of accountability which allows us to realistically project future proposals three fiscal years down the road.

Matthew White, Vice President for Advancement
Utah State University

”

Source: Advancement Forum interviews

'Whom Will You Ask?'

Proposal Management System Dispenses with Traditional Portfolio

From Sitting on a Portfolio…	**…to Managing a Proposal Pipeline**
Fundraisers claim prospects without qualifying them	Prospects must engage in meaningful interaction before gift officers enter proposal
Uncertainty over whom will be asked and when	Multiple gift officers can enter proposals for a single prospect
Prospects sit in gift officer portfolios uncultivated for long periods of time	Expected proposals forecasted three fiscal years in advance

How Are Fundraisers Assigned Prospects?

- Must have qualification visit in the system
- Must show institutional affinity and be philanthropic
- Must have target ask date and expected ask amount

Source: Advancement Forum interviews and analysis.

Moving Cultivation Forward Without Portfolios

Increased Accountability Ensures Prospects Progress in the Pipeline

Key Components of Proposal Management System

Liberal Contact Guidelines
All prospects without a qualification visit are open for at-will outreach from fundraisers

Monthly Strategy Review
Prospect research and gift officers go line-by-line on prospect moves

Transparent Dashboards
Advancement leadership, gift officers, and prospect research pinpoint pain points

Justin Barton Goal Planning

Past Performance

Current YTD Fundraising Total: $1,344,608

Scheduled Visits

FY2018	FY2019	FY2020
166	187	172

Qualification Visits

FY2018	FY2019	FY2020
74	103	62

Future Projections

Future Expected – $25,000+

FY2020	FY2021	FY2022
3	37	20

Current Expected Fund Amounts

FY2020	FY2021	FY2022
$353,000	$4,125,000	$16,514,000

Source: Advancement Forum interviews and analysis

Big Bet on a New Approach Pays Off

Productivity Grows, New Prospects Give with Proposal Management System

Early Results Favor a Proposal-Focused System

3 days Average time for gift officers to fill out contact reports, **down from 19 days**

$4.8M Gifts closed in FY20 from donors never seen before

> "Rather than putting up guard rails to protect the donors we saw as "ours" through a traditional portfolio system, our new proposal-based system is focused on gift acquisition through qualifying new donors and collaboratively linking their passions to the university. **We are visiting more prospects, closing new gifts, and working more closely together than we ever did before**. Beyond that, we can now forecast and project long-term goals. After seeing our success with the new system, I can't believe we ever did it differently."
>
> *Justin Barton, Sr. Director of Development*
> *Utah State University*

Source: Advancement Forum interviews and analysis

10-minute break

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Mitigate the Biggest Risks in Your Pyramid

SECTION 3

Quick Discussion Question

Answer the Zoom Poll Prompt

Which tier of the gift pyramid are you most concerned about and prioritizing in your COVID-19 response?

A) Bottom Tier

B) Middle Tier

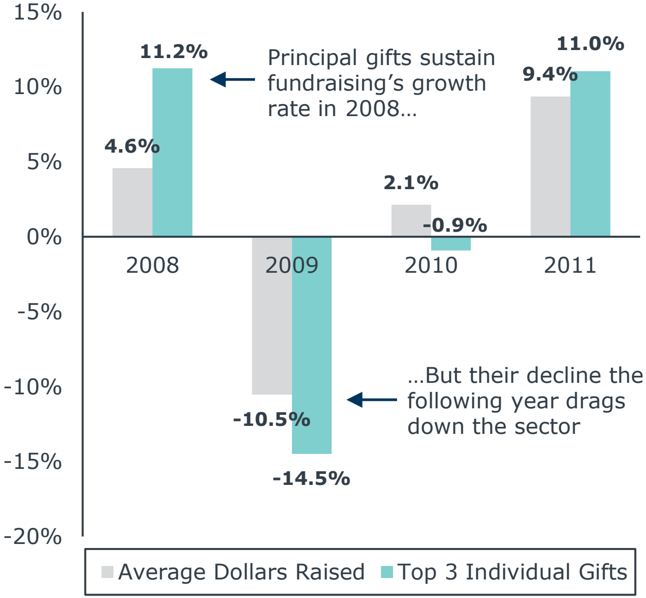
C) Top Tier

After Initial Bounce, Principal Giving Slides

First Year of Crisis Buoyed by Big Donors; Second Year Deflated by Them

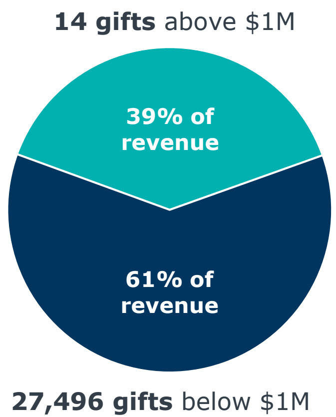
As Principal Gifts Go, So Goes Fundraising

YOY Change in Average Dollars Raised v. Sum of Top 3 Individual Gifts



A Dangerously Top-Heavy Pyramid

% of Revenue and # of Gifts by Gift Band



0.05% Percent of gifts accounting for over a third of revenue

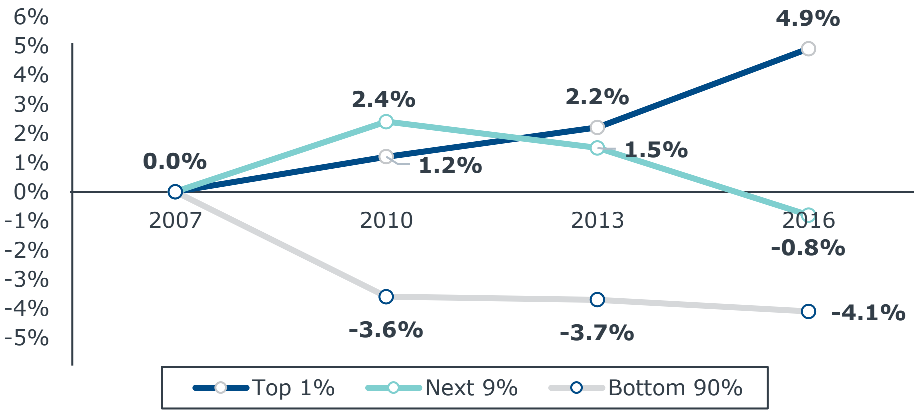
Source: EAB analysis of Voluntary Support of Education Survey dataset.

This Time, the Hit to the Top May Be More Muted

A Good Decade for the Ultra-Wealthy May Provide Top-Tier Stability

U.S. Wealth Grows Steadily More Concentrated at the Top

YOY Change in Wealth Held by the Top 1% v. the Next 9% v. the Bottom 90% of Americans



$4M

Increase in average household wealth of the top 1% in 2016 v. 2010

"Even if these donors lose a third of their portfolio, **this will just mean they have $1 billion instead of $1.5 billion.** They'll still have the capacity to give."

Vice President for Advancement
Public Research University

Source: "Richest 1% of Americans Close to Surpassing Wealth of Middle Class" 9 November 2019, Bloomberg; "Who are the one percent in the United States by income and net worth?" 25 November 2019, DQYDJ; 2016 Survey of Consumer Finance, U.S. Federal Reserve; Advancement Forum interviews and analysis

CARES Act Tips Scales to the Wealthy

Massive Relief Bill Directs Surprising Number of Resources to the Well-Off

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

- Bipartisan legislation passed on March 27, 2020
- $2 trillion in emergency appropriations and policies designed to alleviate economic hardship due to COVID-19

Several Provisions of the CARES Act Exclusively Benefit the Wealthiest Americans

Another Top 1% Tax Break

Ability for profitable companies with generated losses to offset future taxes extended to $500K+ income group

Interest Restrictions Lifted

Ability to maximize interest deductions extended to companies with $25M+ in revenue

Present Losses Rolled Back

Ability to file amended tax returns from previous years to receive a refund

Relationships Rewarded

Banks manage Small Business Administration Loans, favoring existing corporate customers

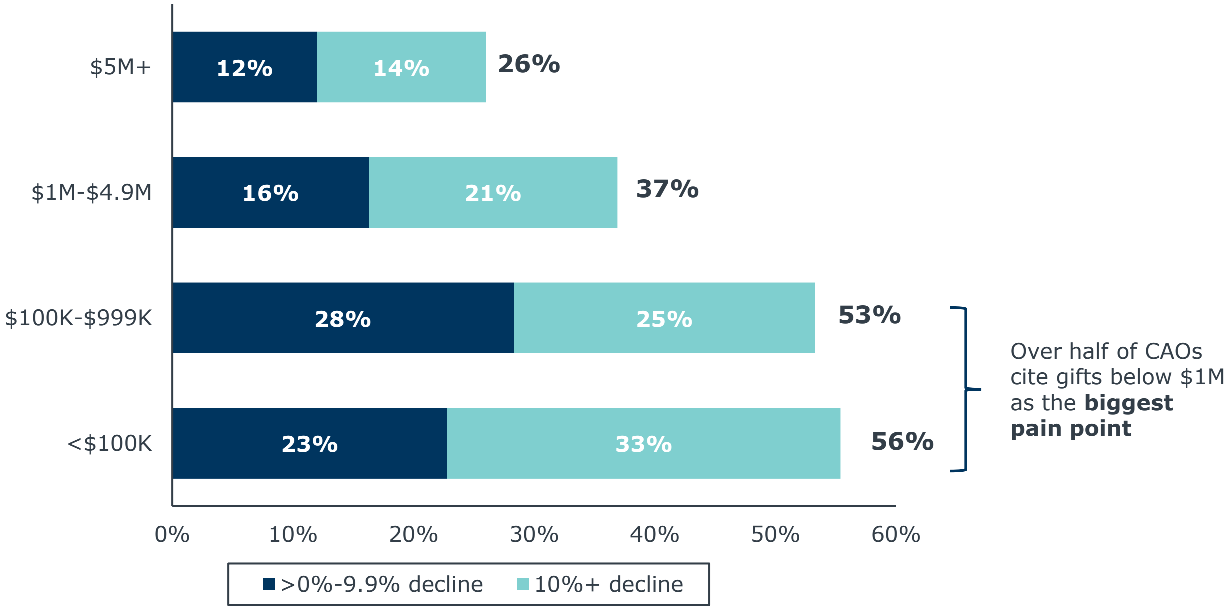
Source: US Congress, CARES Act; "How the CARES Act Became a Tax-Break Bonanza for the Rich, Explained", NPR, 30 April 2020; Advancement Forum insights and analysis

Most Partners Anticipate Big Declines Below $1M

Small and Mid-Level Donors Seen as Posing the Greatest Risk

CAOs Agree On Vulnerability of <$1M Gifts

Projected Decline in Gift Revenue, FY2021



Source: Advancement Forum Insights and analysis

Vulnerability in the Annual Fund

Unemployment Crisis Plus Historical Decline Creates Reason for Concern

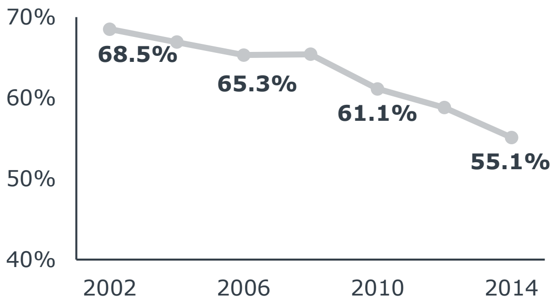
Fighting an Uphill Battle

"**Participation is going to be crushed this year**. Donors who give at the higher end are still likely to be very generous. Those at more modest levels are the most likely to be furloughed or laid off, making them unable to give as in years past. All of us will have to double down our efforts at engagement and outreach and adapt constantly."

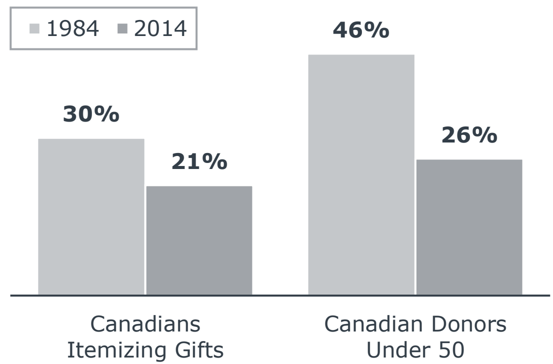
Matthew Lambert, Vice President for Advancement
William & Mary University

Donor Counts Drop in the USA

% of Americans Giving to Charity, 2002-2014



Canada Sees Declines, Too



Source: Una Osili and Sasha Zarins, "[Fewer Americans are giving money to charity but total donations are at record levels anyways](#)," *The Conversation*, July 3, 2018 EAB analysis of Voluntary Support of Education Survey dataset; Advancement Forum interviews

Shoring Up the Annual Fund Playbook

Advancement Leaders Innovate to Sustain Small-Donor Activity

Four Quick Wins to Boost Annual Fund Participation

Highlight CARES Act Deduction

Remind donors about $300 universal one-time write-off

Publicize Student Emergency Aid

Impact-focused, urgent-need funds appeal to many small donors

Find the Right Date for Giving Day

Delays and rescheduling, while unfortunate, may boost numbers

Lean on Volunteer Fundraisers

Peer-to-peer fundraising proves uniquely capable of cutting through the noise

Source: Advancement Forum interviews and analysis.

Quick Discussion Question

Share With Colleagues in the Chat

What strategies are you pursuing to mitigate annual fund and alumni participation declines?

Six Figure Gifts Most at Risk?

Confluence of Factors Driving Vulnerability in the Middle Tier

Getting Over First-Gift Anxieties in a Pandemic

"**For us, the $50 thousand to $1 million tier is a very vulnerable one**. Many of these donors are first-time major gift donors to any organization. When you're trying to help people see that they can do this, and then you add in a recession and a pandemic, it just gets that much harder."

Pam Eager, Senior Associate Vice President of Development
Carnegie Mellon University

Exposed to Market Volatility

- Heavily invested with less of a financial buffer
- Fewer liquid assets than top-tier donors

Large Revenue Share from Few Donors

- 28% of revenue comes from just 80 six-figure gifts
- "Law of small numbers" leads to extreme outcomes

Often Overlooked by Gift Officers

- Fundraisers tend to skew big or small, rarely in the middle
- Case for transformative impact difficult to articulate

Source: Advancement Forum interviews and analysis

Taking Proactive Steps to Stem Attrition

UIUC Stays Ahead of Middle-Tier Write-offs

"We have no concern with the billionaires and other donors at the top of the gift pyramid. They will be okay. Those in the bottom tier will also be okay unless unemployment continues to rise. **It's the middle tiers that have the greatest exposure**. This is the tier that experienced the most trouble during the Great Recession, so we are intentionally engaging these donors now."

Barry Benson
Vice Chancellor for Advancement
University of Illinois Urbana-Champaign

Put Frontline on High Alert

- Flag mid-level donors at risk of write-off
- Circulate "fundraising in a crisis" guide
- Require contact for all at-risk donors
- Facility and faculty pledges most vulnerable

Offer Donors More Flexibility

- Extend pledge payment timeframes
- Explore alternative assets and other payment methods
- Create individualized pledge payment plans

Source: Advancement Forum interviews and analysis

Sustain Mindshare through Innovative Digital Engagement

SECTION 4

‘Where Is Everyone?’

Even Before COVID-19, In-Person Programming Saw Declining Attendance

Recent Years Bring Lowered Demand for Events

Bloomberg 2017: ***Moviegoing Slumps*** *to 25 Year Low*

CNN 2016: ***Olympics****: Why All the* ***Empty Seats****?*

2013: *A New Survey Finds a* ***Drop in Arts Attendance***

May 28, 2019:

“Announced crowd of 8,106 for Tigers-Orioles, the fourth smallest in Baltimore the season”[1]

Empty Seats Galore
@EmptySeatsPics

Tweets: 73.1K
Followers: 51.4K
Joined October 2013

Alumni Say They Want Engagement Events But Forget to Attend Them

70% Of alumni say it’s **important to attend** non-sports events

60% Of alumni **have never been** to an alumni event

1) Oriole Park has capacity for 45,971 fans.

Source: CNN, Bloomberg, and the New York Times; “Empty Seats Galore,” Twitter; "Eventbrite's Extension Developer Partner Program,“ Eventbrite US Blog, May 16, 2018; “The Pulse Report: 2018 Event Industry Trends,” Eventbrite US Blog, 2018.; “Solving the ‘Paradox of Event Attendance’ – Leveraging Communications,” *Alumni Attitude Study* , October 20, 2014, “Solving the ‘Paradox of Event Attendance’ – Leveraging Communications,” *Alumni Attitude Study* , October 20, 2014 Advancement Forum interviews and analysis.

Rethinking Engagement’s Business Model

COVID-19 Brings ‘Creative Destruction’ to the Alumni Relations Playbook

From Broad-Based Programming…	**…To Targeted Prospect Engagement**
Time-Intensive and Location-Specific Attendees for whom location or time doesn’t work are locked out	**Quick and Accessible** Recordings and livestream enable engagement at any time or place
Broad Theme for Mass Appeal Topics must be broad enough to appeal to wide audience	**Volume Enables Niche Programs** High-volume programming allows for smaller, more targeted engagements
High Cost Venue, event staff, and catering drive up costs for events	**Low Cost** Elimination of overhead brings lower cost for engagement activities

Source: VAESE Survey 2017; Advancement Forum interviews and analysis.

An Explosion of Innovation

Digital Landscape Opens New Possibilities for Engagement

Innovative Digital Programming from Peers Around the World

Flipped Presidential Interviews (Pepperdine University)

President hosts monthly interviews with alumni, attracting hundreds of viewers

Virtual Internships and Mentorships (University of York)

Alumni and local community networks tapped to provide virtual professional development opportunities for students

Themed Focus Groups (University of South Florida)

Alumni hold virtual focus groups with students on topics ranging from job searching to moving to a new city

Digital Donor Drop-Ins (Muhlenberg College)

President drops-in to thank donors during Zoom meetings for five minutes if unable to attend the whole meeting

Source: Advancement Forum interviews and analysis.

Engaging the Invisible Alumnus/a

"We're seeing people participate **who haven't engaged with us in years**. One event had over 700 attendees. We'll certainly continue taking advantage of our new digital capabilities long after the pandemic is over."

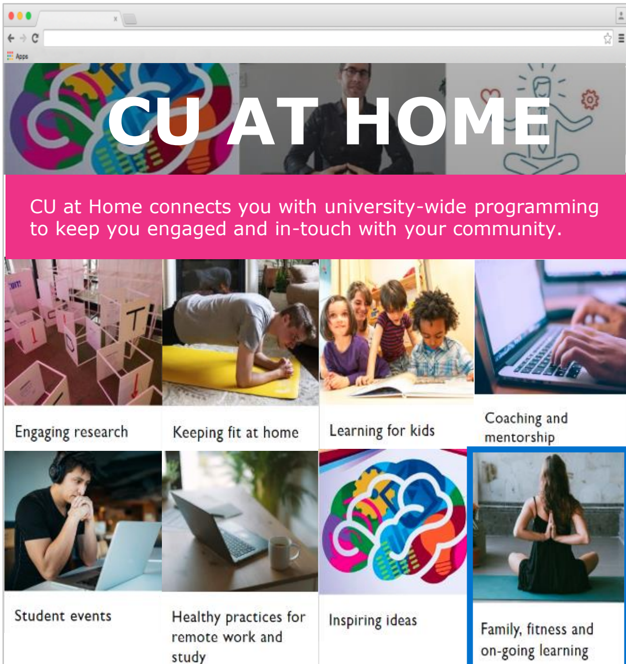
Keith Hinkle
Senior Vice President for Advancement
Pepperdine University

Source: Advancement Forum interviews

A Pinterest Model for Engagement

Concordia University Curates Experiences through One-Stop Online Portal

Variety of Resources Appeals to a Diverse Audience



Upcoming Events

Foundations of Personal Branding
June 25, 2020
1:00-2:00 pm

Shaken or Stirred? A Mixology Class
July 2, 2020
6:00-7:00 pm

Bollywood Dance Class
July 6, 2020
1:00-1:30 pm

Employee Engagement in a Time of Crisis
July 7, 2020
10:00-11:00 am

Source: CU At Home; Advancement Forum interviews

If You Build it, They Will Come

Wide Net for Digital Events Engages the Off-Campus Community

Engagement Soars as Concordia Hosts More Digital Events Than Ever

32 Digital events hosted across the past eight weeks (**4 per week**)

100+ Average number of attendees per event

"The numbers have been great…We've covered everything from health experts talking about the pandemic to a professor doing an hour per week program on happiness. We continue to have **lots of people show up, many of whom we haven't been able to engage before**."

Paul Chesser, Vice President for Advancement
Concordia University

Source: Advancement Forum interviews and analysis.

EAB's Peek into the Crystal Ball

What Changes Will Continue in the Post-COVID World?

Potential Future Characteristics of Engagement Programming

Livestreaming Events the New Normal

Global alumni now able to participate in events that were traditionally in-person only

Dedicated Digital-Only Programming

Remote programming widens the pool of alumni able to regularly engage with the institution

Smaller, More Frequent Engagement Opportunities

New cadence of events captures the attention of a more diverse audience

Extensive Digital Engagement Tracking

Additional engagement metrics show what our constituents personally care about

Source: Advancement Forum interviews and analysis.

EAB

Coda: Building a Foundation for Advancement 2025

SECTION 5

Turmoil and Change Bring Great Transformation

Successful Leaders Across Business and Politics Capitalize on Disruption

Well-Known Advice Proves True for Private-Sector Companies Worldwide

"You never let a serious crisis go to waste. It's an opportunity to do things you didn't think you could do before."

Rahm Emanuel, Former White House Chief of Staff

MailChimp

Pivoted business model during the Great Recession to add a freemium option and grew its user base by over 5x

Current valuation: $4.2 billion

AirBNB

Pounced on the desire to share assets to generate extra income during the Great Recession

Current valuation: $26 billion

Ali Baba

Transformed from business-to-business platform to direct-to-consumer e-commerce giant amid the SARS epidemic

Current valuation: $570 billion

Source: Brainy Quote; 6 iconic companies that succeeded during a recession, Inc.; How 3 businesses turned global crisis into an engine of transformation, SmartBrief; Financial Times; Forbes; MacroTrends; Advancement Forum insights and analysis

Escaping the Pattern of Complacency

COVID-19 Forces Change in Industry Longing to be Pushed into the Future

Historical Challenges are Plentiful

Annual Giving

- Inflexible, year long planning processes
- Overreliance on outdated channels

Prospect Research

- Backseat on prospect strategy
- Outmoded technology yields little prospect insight

Campaigns

- Unyielding time horizon
- Generic "kitchen sink" priorities

Talent Management

- Leaky-bucket retention problems
- Employment contingent on proximity to campus

CAOs Agree – Now's the Time for Change

"Our normal shouldn't be fundraising for the 1990s. It should be fundraising for the 2030s. **We needed this disruption**"

Matthew White, Ph.D., Utah State University

"This crisis is **getting us back to the core** elements that are critical to the mission of the institution."

Todd Sloan, Quinnipiac University

"We are **ready for Advancement 2.0** with new and different approaches and innovations. This moment of crisis will help us get there."

Julie Rehm, Ph.D., Cleveland State University

Source: Advancement Forum interviews

Hearing From Your Colleagues

Moving to Break-Outs

Momentarily, we will move into breakout rooms

You will see a message that looks like this →

Prompting you to join a virtual room with an EABer and just a handful of other attendees.

15 Minutes

- ✓ Introduce yourselves
- ✓ Discuss the questions below
- ✓ Re-convene with the larger group

Advancement 2025

- How is your role different?
- What has changed for the better?
- What has changed for the worse?
- What decisions did your CAO make in late 2020 to accelerate positive change?

Director of Annual Giving

Director of Prospect Research

Campaign Director

Director of Talent Management

Join Us for Future Advancement Forum Events

Fall 2020 Virtual Roundtable Series

You're Invited: 2020 Virtual Roundtable Series Part II

Pipeline Development in the Donor Investor Era

During this session, we will answer the question, "How do I **build a pipeline** of future major gift donors and ensure sustainable long-term fundraising revenue?"

The discussion starts with best practices for **redesigning engagement programs** around the needs of rising-star alumni before turning to strategies that **elevate the mid-level donor experience** and accelerate alumni towards major gifts.

Dates

- **October 13**
  Executive meeting
- **October 20**
  Team meeting
- **November 10**
  Executive meeting
- **November 17**
  Executive meeting

Register: Contact events@eab.com

Final Thoughts

Please take a moment to fill out a short online evaluation using the link in the **Chat.**

We would appreciate if you could take 2-3 minutes to give us additional feedback on your experience today.

Charting a Course Through COVID-19

Challenges and Opportunities in a Time of Disruption

Advancement Forum

Advancement Forum

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Jeff Martin

Contributing Consultants

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