



EAB

# Reimagining Major Gift Strategy for a New Era

Innovations in Prospect Development

Advancement Forum

# Will We Notice COVID in the Rear-View Mirror?

2

Scientists Think the Pandemic Will Be a Blur for Most People

## An Oxford Dictionary 2020 Word of the Year



**"Blursday"** (noun)

\blurz-dey\

a day of the week that is indistinguishable from any other

## Science Suggests We'll Soon Forget the Pandemic

Lack of daily variety



Fewer distinct memories created

Pandemic-induced stress



Struggle to recall details from period

## Will We Forget What Fundraising Was Like During the Pandemic?



Zero hours spent in airport lounges



\$1M+ proposals delivered virtually



1,000+ attendee zoom events



Emergency-fund giving galore



An explosion of planned gifts



Hiring freezes during campaigns

Source: Hutchins Aaron, "[How the pandemic has rewired our brains](#)," *Maclean's*, October 8, 2021; Shayla Love, "[You'll Probably Forget What It Was Like to Live Through a Pandemic](#)," *Vice*, April 21, 2020; "[2020 Words of an unprecedented year](#)," Oxford Languages; EAB interviews and analysis.

## Resisting the Reset Button



**"We threw the playbook in the fire. Now we have to stop ourselves from jumping in after it.** That's the challenge of the moment. It's the very human urge to reset to the known, to a comfortable space, to what you know best. Here's the thing: **how we worked over the past year-plus is more of a hint of what is to come,** what is possible, and not just a blip."

*Charlie Melichar  
Principal, Melichar Consulting*

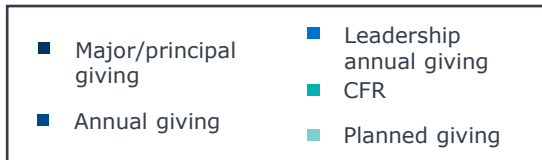
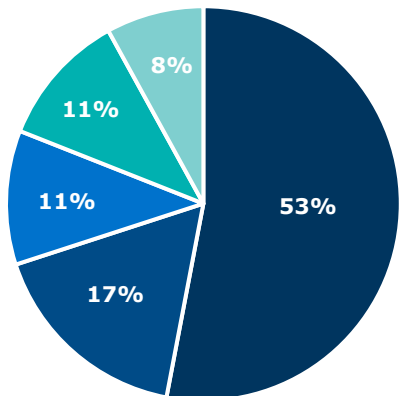
# Reimagining Our Bread-and-Butter Division



Major Gifts Has the Largest Opportunity for Growth

## MGOs Represent the Largest Group of Fundraising Personnel...

Average Fundraising FTEs, FY16-FY20



## ...But MGOs Underperform Compared to Their Colleagues

Median Value of New Gifts and Commitments by Role, FY2020



# Perennial Challenges We Can Now Address

It Is Time to Reexamine Key Steps in Major Gift Prospect Development

## Engagement

*Major gift prospects don't respond to engagement content*

## Qualification

## Cultivation



**60%**

Of alumni had never been to an alumni event

**80%**

Of alumni didn't feel very connected to their alma mater

## Bland Content to Blame



Homecoming



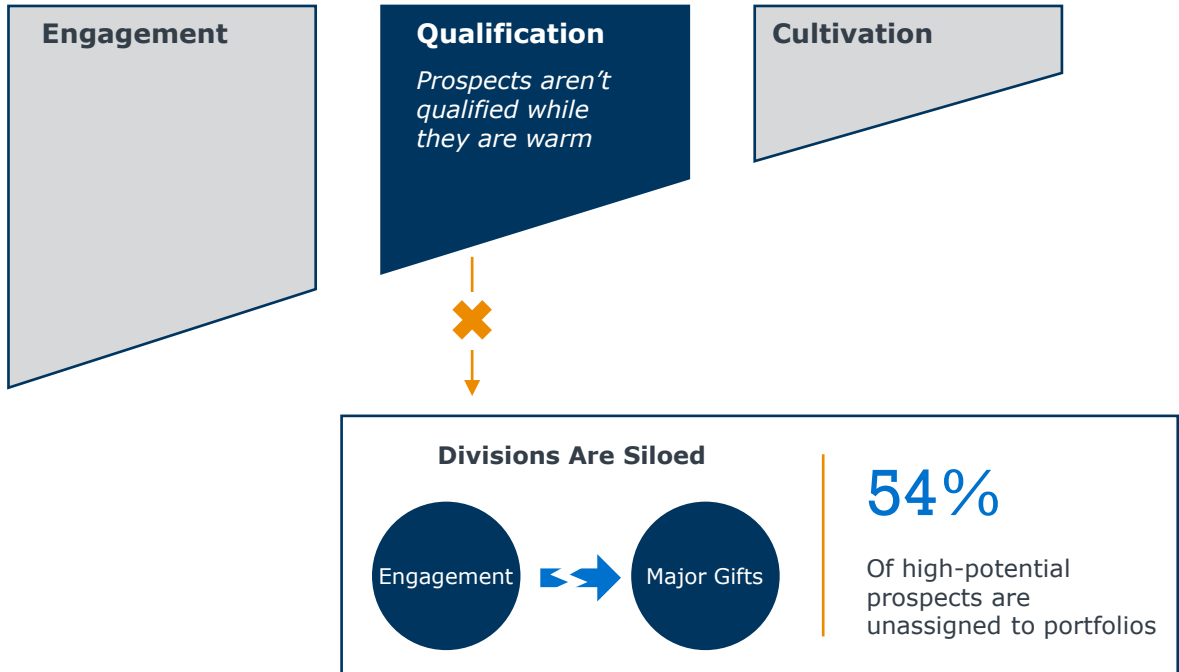
Happy Hours



Reunions

# Perennial Challenges We Can Now Address

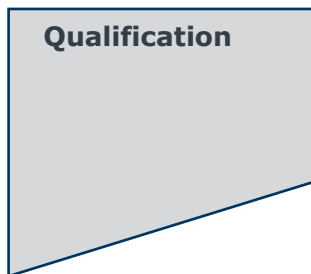
It Is Time to Reexamine Key Steps in Major Gift Prospect Development



# Perennial Challenges We Can Now Address



It Is Time to Reexamine Key Steps in Major Gift Prospect Development



*Once qualified, prospects linger in cultivation*



**9%**

Of assigned, rated major gift prospects give major gifts in any given year

## Surface-level Meetings Don't Advance Cultivation

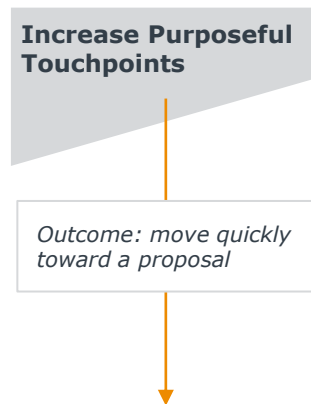
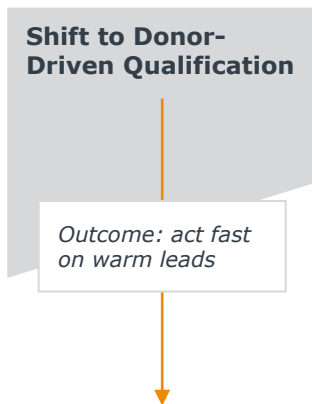
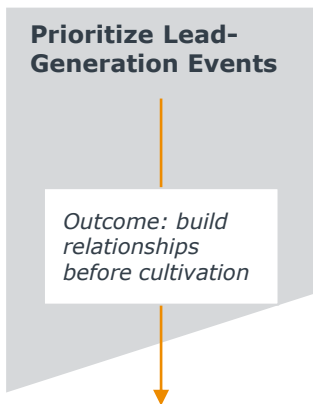


Coffee chats



Generic updates

# Our Roadmap for Today's Discussion



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## Strategies

- Prioritize Events That Attract HNW Prospects
- Create and Execute Prospect Journeys Within Engagement

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## Strategies

- Alert MGOs When Prospects Engage
- Increase Social Pressure To Qualify

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## Strategies

- Build Virtual Communities of Philanthropic VIPs
- Increase Expectations for Prospect Touchpoints





# Increase Purposeful Touchpoints

- 
- Strategy #1: Build Virtual Communities of Philanthropic VIPs
  - Strategy #2: Increase Expectations for Prospect Touchpoints

SECTION

1

# The Never-Ending Story?



## Gift Officers Take Years to Solicit, Creating Off-Ramps for Prospects

### Gift Officers Slow to Ask...

**5** Years on average from first visit to proposal

### ...Which Leads CAOs to Focus on Efficiency

**88%** Of polled CAOs chose “fundraiser efficiency” as a top priority in 2019

## More Time in Cultivation Means More Barriers to Solicitation



### Turnover

Major gift officer attrition means prospects lose their main point of contact

- <2 years is the average gift officer tenure



### Competition

Donors find other avenues and organizations to make an impact quickly

- 1.6M USA 501(c)(3)s
- 166K charities in the UK



### Scandals and Skepticism

Institutional news and public opinion change quickly

- 50% of Americans don't believe higher education has a positive effect

Sources: Kim Parker, [“The Growing Partisan Divide in Views of Higher Education.”](#) Pew Research Center, 2019; Mike Nagel, “Taking on the Gift Officer Retention Problem in Higher Ed,” *Evertrue*, February 26, 2020; “How Many Charities Are There?,” *How Charities Work*; “The Charitable Sector,” *Independent sector*; “Journey to Major Gift,” *Blackbaud*, March 2020; Goldie Blumenstyk, [“Building a Better Major-Gifts Officer.”](#) *The Chronicle of Higher Education*, 2020; EAB interviews and analysis.

# An Opportunity to Address Perennial Challenges



Pandemic Opens Up New Possibility for Efficiency Breakthroughs

## Why Does Cultivation Move So Slowly?



### High-Value Touches in Short Supply

Ratio of “coffee and update” to value-first visits too high



### Time Constraints Limit Move Volume

In-person-or-nothing approach puts ceiling on visit counts



### Non-Fundraising Activity Creep

50%+ of fundraiser time spent off the front lines



### No Cost to ‘Park in Cultivation’

Few incentives to build strategy for every assigned prospect

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## Key Strategies

### 1 Build Virtual Communities of Philanthropic VIPs

Craft virtual events that bring donors, institutional leadership together on a topic of interest

### 2 Increase Expectations for Prospect Touchpoints

Shift DO expectations toward more touchpoints in lighter-lift formats



# Meet Your Industry's Movers and Shakers

## Olive University<sup>1</sup> Scales High-Value Networking Salons

### Get the Right People in the Room...



#### 10-12 Prospects

- Drawn from a single industry or set of industries
- "People to know"



#### Academic Leader

- Dean, chair, or faculty member
- Expertise in high-interest topic



#### Major Gift Officer

- Relationship manager for invited prospects

### ...And Add Compelling Discussion Agendas

- ▶ Inside look at bio-engineering program
- ▶ Real-world research in economics
- ▶ Expert take on current political events



"I don't think we can blanket say 'people are tired of Zoom.' People are not tired of small engaging group discussions. It's our role to curate that."

*AVP Strategic Initiatives  
Olive University<sup>1</sup>*

1) Pseudonym



# Increasing Access to the President

## Digital Cultivation Extends President's Reach to More Donors

Less Time, More Days

Timeline Structure

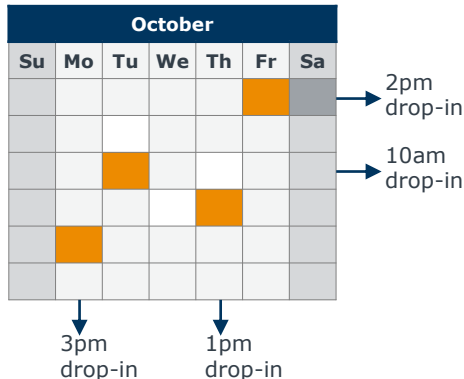
More Time, Fewer Days



### Muhlenberg's Digital Drop-Ins

Regularly ask president to join virtual meetings for *five minutes when schedule allows for it*

Example Monthly Schedule



### Elon's Prospect Meeting Blitz

Preemptively book *1-2 days per semester* with president for *14+ virtual prospect meetings*

Example Blitz-Day Schedule

Time	Activity
8:30 am	Prospect debrief
9:00 am	Donor #1
10:00 am	Donor #2
11:00 am	Donor #3
12:00 pm	Lunch and debrief
1:00 pm	Donor #4

# Orchestrators of Institutional Partnerships

“Our top donors need **our gift officers to be orchestrators of institutional partnerships**. MGOs need to focus on getting the right people in the room and organizing meaningful experiences. We need to make sure the **emphasis is on the strategy, content, and the institution**, not on the gift officer relationship.”

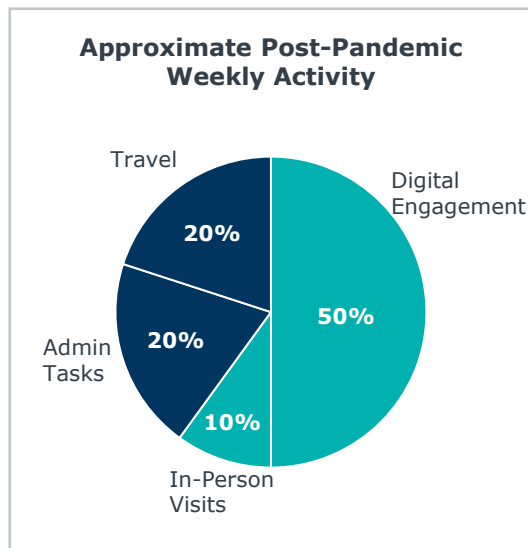
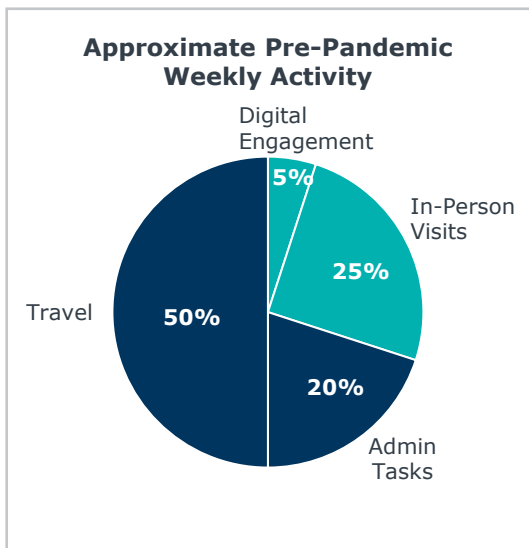
*Jason Coolman  
Vice President of Advancement & External Relations,  
Wilfrid Laurier University*

# Reclaiming Our Lost Hours



## Hybrid Model Gives MGOs Time To Increase Donor Contacts

### COVID Changed How MGOs Use Their Time



**30%** Of time spent on cultivating prospects

**60%** Of time spent on cultivating prospects

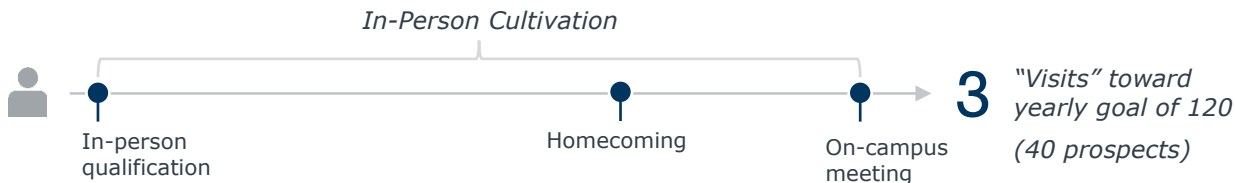




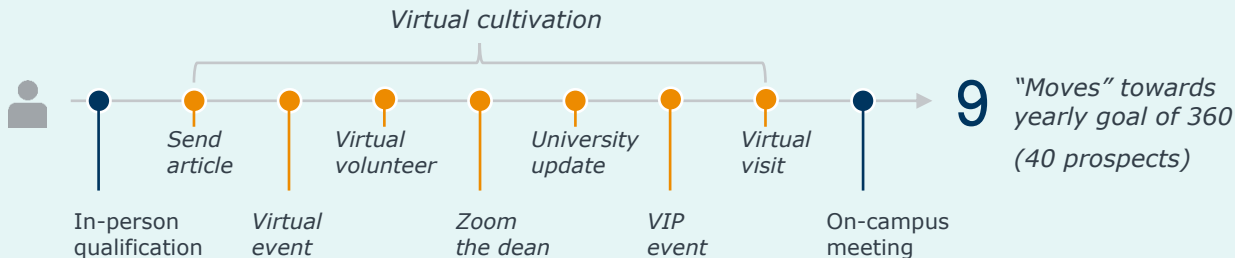
# Recalibrating Metrics for Hybrid Cultivation

## Topper University<sup>1</sup> Measures Micro-Cultivation and Moves Management

### Pre-COVID Cultivation



### Micro-Stages and Move Metrics at Topper University<sup>1</sup>



1) Pseudonym



# Bite-Sized Metrics

## Shifting Goals To Help MGOs Balance Multi-Channel Communication

### Western Kentucky's Micro-Metrics Dashboard

#### Jane Doe's Metric Progress

Manager: Alexa Smith

Daily Goal



Contact attempts

Weekly Goal



Prospect engagement

Monthly Goal



Moves to gift

#### Bi-weekly Coaching Helps DOs Stay On Track

- Frequent discussion of pacing and progress toward goals with supervisor
- Problem solve strategies for overcoming barriers to meeting goals

#### Other Institutions Reconsider Metrics

- MGO quarterly goals
- Rename "visits" to "contacts"

# Decreasing Time In Cultivation



## Key Questions and Action Steps

### Next Steps for Implementation

#### *Short-Term*

- Decide on a strategy for increasing prospect face time with leaders
- Re-evaluate current prospect touchpoint expectations

#### *Long-Term*

- Incentivize updated prospect touchpoint expectations with metrics
- Assess how to use metrics to guide gift officer work along the way

### Discussion Questions for Advancement Leaders

- 1 How is cultivation progress measured right now? What new metrics might be needed to address hybrid-era touchpoint expectations?
- 2 What types of networking opportunities are available to our major gift prospects? How can we step into the “convener” role?
- 3 How are donors getting face time with campus leaders? How many donors get this chance?



# Shift to Donor-Driven Qualification

- 
- Strategy #3: Alert MGOs When Prospects Engage
  - Strategy #4: Increase Social Pressure To Qualify

SECTION

2

# The Pipeline Paradox

Engagement's Record Year Didn't Translate to New Pipeline Prospects

## Alumni Engaged in Record Numbers During the Pandemic...



University of Wisconsin's "UW Now Livestream" about the labor shortage had **1,400** attendees



Elon's presidential interviews with industry experts had **500** attendees monthly



Stonehill College's virtual campaign launch tradeshow had **830** attendees

## ...Yet We Failed to Move Attendees into the Gift Pipeline

### Qualifications Down For Majority

*FY21 v. FY20 change in the number of qualifications*

↓ **61%** Saw flat or declining qualifications

↓ **32%** Dropped by 10%+

# A Disconnect Within Advancement

By the Time We Act, Engagement's Warmth<sup>1</sup> Has Gone Cold

## A Breakdown That Costs Us New Major Gift Donors



### Why Act Fast? The Importance of Prospect Warmth In Sales

**8.8x**

Higher close rate for warm sales leads compared to cold sales leads

**5x**

Higher conversion rate when salesperson cuts inquiry response time in half

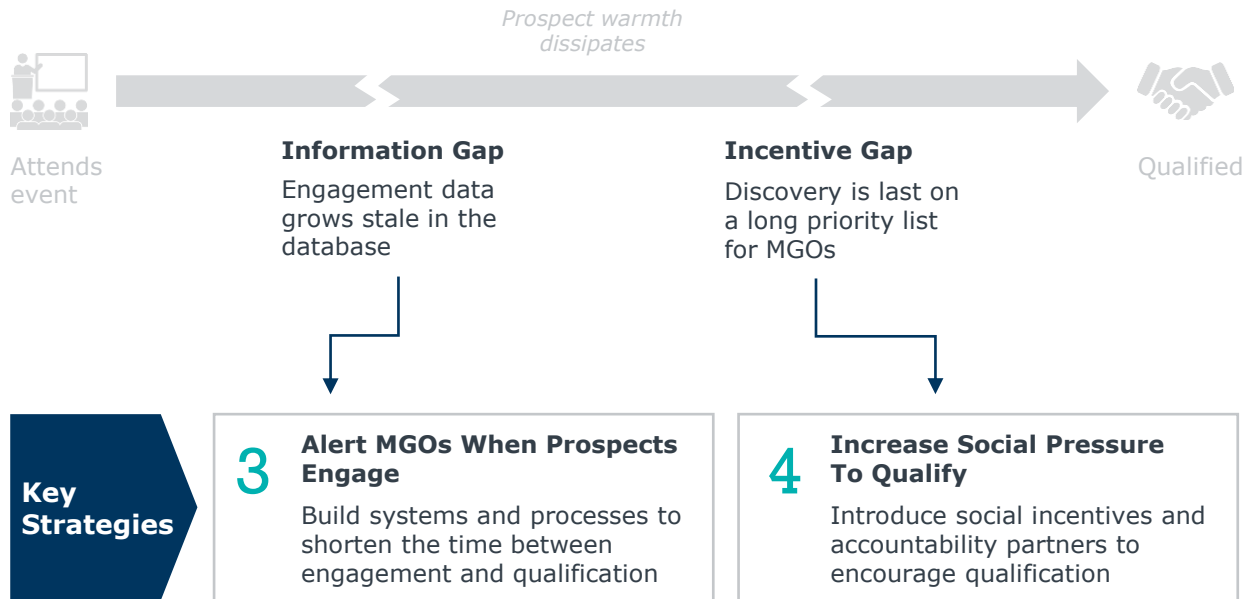
1) A "warm" lead is a prospect that recently engaged in an active manner with the institution such as attending an event.

Source: Andony Brock, "5 Minutes or Less: Risk and Reward in Lead Response Time", Vendasta; Wart Fransen, "Why are Warm Leads Better for Your Business?", Leaderbox, April 10<sup>th</sup>, 2017; EAB interviews and analysis.

# A Disconnect Within Advancement

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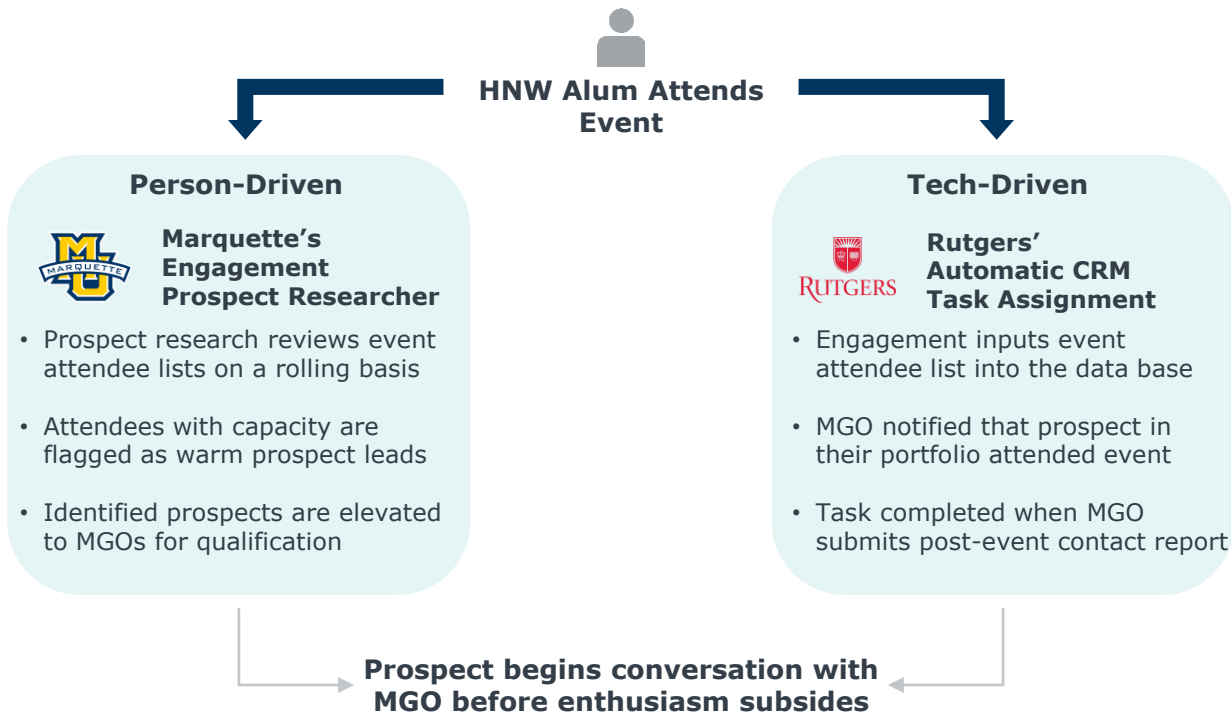
## A Breakdown That Costs Us New Major Gift Donors





# Prompting DOs To Take Action

Two Institutions Alert Gift Officers as Soon as Prospects Engage







# Friendly Competition and Accountability

## Social Pressure Motivates MGOs to Prioritize Qualifications

### Create Social Incentives



*Vanderbilt's  
Gift Officer Leaderboard*

- Gamifies activities, like qualification, not included in MGO evaluations
- Winning MGOs announced in all-staff meeting and receive trophies

**124%**

Increase in  
qualifications  
from FY20 to FY21



### Enfranchise Accountability Partners



*Utah State's  
Development Analysts*

- Five prospect researchers repositioned as strategy partners for 24 MGOs
- Analysts must have **75%** of assigned MGOs meet their fundraising goals

**\$4.8M**

Proposals closed  
within one year  
from qualification



# Increasing New Donor Qualifications



## Key Questions and Action Steps

### Next Steps for Implementation

#### *Short-Term*

- Assign a staff member to screen event attendance lists for prospects
- Decide on a strategy for incentivizing qualification of prospects

#### *Long-Term*

- Implement a system for automatically elevating engaged prospects to MGOs
- Systematize qualification across the advancement team

### Discussion Questions for Advancement Leaders

- 1 Who is the best person in your shop to screen event lists for prospects? Can this be automated?
- 2 How are MGOs incentivized to qualify new prospects? How can you ensure a handoff from engagement to major giving?
- 3 What existing university technology can be used to automate steps in the qualification process?



# Prioritize Lead- Generation Events

- 
- Strategy #5: Prioritize Events That Attract HNW Prospects
  - Strategy #6: Create and Execute Prospect Journeys Within Engagement

SECTION

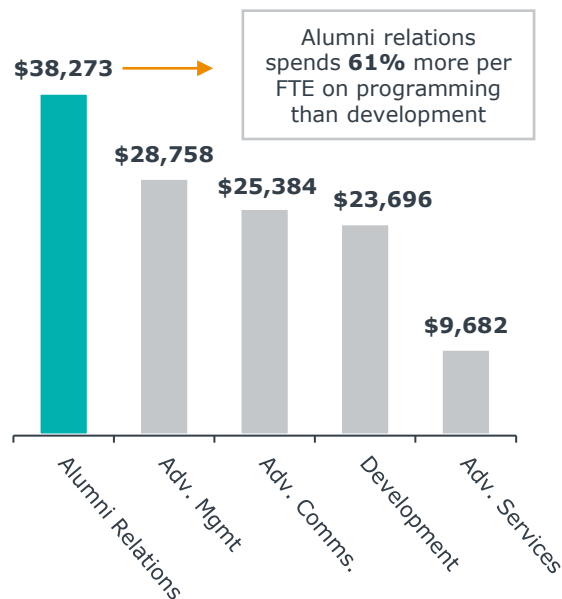
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# A Huge Investment in Programming...

...But With Questionable Returns

## Placing Our Bets on Programming, Not People

Median Operating Expenditures per FTE, 2016-2020



“

### A More Strategic Path Forward

“We’ve had a nearly two-year break in our regular events schedule. That’s not necessarily a bad thing. We’ve always had a lot of traditional events on the calendar that didn’t bring high ROI. We’re hoping for a clean break from those moving forward. **There are going to be a lot of things we don’t want to start doing again because of their low ROI.**”

*Josh Friedman,  
Senior VP, Development and  
Alumni Relations  
University of Miami*

”

# Alumni Relations' Low-ROI Problem



Too Often, Engagement Strategy Misaligned with Development Needs

## Why Do Events Fail to Warm Major Gift Prospects?



### Programming Isn't Designed to Appeal to Major Gift Prospects

- Generic events like happy hours and reunions don't attract HNW alumni
- "Success" is measured in number of event attendees



### One-Off Events Lack a Path to Deeper Prospect Affinity

- Priority is planning the next event, not further prospect engagement
- Individual attendee engagement patterns are not tracked

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## Key Strategies

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### Prioritize Events That Attract HNW Prospects

Minimize time spent on low-ROI events and focus on those that appeal to rated prospects

6

### Create and Execute Prospect Journeys Within Engagement

Build deeper connections with rated prospects by engaging them with multi-phase content



# Taking Low-ROI Events Off the Table

## MSU Denver Creates a Prioritization Process for Event Planning



Advancement really doesn't need to be planning the majority of the events we're planning. **We get sucked into lots of things that don't move our donors** along the cultivation journey. We need to assess whether we should plan certain events or if there are other people on campus who should be planning them."

*Katie Biscoe  
Former AVP Advancement  
MSU Denver*

### MSU Denver Not Alone - Events Others Are Removing



- Commencement
- Homecoming
- Alumni chapter meetings
- Reunions

### Advancement Event Assessment

#### Prospect-Focused Invite List

*(check all that apply)*

- Advancement controls the invite list
- Invitation is exclusive to rated prospects
- 5+ rated prospects are registered
- President or provost will attend

#### Compelling Cultivation Content

*(check all that apply)*

- Provides exclusive networking
- Highlights campus or student needs
- Introduces constituents to new and innovative initiatives

Estimated cost? \_\_\_\_\_

Estimated planning hours? \_\_\_\_\_

# Assess Your Engagement Event ROI and More



## [EAB's Alumni Relations Program Review Toolkit](#)

- Calculate total resource investment
- Determine how each program impacts fundraising
- Determine ROI by comparing total resource investment against total impact on engagement and fundraising



# Creating a Journey from Engagement to Portfolio

## Multi-Phased Content Deepens Prospects Affinity

### Miami University Wine Tasting 2.0 Follows Prospects' Leads



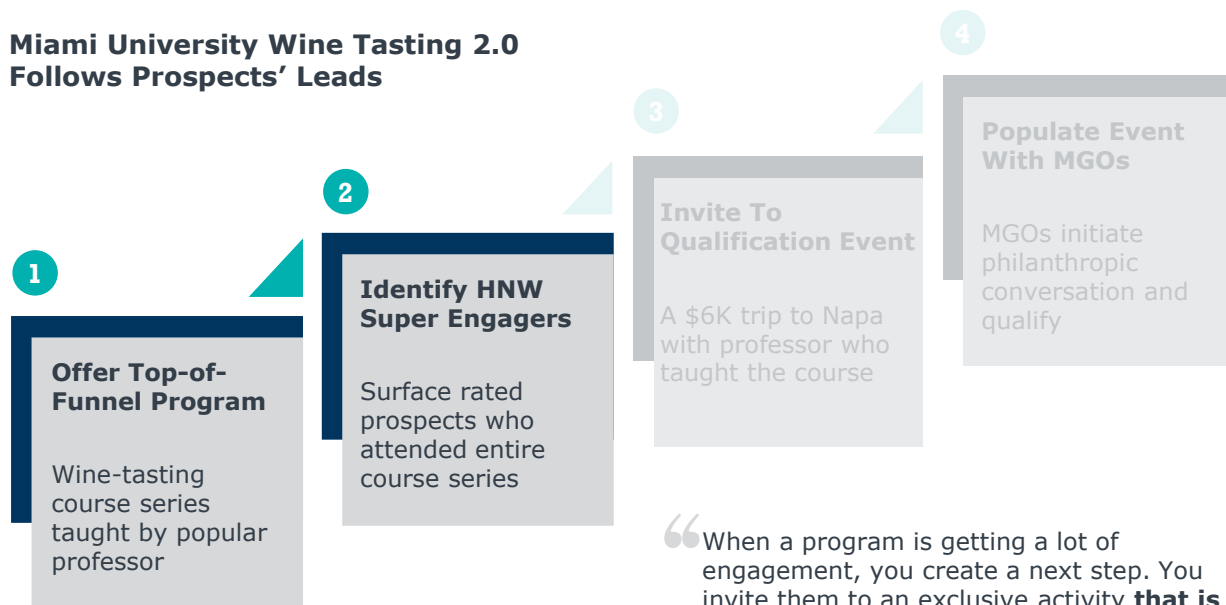
“When a program is getting a lot of engagement, you create a next step. You invite them to an exclusive activity **that is likely to result in deeper engagement by high-net-worth prospects.**”

*Brad Bundy  
Senior AVP, Advancement  
Miami University*

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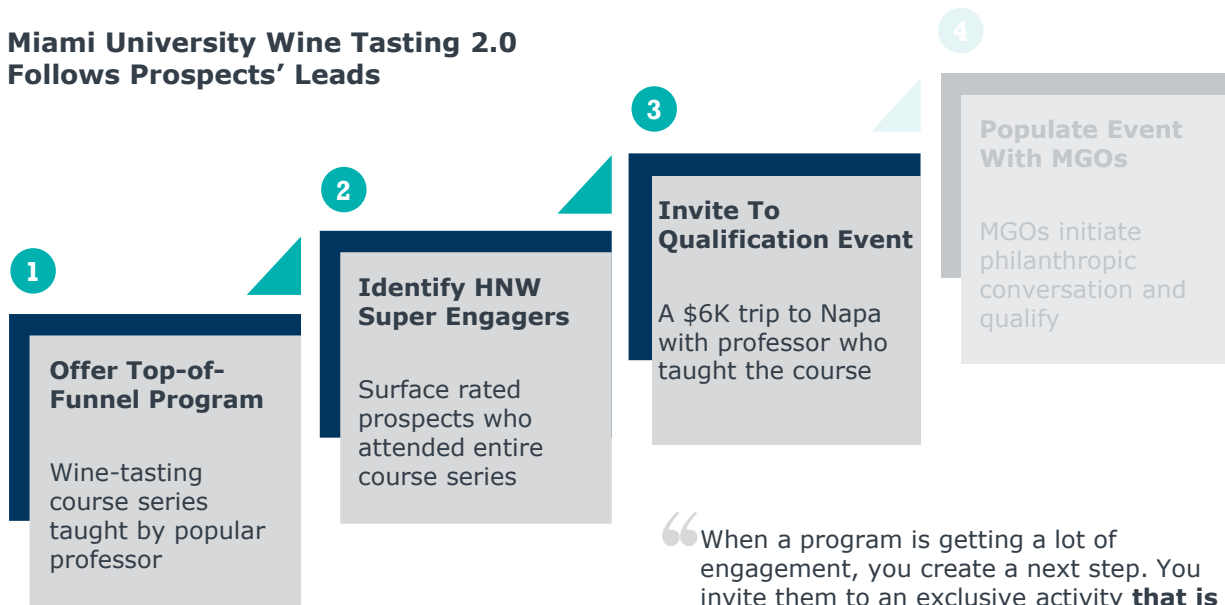
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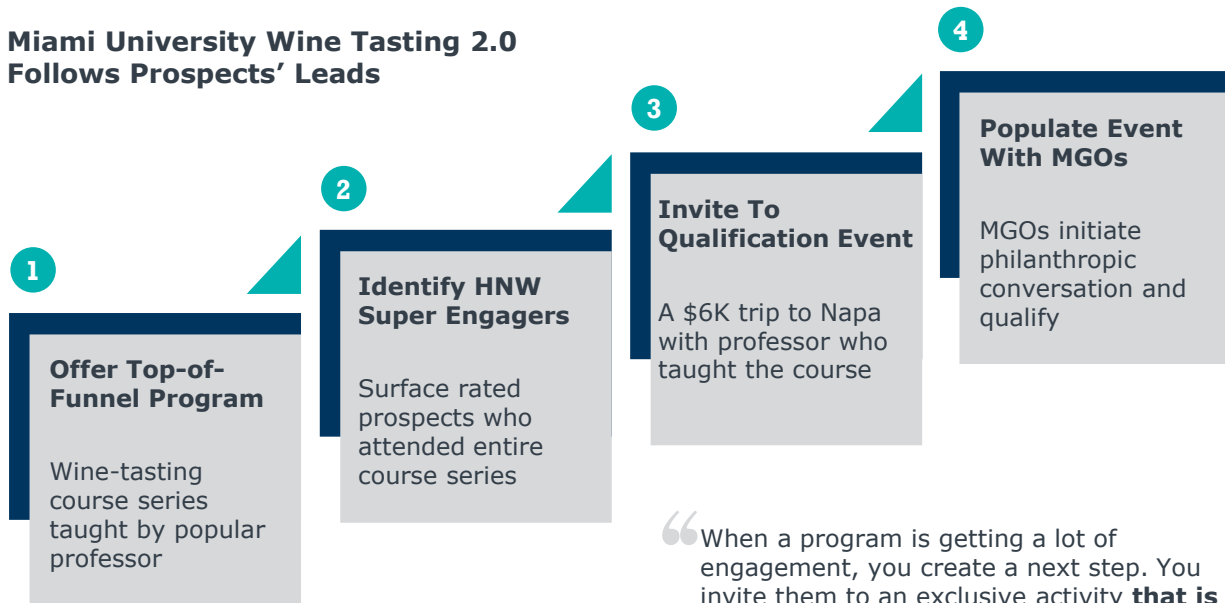
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# Increasing Engaged HNW Prospects



## Key Questions and Action Steps

### Next Steps for Implementation

#### Short-Term

- Assess the philanthropic ROI of current engagement events
- Consider how engagement events could better appeal to HNW alumni

#### Long-Term

- Establish standardized ROI expectations for engagement events
- Add exclusive qualification events that follow top-of-funnel content

### Discussion Questions for Advancement Leaders

- 1 What is the philanthropic ROI for engagement events? Do any stand out as high or low?
- 2 Do current alumni engagement offerings appeal to HNW alumni? What niche offerings might attract HNW alumni?
- 3 What VIP engagement opportunities are available to prospects? Could they be repurposed for qualification?

# Advancement Forum

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