Factors influencing fundraising success at church-related colleges and universities

Jeff G. Cohu

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Factors Influencing Fundraising Success in Church-Related Colleges and Universities

by

Jeff Cohu

Dissertation

Submitted to the Department of Leadership and Counseling

Eastern Michigan University

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Dissertation Committee:

Martha Tack, Ph.D., Chair

William Anderson, Ed.D.

James Berry, Ed.D.

Mary Vielhaber, Ph.D.

December 16, 2011

Ypsilanti, Michigan
DEDICATION

This dissertation is dedicated to my children, Kylie and Cameron, whose unconditional love and support has continually served as the source of my motivation throughout the duration of this study.
ACKNOWLEDGEMENTS

There are many people I need to thank for support and encouragement throughout this process. First, I would like to thank Dr. Martha Tack for serving as both my advisor and dissertation committee chair. Her continuous support has carried me through this entire process, and I will be eternally grateful for her guidance and friendship.

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Finally, I would like to thank all of the participants in this study who took the time to discuss and provide insights into this important topic. The dedication and commitment of these selfless servants has been a motivation in my life.
ABSTRACT

The purpose of this study was to explore and examine factors leading to fundraising success in church-related colleges and universities that have not secularized their Christian mission, governance, and denominational relationships. This study posed research questions concerning both the specific strategies and leadership behaviors used by individual leaders at successful institutions in the church-related niche of higher education.

The methodology used in this qualitative study featured a grounded theory approach blended with some elements of a comparative study approach. Five institutions were selected based on a purposeful sampling strategy. The data collection methods included in-depth, semi-structured interviews with key institutional leaders supported by observation and document analysis. Emergent themes were captured through an intense data analysis, interpretation, and coding process utilizing grounded theory techniques. This technique also produced thick contextual descriptions of the sample institutions.

The study found that a unique set of strategic management themes lead to fundraising success. These included the creation and communication of a brand image based on mission fulfillment, the use of a focused differentiation strategy, a 3-tiered concentric donor segmentation process, and an operations strategy of sticking to core competencies. The study also found general leadership themes leading to fundraising success. These leadership themes included a highly engaged and mission-oriented board; a president who can visibly embody the institutional mission and is skilled at the key leadership behaviors of boundary-spanning, story-telling and cooption; and a professionally-trained development staff who practice learning organization concepts in a
team-based model. The study concludes with recommendations for practice and further research.
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CHAPTER ONE: INTRODUCTION AND BACKGROUND

Introduction

Fundraising has become a critical success factor for leaders of most institutions of higher education. Since the 1980s, operational costs for colleges and universities have increased at nearly twice the rate of inflation (The College Board, 2009). In addition, state and federal appropriations for higher education institutions have fallen dramatically during this time period. These two factors have led to heightened pressures on executives in both public and private higher education institutions to find alternative sources of revenue to contain escalating tuition prices. As a result of these economic trends, developing fundraising capacity has become more important than ever to the strategic vitality of higher education institutions.

Nowhere is the importance of a strong fundraising capacity more evident than in private, church-related colleges and universities, which currently represent the fastest growing segment of higher education (Trowbridge, 2008). Expanding enrollments, low endowment levels, and rising operational costs for facility as well as technology infrastructures have all placed significant financial strains on many church-related institutions (Thompson, 1995). Due to the fiscal challenges facing the church-related segment, developing a strong and efficient fundraising capacity has become the major strategic priority for most educational leaders in this segment of higher education. The need to identify “best practices” in development and fundraising and, thereby, develop a more comprehensive body of knowledge specific to this sector of higher education has, most definitely, become imperative. Smith (1993) summarized the pressing need for a
new emphasis on developing fundraising capacity in church-related colleges in the following statement:

> The unique missions, styles of teaching and educational philosophies of today’s church-related institutions commend them as valuable resources to American society. In the 1990’s, however, church-related colleges are in danger of closing or losing their historically unique missions. Financial insolvency plagues denominational schools in the late twentieth century. Fund-raising among voluntary benefactors contributes an important variable toward solving this problem. (p. 19)

The contemporary problems facing church-related colleges and university leaders are substantial. According to Smith (1993), “[W]ith such a creditable role to play, these institutions should enjoy a secure and prosperous place in the future of the American collegiate enterprise. Many, if not most, church colleges today, however, exist dangerously near financial insolvency” (p. 3). Many other researchers have concurred that most church-related colleges are struggling financially and must develop a strong fundraising capacity to survive (Dean, 1985; Gustvasson, 2000; Lawrence, 1991; Thompson, 1995; Vander Schee, 2009). The economic downturn of recent years has added substantial fiscal pressure to an already strained situation as many church-related colleges have experienced declines in endowment investments while simultaneously having their bond ratings downgraded, which has had the effect of driving up the institutional cost of capital (Van Der Werf, 2007, 2003).

Numerous reasons exist for the struggles of church-related colleges and universities. Church-related institutions “are in a unique position because of their financial stress, denominational commitments, lack of endowments, small numbers in enrollment, and the absence of substantial studies regarding fund-raising processes that addresses these particular concerns” (Lawrence, 1991, p. 6). Smith (1993) identified the
primary causes of fiscal distress for church-related institutions as being fivefold: reduced state and federal funding for education, more competition for private funds from public institutions, discrepancies between public and private tuition prices, demography of traditional college-age students, and problems with the institutions’ relationships with sponsoring churches. Other authors have certainly agreed with this assessment (Gustavsson, 2000; Lawrence, 1991; Shea, 2011). Unfortunately, even institutions that are fiscally sound at the operational budget level still lack endowment funds, a fact that leaves the possibility of future fiscal stress looming as a potential danger (Thompson, 1995). All of these factors illustrate the importance of strengthening institutional fundraising capacity.

Despite the numerous “doom-and-gloom” predictions, currently many positive signs have emerged for church-related institutions. Enrollment levels are increasing dramatically for many church-related colleges and universities, and enrollment growth is especially strong among “intentionally” Christian colleges (Shea, 2011; Trowbridge, 2008; Vander Schee, 2009). In addition, when compared with national averages, retention rates and alumni satisfaction measures are much higher among church-related colleges, thus increasing the continued marketability of church-related colleges (Trowbridge, 2008; Vander Schee, 2009).

Many issues are driving the current enrollment growth in the church-related segment of higher education. Many individuals believe that changing student demographics, including the rising emphasis of K-12 Christian education and homeschooling, are a key force behind the increase (R. C. Adringa, personal communication, May 15, 2002). Another issue believed to be fueling this enrollment
increase is growing public dissatisfaction with secular institutions, including problems with binge drinking, drug abuse, and sexual promiscuity. From a proactive perspective, the improved academic reputation of Christian liberal arts colleges, stronger institutional emphasis on teaching as well as “whole” person education, and better marketing of church-related institutions have all influenced the enrollment increases for religiously affiliated colleges. As a result of these driving factors, all church-related colleges grew 2.5 times faster than public institutions from 1990-2005, and “intentionally” Christian colleges affiliated with the Council for Christian Colleges and Universities (CCCU) grew at 6.3 times the rate of public institutions (Trowbridge, 2008). This high growth rate has placed capital expansion needs and searches for new resources at a “whirlwind pace” for many institutions. Ironically, success in enrollment growth often brings many new fiscal challenges, despite the associated increase in tuition revenue.

Considering the current challenges and opportunities facing leaders of church-related colleges, the focus of much recent research and literature has revolved around the discussion of how personnel in church-related institutions should strategically respond. Smith (1993) contended that many church-related institutions have reacted inappropriately to the financial pressures of the current higher education marketplace:

Unfortunately, many church-related college administrators respond to difficult financial conditions by merely packaging the schools better, or by allowing the institutions to drift toward whatever the most immediately profitable scenario suggests . . . . Attempting to attract new students or new sources of revenue by changing an institution’s mission, or by altering it in such a way as to dilute the college’s original purpose, merits extreme caution . . . . Symptoms of institutional drift and over-packaging point to a particular type of malady, unrelated to finances or circumstances: lack of vision. This issue mandates the intense attention of leaders. (pp. 5-6)
Smith (1993) added that fundraising effectiveness is often damaged by “institutional drift,” his term for a lack of vision that results in church-related colleges trying to look mimic secular institutions. Instead, leaders in church-related colleges and universities should use their resources to market the unique mission and heritage of Christian higher education. Many other leading voices in Christian higher education have echoed the need to keep Christian higher education distinctively Christian (Adrian, 1997; Dockery, 1999; Holmes, 2001; Wagoner, 2000; Van Wylen, 1988).

Of course, the very real threat of possible extinction can lead educational leaders in Christian institutions to consider all extant strategic options that could produce new sources of revenue support. Unfortunately, new sources of revenue can potentially lead to secularization patterns within the institution, or at least bring heightened criticism from members of the supporting denominational heritage. Many institutions founded by religious denominations have, over time, consciously or unconsciously, become secularized through what has become a recognizable and highly researched process (Burtchaell, 1991a, 1991b; Mardsen, 1994). Discerning whether new patterns of support are driving the secularization processes or whether new patterns of support are required as a result of secularization is difficult, although both scenarios have been suggested by secularization theorists (Burtchaell, 1998; Cuninggim, 1994).

Several scholars contended that personnel at church-related institutions must carefully examine their patterns of support, including funding and student denominational affiliation, in order to avoid secularization (Beene, 2001; Burtchaell, 1998; Liechty, 2000). Cuninggim (1994) agreed that colleges must have financial support from their
denominations to remain connected to them. Certainly, the broadening strategy also has a potential risk of backfiring:

Many formerly denominationally affiliated colleges are belatedly discovering that the relationship they abandoned in favor of greater market appeal provided the kind of support which is difficult to find elsewhere. In particular, this appears to be the case for the many rural, regional colleges that have little to offer those from outside their immediate surroundings. (Liechty, 2000, p. 61)

Benne (2001) similarly concluded that for a church-related college or university to keep its Christian heritage relevant, everyone affiliated with the institution must publicly manage “its vision, its ethos and have Christian persons who bear out their vision and ethos” (p. 6). This challenge can become a real balancing act in the marketplace of modern higher education.

Denominational ties are both a source of advantage and disadvantage to many church-related institutions. Smith (1993) described this situation in the following manner:

Specific religious organizations sponsor most church-related colleges. Either owned, governed, or financially supported by a particular Christian denomination, these schools gain identity, students, funds, and purpose from their parent church. Their very relationship with one religious body alienates such institutions from many other potential supporters. (p. 25)

According to Hubbard (1985), however, for church-related colleges, a denominational affiliation is frequently the institution’s “best asset”; but for this same reason leaders at these institutions must often overcome “a history of isolationism” in promoting themselves in the local community (p. 14). Denominational support to church-related colleges is in serious decline, and many colleges apparently remain affiliated with their denominations for reasons other than finances (Cuninggim, 1994; Smith, 1993).

However, other authors have concluded that denominationally supported Christian
colleges fare better than their non-denominational counterparts in attracting resources (Dean, 1985; Thompson, 1995). In terms of denominational ties, one fact has been proven over time. Existing internal political conflicts within a host denominational structure usually spill over to the church-related college and can produce high visibility conflicts that can have a volatile impact on the stability of the institution (McMutrie, 2003). Certainly, the issue of denominational relationship is a complex variable in the dynamics of fundraising for church-related institutions.

**Statement of the Problem**

Considering all of the contextual issues surrounding this subject, the contemporary leadership challenge for most church-related institutions is to find a way to increase successfully the institutional fundraising capacity without compromising the Christian mission, governance, and denominational ties. This challenge has become a “tightrope” walk for many leaders in church-related institutions. On the one side, the prospect exists for struggling along year after year with limited resources, diminished success, and minimal influence in the academic community, accompanied by the very real possibility of extinction. On the other side, the potential remains for secularization of the Christian mission, governance, and denominational heritage in an effort to attract new sources of revenue.

**Purpose of the Study**

The purpose of this study is to develop an understanding of how educational leaders in church-related colleges and universities successfully navigate through the contemporary challenges of building fundraising capacity without compromising the Christian mission, governance, and denominational ties of the institution. For this reason,
this study will focus on the fundraising strategies used by “leading” church-related institutions that have not “secularized” or severed their denominational affiliations.

**Research Questions**

A good research study should begin with central questions. Therefore, based on the research topic and the purpose of the study, the following two central questions emerged.

1. What specific strategies do educational leaders in leading church-related institutions use to create and sustain an environment of successful development and fundraising while protecting the Christian mission, governance, and denominational ties of the institutions?

2. What specific leadership behaviors within these leading church-related institutions contribute to the creation and continuation of an environment of successful development and fundraising, while protecting the Christian mission, governance, and denominational ties of the institutions?

**Significance of the Study**

Ideally, this study will increase the understanding of the specific leadership factors and institutional strategies that lead to success within fundraising in church-related colleges and universities. Overall, the results of this study should increase understanding of the complex contextual environment in which educational leaders in the church-related segment of higher education must work. By generating a theory of the relationships among conditions, dynamics, strategies, and leadership factors attributed to successful fundraising, this researcher hopes to provide a useful tool to educational leaders in the church-related segment of higher education that will enhance their ability to
generate needed resources for institutional support and mission fulfillment. Needless to say, the strategic importance of this topic is too great to be left to chance, and the contemporary vitality of many institutions is at stake. Ideally, with sound new research, leaders of many church-related colleges and universities can chart a course that will ensure the attraction of critical resources to support the continuance of the role and mission of Christian higher education.

**Limitations of the Study**

Any research study has inherent limitations, and this investigation was no exception. The first major limitation of this study was the complexity of determining successful or effective fundraising. Institutional success in development and fundraising can be influenced by many factors from both internal and external sources. Internally, many key institutional characteristics influence fundraising success, including such factors as the age and size of the institution, prestige, geography, historical development, denominational affiliation, demographics of alumni, degree programs, presidential leadership, development department leadership, size of endowment, and history of formal development as well as fundraising efforts. Externally, conditions such as the general economy and societal trends can greatly influence success in development and fundraising. These internal and external factors made distinguishing between the “effective” and “fortunate” institutions a very difficult process (Dean, 1985). Additionally, the selected leadership behaviors, strategies, and fundraising practices currently utilized by institutional personnel influenced the success of the fundraising efforts. For these reasons, any approach used to define successful or effective fundraising in quantitative terms is likely to be overly simplistic. The multiple measures
used in this study to define “leading institutions” represented the best attempt of the researcher to address this complex challenge.

A second limitation of this study was that fundraising data provided by the Council for Aid to Education (2001) were self-reported by the institutions and most likely contained some inconsistencies in reporting. Furthermore, the number of institutions providing information to the Counsel for Aid to Education (CAE) in 2000 was less than 25% of all higher education institutions in the United States and was certainly skewed to the more elite fundraising colleges and universities. Reliance on data from the CAE survey could have also excluded some successful fundraising institutions from the sample because of their non-participation.

Access to and forthrightness of participants were also limitations of this study. Gustavsson (2000) said that his study was limited to “the willingness of the various college administrators to openly express their feelings and opinions in the interview sessions, and thus to obtain less than a complete understanding of the real situation” (p. 25). The topic being explored is likely to be viewed as an area of competitive advantage for these sample institutions. The institutions are classified as private colleges; therefore, their leaders are not as accustomed to public disclosure and critique as are those who lead the public segment of higher education. Finally, some of the topics being studied are sensitive areas, such as major donor relations, donor research processes, and budget allocations. Although the research methodology was designed to offset this access challenge by assuring individual and institutional confidentiality, complete forthrightness remained a potential limitation.
Several other limitations had an impact on this study. The researcher’s background and experiences as an advocate for Christian higher education was a possible source of bias. Also, the complex nature and differences between church-related institutions limited the scope of this study to Protestant institutions and only those “intentionally” Christian institutions, rather than all members of the church-related segment of higher education. In addition, the study was limited to investigating those strategies and leadership behaviors focused on developing a strong fundraising capacity while maintaining denominational support and affiliation.

**Definition of Terms**

This study involves many words that need to be defined to increase the reader’s understanding of the topic. The following section includes an overview of key terms and phrases used.

1. Advancement/Development/Fundraising: Terms defined in numerous ways within educational literature but unfortunately often used in research studies, thus, creating confusion (Worth, 1993). Dillon (1990) provided a distinct definition and model of the relationship between these three terms (See Appendix A). His model served as a good basis for defining the scope of these three terms and was consistent with other recent definitions (Worth, 1993). The differences in definitions among these terms were defined as follows:

   a.) Advancement: The broadest term encompassing fundraising, alumni relations, public relations, communications, and admissions. Later definitions have broadened admissions to include all enrollment management functions (Worth, 1993).
b.) Development: Activities composed of fundraising, alumni, and public relations that are focused on the nurturing of external relations.

c.) Fundraising: All activities involved in seeking gifts directly from private sources that are a component of both advancement and development (Dillon, 1990).

2.) Board of Trustees: “A group of individuals who may or may not be self-perpetuating, but who are legally responsible for the institution as enforced by its By-Laws. The Board of Trustees outlines general policies, vision, finances as well as other decisions” (Thompson, 1995, p. 6).

3.) Chief Development Officer: The most senior administrator who is directly responsible for development and fundraising in a college or university setting and who usually reports directly to the president.

4.) Church-Related and Church-Affiliated Colleges and Universities: “A college supported either financially or politically by a religious group (denomination)” (Dean, 1985, p. 5). For purposes of this study, the church-related institutions investigated will fall under Benne’s (2001) classification system as either “orthodox” or “critical-mass.”

5.) College or University President: “The individual selected by the Board of Trustees whose primary responsibility is to manage the institution on a day-to-day basis” (Thompson, 1995, p. 8). The president is ultimately responsible for providing leadership in all areas of institutional activity.

6.) Denominational Affiliation: A formal association, usually initiated at founding, between a college or university and a supporting religious denomination (e.g.,
Denominational affiliation can involve direct control by the religious group or informal association and influence.

7.) “Intentionally” Christian Colleges and Universities: Institutions that fall under Benne’s (2001) classification as either “orthodox” or “critical-mass” as a result of being organized around a “Christian Vision.”

8.) Leading Church-Related Institutions: Institutions that meet the minimum criteria for effective fundraising established for this study in consultation with the panel of experts.

9.) Panel of Experts: A group of selected professionals who are knowledgeable in fundraising and development in higher education.

10.) Secularization/Movement Away from Denominational Affiliation: Two different concepts that are often grouped together in the literature. These two topics can be related and often have similar results in terms of mission, governance, and fundraising; however, they are distinctly different and will be treated separately in this study. The distinct differences in definition of the two concepts are described below:

a.) Secularization: Elimination of religious life or faith from the core culture and practices of a college or university. Examples of secularization include, but are not limited to, such things as removal of Biblical teachings from the curriculum, elimination of campus religious services, or any other change that reduces the integration of faith and intellect within the academic community.

b.) Movement Away from the Denominational Affiliation: A separate but equally interesting topic that is often confused with secularization. An example of a movement away from denominational affiliation is when a college breaks or
severs formal ties with a denominational governing body, or when an institutional policy change encourages participation or representation from members of denominations other than the affiliated heritage. A *movement away from denominational affiliation* does not necessarily signal a reduction in the Christian influence of an institution although this action may be a component stage of secularization.

**Organization of the Dissertation**

This research study is organized into eight chapters. In Chapter One the writer has presented the research problem, the purpose, and significance of the study, as well as its limitations, definitions, and the organization of the dissertation. In Chapter Two the author provides a literature review of the historical development and contemporary context of Christian higher education in America, while Chapter Three contains a literature review of philanthropy and fundraising. The methodology is described in Chapter Four, including information about design, sampling, data collection, and analysis. The fifth chapter addresses the emergent themes from the institutional context, including some cross-case analysis presented with “thick” description, data analysis, coding, and organization. The emergent themes related to institutional strategy are included in Chapter Six, while Chapter Seven focuses on leadership factors. Finally, in Chapter Eight the researcher summarizes the findings of the study in graphical form and presents conclusions as well as recommendations for further study and action.
CHAPTER TWO: LITERATURE REVIEW OF CHRISTIAN HIGHER EDUCATION

Introduction

A comprehensive understanding of fundraising in church-related colleges and universities is only possible within the context of the unique historical and contemporary framework of Christian higher education. Because the author anchored this research study within this context, this chapter includes a narrative overview of the historical development of Christian higher education in America from the colonial period to the twenty-first century that is both uniquely American and Protestant. This chapter also contains a review of literature related to secularization processes that often occur within church-related colleges and universities, as well as a description of the resulting institutional types found within this segment of higher education. Finally, the chapter concludes with a review of contemporary issues and challenges facing church-related colleges and universities.

Historical Development of American Church-Related Colleges and Universities

Higher education in America was founded and nurtured in a Christian environment for many years. The creation of institutions of higher learning was viewed by the settlers of the early American colonies as a driving priority and obligation, as witnessed by the following passage from Lucas’ (1994) book titled American Higher Education: A History.

Preaching to future leaders of the Massachusetts Bay Colony aboard the ship Arbella in the late spring of 1630, John Winthrop prophesied, “men shall say of succeeding plantations; the Lord make it like that of New England; for we must consider that we shall be as a city upon a hill, (and) the eyes of all people are upon us.” Bolstered by absolute faith in a divine blessing upon their venture, the intrepid Puritans thus set out to create in the forbidding and oftentimes hostile wilderness of the New World a new order of things, a “city upon a hill.” As Francis Higginson was to explain in New-Englands Plantation, “That which is our
greatest comfort and means of defense above all others, is that we have here the true religion and holy ordinances of Almighty God taught among us . . . .” He asked rhetorically, “Thus, we doubt not but God will be with us, and if God be with us, who can be against us?”

Early on it was apparent that a desire to found an institution of higher learning ran strong among the first settlers of English America. “After God had carried us safe to New England,” reported New England’s First Fruits, a pamphlet first printed in 1643, “and we had builded [sic] our houses, provided necessaries for our livelihood, reared convenient places for God’s worship, and settled the civil government: one of the next things we longed for, and looked after, was to advance learning and perpetuate it to posterity.” (pp. 103-104)

In this context, Harvard College was founded in 1636 (Rudolph, 1990). The institution was named for the Reverend John Harvard, a well-respected man who suffered an untimely death shortly after arriving in New England (Lucas, 1994). The founding mission of Harvard was “to know God and Jesus Christ which is eternal life (John 17:3), and therefore to lay Christ in the bottom as the foundation of all sound knowledge and learning” (Ringenberg, 1984, p. 38,), a sentiment that for many years continued to serve as the model for higher education in America.

Although Harvard was founded to fulfill religious purposes, the institution also embraced with it a dual mission of secular responsibility reflecting an enlightenment sense of social perfectibility. Rudolph (1990) described the unique dynamics of this dual purpose as follows:

Their purposes were complex, but among other things, they intended to re-create a little bit of old England in America. They did what people a long way from home often do, and certainly what Englishmen have often done. If it was the most natural thing in the world for an officer of the colonial service in the nineteenth century to dress for dinner in the jungle as if he were dining at his club in London, it was no less natural for the Englishmen of early Massachusetts to found themselves a college, an English college such as those they had known at Oxford but particularly Cambridge where Puritan aspiration had been specially nurtured . . . . Unable to set the world straight as Englishmen in England, the Puritan settlers of Massachusetts intended to set it straight as Englishmen in the New World . . . . Puritans charged themselves with a mission which they recognized as requiring a full effort. Intending to lead lives no less than the purest, aspiring to serve God
and their fellow men in the fullest, they acknowledged a responsibility to the future. They could not afford to leave its shaping to whim, fate, accident, indecision, incompetence, or carelessness. In the future, the state would need competent rulers, the church would require a learned clergy, and society itself would need the adornment of cultured men. (pp. 4-6)

In the years that followed the founding of Harvard, eight other colonial colleges were formed with the same dual mission of preparing clergy and civic leaders (Lucas, 1994). The eight colleges that were founded after Harvard during the colonial period were primarily created through denominational support from early settlers as noted below (Lucas, 1994; Randolph, 1990; Rigenberg, 1984):

1. William and Mary, 1693, Anglican
2. Collegiate School at New Haven (Yale College), 1701, Puritan
3. College of Philadelphia (University of Pennsylvania), 1740, Religious, but Nondenominational
4. College of New Jersey (Princeton College), 1746, Presbyterian
5. King’s College (Columbia University), 1754, Episcopalian
6. College of Rhode Island (Brown University), 1764, Baptist
7. Queen’s College (Rutgers College), 1766, Dutch Reformed
8. Dartmouth College, 1769, Congregationalist

These early ventures into higher learning did not occur without challenges or conflict. Conflicts over Christian mission, denominational governance, and resources arose on several occasions. Lucas (1994) illustrated the tension between religious and secular mission by describing a scene involving the charter and the appropriations approval process for William and Mary College: “When the king acceded to renewed pleas for a college charter, the royal attorney general, unimpressed by the argument that a
college would be helpful for the saving of souls, reportedly exploded, ‘Souls, Damn your souls! Raise tobacco!’” (p. 105) As the young colonies continued to grow and develop, demand for new skill sets such as navigation, surveying, and expertise for other secular occupations continued to challenge the dual missions of these early Christian institutions (Lucas, 1994; Randolph, 1990). However, despite these growing tensions, the fundamental Christian mission of these institutions remained unchanged during the colonial period (Ringenberg, 1984).

Governance issues between denominational factions were also a source of tension during this period. Yale was founded when many Puritans believed Harvard had become too liberal in its religious affairs (Ringenberg, 1984; Rudolph, 1990). Princeton’s charter occurred as a result of doctrinal tensions among Presbyterians (Lucas, 1994; Ringenberg, 1984). Later, Dartmouth was created when New England Congregationalists became disillusioned with religious complacency at both Harvard and Yale (Burtchaell; 1998, Ringenberg, 1984).

Despite the tensions over mission and denominational governance issues, the broad Christian and secular purposes of these institutions changed very little during the colonial period. The small colonial population and the founding principles of religious freedom made denominational toleration part of the character of the early Christian colleges in America. Lucas (1994) described how tensions over mission and denominational influence ultimately did little to change the dual purpose of these Christian institutions during this time period.

Yet even as a rising tide of denominationalism engulfed America’s colonial colleges in the eighteen century and traditional patterns of shared collegiate governance between established church and secular state were being challenged, agencies of higher education lost little of their broad sense of purpose and
function . . . . At a very early date, it was apparent that the Reformation principle of *cuius regio, eius religio*, by which a ruler’s religious allegiance determined that of a sovereign’s subjects as well, was poorly adapted for application to colonial America. In the same way religious diversity throughout the colonies precluded the possibilities that any one sect or denomination could long exercise exclusive control over whatever college it might establish. Hence, toleration was essential. (pp. 106-107)

While conflicts over mission and denominational governance issues ebbed and flowed in the early Christian institutions of higher learning, one constant factor was a need for financial support and resources. From the founding of Harvard to the Revolutionary War, one of the major concerns for these colonial Christian colleges was funding (Cutlip, 1965). Funding sources had much to do with the naming of the early colleges. The Reverend John Harvard, namesake of Harvard College, was not only a good man but also a benefactor (Lucas, 1994). Yale College was named after Elihu Yale, who despite his considerable personal wealth gave the college a fairly meager donation of dry goods that yielded only 550 British pounds (Rudolph, 1990). Dartmouth College was named for the Earl of Dartmouth, who managed the collection of missionary funds designated to educate the Indians (Burthaell, 1998; Ringenberg, 1984).

According to Cutlip (1965), the first systematic fund-raising effort occurred in 1641 when Harvard sent three clergymen back to England to raise funds for the college and for educating Indians. Ringenberg (1984) credited colonial Harvard with creating many of the fundraising methods still used by college personnel today such as promotional case literature, targeting of wealthy benefactors, and the use of naming rights for buildings as well as endowed chairs. In addition, the early colonial Christian colleges often used lotteries and subscriptions to raise funds from the general public (Cutlip, 1965; Ringenberg, 1984; Rudolph, 1990).
Besides the initial fundraising efforts, the earliest of these institutions received significant state support in the form of appropriations and related taxes from both the colonies and England (Ringenberg, 1984; Rudolph, 1990). However, as the colleges became more sectarian, finding direct state support became increasingly difficult (Lucas, 1994). As a result, neither Princeton nor Rutgers ever received any direct state support (Rudolph, 1990). Despite these early efforts to create financial resource stability, most of these early Christian colleges were experiencing operating deficits at the time of the Revolutionary War (Cutlip, 1965).

Following the Revolutionary War, many small church-related colleges were founded as a result of the growth of Protestant denominationalism (Lucas, 1994; Rudolph, 1990). Rudolph (1990) described this era of rapid denominational expansion into higher education in the following way.

Of course, the busiest agents of all this college founding were the religious denominations - some more so than others, but few were not involved. They worked in an environment of national ambition, democratic aspiration, geographic isolation and romantic imagination, and state by state they turned their own rivalries into sets of competing colleges. As the population moved westward, so did the denominations. Every state became a battlefield. (p. 54)

Unfortunately, this new era of strategic “battlefield” expansion also generated an increased spirit of sectarianism and denominational conflict. Unlike the colonial period when religious diversity and denominational toleration allowed the early Christian colleges to endorse a broad but purposeful Christian mission encompassed in a classical liberal arts curriculum, this new era brought petty dogmatic conflict among various denominational groups. Lucas (1994) presented the following example of the typical denominational mindset of this period that helped fuel this era of rapid expansion.
The founder of Oberlin College, the Reverend John H. Shepard, was forthright in announcing that he had come out to the Western Reserve to save people from “rum, brandy, gin and whiskey” and to rescue the church from “Romanists, atheists, Deists, universalists, and all classes of God’s enemies.” Naturally, those so branded disagreed vociferously - all the while redoubling their own efforts in founding colleges where the “true” gospel might be preserved. (p. 120)

Overall, this era was the numerical high point of Christian college formation. According to Tewksbury (1969), “Practically all colleges founded between the Revolutionary and the Civil War were organized, supported and in most cases also controlled by religious interests” (p. 55). Ringenberg (1984) stated that “to be a college in America before the Civil War was to be a Christian college” (p. 77).

Despite the rapid expansion of Christian higher education during this era, funding remained a critical problem that ultimately caused the failure of many of these institutions. Tewksbury (1969) estimated that 81%, or 732 of the pre-Civil War colleges, were defunct by 1928. While enough denominational support was provided to create these institutions, enough funding was rarely available to sustain these colleges, and the ones that survived did so by means other than denominational support (Ringenberg, 1984). Lucas (1994) said, “It seemed to matter little that many sectarian colleges and academies were begun without sufficient resources to ensure their long-term survival . . . .” (p. 119). During this time of such fevered expansion, long-term financial feasibility seemed to be an unaddressed issue.

Three other major events influenced the higher education landscape during the period between the Revolutionary War and the Civil War. First, the Dartmouth case in 1819 established a clear distinction between public and private institutions. While this event was good for Christian colleges in the sense of protecting their autonomy, the result
was also damaging because eventually direct public funding ended (Lucas, 1994). A
second major event was Thomas Jefferson’s founding of the University of Virginia,
which presented the first truly secular public alternative to Christian higher education
(Dabney, 1981). Finally, the Jacksonian era ushered in a sense of egalitarianism, which
placed public pressure on colleges to become less culturally elite (Rudolph, 1990).
Incidentally, many of the newer denominational institutions responded positively to this
social trend, as noted by Lucas (1994):

In fairness to denominational schools, it should be noted that many of the so-
called “booster” or “hilltop” colleges of the period, such as Williams and
Amherst, did in fact offer educational opportunities for poor but pious young men
(often inspired by a local parson) who sought to prepare themselves for the
ministry in locales far distant from the environs of New Haven or Cambridge and
other mainstream colleges. (p. 121)

Unfortunately, the contrast between the egalitarian trends pursued by the “upstart”
denominational schools and the more “elitist” admissions standards of the older, more
established, “secularizing” institutions may have contributed to the planting of an anti-
intellectualism climate in some segments of Christian higher education during this time
period (Ringenberg, 1984). As a result of each of these trends, the period between the
Revolutionary War and the Civil War was a turbulent time for Christian colleges and
their denominational supporters as many institutions started and many failed as a result of
overexpansion and limited resources (Lucas, 1994).

The period following the Civil War was not particularly kind to Christian higher
education either. In fact, the defining events in American higher education during this
timeframe were all detrimental to Christian higher education. First was the expansion of
state institutions established through the Morrill Acts of 1862 and 1890, which created a
new model of higher education (Lucas, 1994). In addition, a shift was made away from
the classic curriculum that had traditionally encouraged the relationship between faith and intellect (Noll, 1994). This shift occurred gradually but was most notably observed in the ongoing public debate between Noah Porter, President of Yale, and Charles Eliot, President of Harvard (Marsden, 1994). Eliot ultimately won public support, and what emerged was the modern American notion of a university (Noll, 1994). The creation of the modern American university concept proved most devastating to Christian higher education as it had the effect of creating tension between a college’s religious identity and academic credibility (Snell, 1997). Many authors have asserted that this tension continues to exist today (Noll, 1994; Snell, 1997).

In the years between the Civil War and World War II, many private, church-related colleges evolved into elitist, secular institutions while the remaining institutions emerged into what Astin and Lee (1972) labeled as “invisible colleges,” institutions that have minimal recognition, power, and influence in the higher education market (p. 10). Snell (1997) contended that during this period many church-related institutions turned openly anti-intellectual.

In the face of this criticism, conservative Protestant church-related colleges grew entrenched in their earlier, more rigid, evangelical philosophical-theological synthesis as means of coping with a changing society. They sought to retain their religious identity and chose to forgo academic advances, such as attaining university status. As Noll concludes, many inhabited an intellectual backwater, remaining relatively out of touch with the mainstream of early-to-mid-twentieth century academic life. (p. 18)

For many Christian scholars, this period has been described as a time of secularization and marginalization of the Christian worldview in American higher education (Benne, 2001; Burtchaell, 1998; Marsden, 1994). Most scholars have agreed that the secularization process resulted from the influences of a new curriculum based on the
Germanic ideal of a modern university driven by science and a pietist as well as evangelical spirit among religious denominations. Marsden (1994) described this latter social phenomenon in the following manner.

The pietist view eventually shared by those various denominations and churches was that religious endeavors on campus should be focused upon the individual life of faith, as distinct from a shared labor of learning. Religion’s move to the academic periphery was not so much the work of godless intellectuals as of pious educators who, since the onset of pietism, had seen religion as embodied so uniquely in the personal profession of faith that it could not be seen to have a stake in social learning. The radical disjunction between divine knowledge and human knowledge had been central to Reformation thinking, and its unintended outcome was to sequester religious piety from secular learning. (p. 842)

Several forces came into play that helped lead to the secularization of American higher education during this time period. One of these forces was the rise of immigration, particularly of Catholic and Jewish immigrants in the second half of the nineteenth century, which led to an increasingly pluralistic society that was much less accepting of Protestant traditions (Ringenberg, 1984). Another force was the exposure of American academic scholars, while training in Germany, to such new philosophies as higher criticism, logical positivism, and relativism, philosophies that led many scholars to disavow Christian faith and classical thinking as “unscientific” and, therefore, unverifiable (Ringenberg, 1984). Many leading Christian scholars reacted to these new academic theories by embracing a new theology known as Protestant liberalism. Protestant liberalism “allowed its adherents to continue to embrace the moral and ethical teachings of the Judeo-Christian tradition while rejecting the supernatural elements of that faith, including the divinity of Jesus” (Ringenberg, 1984. P. 117). The long-term result of these theological debates was to split Protestant Christians into the two modern camps of liberal Protestants and fundamentalist-evangelical Protestants (Snell, 1997).
Despite these external forces, Marsden’s (1994) view that religious pietism among fundamentalist Christians, the trademark of the American revivalism movement of this period, was the driving factor in the secularization of American higher education has been accepted by many scholars (Benne, 2001; Burtchaell, 1998; Noll, 1994). Benne (2001) described this sentiment in the following passage:

Pietism emphasizes above all the interior life of faith, the religion of the warm heart, which can be sustained by worship and private devotion and renewed by revivals. It also emphasizes pure living according to the simple commandments of God . . . . This interiorizing of faith was and continues to be a fatal flaw. In this approach Christianity is not given intellectual content. Public life in the world is not beholden to Christian claims. It is unchecked by Christian critique because Christianity is not accorded an intellectual dimension. Christianity is only an affair of the heart, not the mind. (p. 36)

Others, however, have contended that disillusionment with the results of modern science and the rise of Darwinism led evangelicals to reject the modern university concept of higher education and ultimately to create and encourage the secularization process (Ringenberg, 1984; Snell, 1997). The rise of Protestant liberalism caused the fundamentalist and evangelical communities to question the character, faithfulness, and compatibility of higher education with a Christian worldview. Many evangelical leaders of the early twentieth century made no effort to hide their hostility toward the intellectual and academic life. The Reverend Billy Sunday is often best remembered by both his evangelical supporters and his critics alike for his famous quote that “When the word of God says one thing and scholarship says another, then scholarship can go to hell” (Wolfe, 2000, p. 60). This type of reaction, along with the previously described social changes, helped to bring about the complete removal of the Christian mission as the foundation of higher education and sent fundamentalist Christians into a reactive as well as
intellectually unengaged mode (Noll, 1994). Snell (1997) described this phenomenon in the following way:

Contrary to Protestant evangelicalism’s prevailing vision of individual and social perfectibility, the Civil War began in 1861 and shattered expectations. Eagerly awaited scientific discoveries and technological advancements to be used for social reform were instead implemented on the battlefield. In the face of this disappointment, much of Protestantism was effectively stripped of its forward-looking, socially-engaging worldview.

Darwinism filled this void with its comprehensive social implications. Rejected by conservative evangelicals who adhered to, among other things, a literal creation account, this new belief system was accepted by a large number of “liberal-minded” Protestants. Carefully elaborated distinctions between the science of theology and the art of religion emerged: theology would be corrected, enlarged, and liberated by evolution, but religion would remain a “spiritual fixture” in the character of humanity. (pp. 15-16)

The process of secularization of American higher education was more gradual than revolutionary. Marsden (1994) argued that this slow drift of secularization continued for many decades before finally coming to a head in 1951 when William F. Buckley, Jr., wrote his controversial book titled *God and Man at Yale*. The book alleged that Yale was a hotbed of atheism and openly hostile towards religion. Marsden (1994) concluded that the shock of these allegations illustrates the subtleness of the secularization process:

In retrospect, however, the religious dimensions of the controversy are the most remarkable, since they are the least remembered. A generation later it seems inconceivable that there could have been a national controversy involving the question of whether a major university was sufficiently Christian. Yet not only the responses of Yale, but also those of the reviewers, make it clear that it would have been news to admit that Yale had drifted loose of its Christian moorings. (p. 10-11)

Buckley’s arguments were vehemently denied and his logic discredited on the irrational grounds that he was a Catholic (Marsden, 1994). However, the long-term effect of this debate and the process of secularization in higher education heightened the tension
between the academic and religious communities. Despite this period of secularization and marginalization, many church-related colleges continued to survive and flourish although resources remained tight (Cuninggim, 1994).

One additional reaction of the Christian community to the secularization of American higher education and the growth of liberal Protestantism was the Bible college movement. Beginning at the start of the twentieth century and led by revivalist types such as Billy Sunday and Dwight Moody, Bible colleges began emerging throughout the country, creating a new category of higher education (Ringenberg, 1984). The purpose of these institutions was to provide quick, as well as practical, basic Biblical and vocational training for people entering the ministry. These colleges had limited curricula and certainly did not resemble the liberal arts model of the early American Christian college higher education system. However, over time many of these institutions have evolved into contemporary fundamentalist liberal arts colleges and have diversified as well as complicated the landscape of modern church-related colleges in America.

In the years following World War II, private church-related colleges experienced much of the same growth and prosperity as all of higher education during the baby-boom expansion (Dean, 1985). Many church-related colleges continued to secularize during this time period, while other institutions, typically with strong denominational ties to conservative, fundamentalist groups, remained distinctively Christian in mission. Unfortunately, many of these institutions were not fiscally prepared for the lean years that followed in the 1980s and 1990s and today find themselves cash-strapped (Gustavsson, 2000).
Throughout the history of Christian higher education in America, many church-related institutions have survived and many are thriving today. Meadows (1999) cited Sandlin as estimating that more than 700 church-related colleges and universities operate in the United States, a number that does not reflect the more than 600 Bible colleges. Overall, church-affiliated colleges and universities currently represent the fastest-growing segment of higher education, presenting their educational leaders with many new and different challenges in the coming years (Trowbridge, 2008).

The Secularization Process and Patterns of Support

The historical development pattern of church-related colleges and universities in America has given rise to a new area of study focusing on secularization patterns among Christian colleges. Given the wide variety of denominational influences, historical development, and ages of church-related institutions, secularists often contend that institutions can be found at different stages of secularization processes (Benne, 2001). However, most believe that the secularization process has certain common features across all denominational lines. Liechty (2000) said, “The process of secularization does, however, take on identifiable historic patterns that can inform church-related colleges and universities today about their own potential to secularize” (p. 62). In addition, the secularization process has significant implications for institutional patterns of support. It is difficult to discern whether new patterns of support are driving the secularization process or if new patterns are required as a result of secularization, although both scenarios have been suggested by secularization theorists (Burtchaell, 1998; Cuninggim, 1994).
Several writers have proposed models for understanding the process of secularization in Christian higher education. Liechty (2000) describes Carlin’s (1996) model of secularization in the following passage.

Carlin (1996) offers an interesting approach for looking at the process of secularization of Catholic higher education using the Hegelian triadic model of thesis - antithesis - synthesis. This model can be relevant for all church-related colleges. Carlin’s “Thesis Stage” is characterized by the initial formation of church-related colleges by supporting denominations to meet the scholarly needs of the faith community. The “Antithesis Stage” is represented by the trend at an institution toward secularization that places its strongest emphasis on scholarly achievement and pluralism. Carlin argues that the remaining church-related schools, if they are to maintain their church-relatedness, must attempt to achieve “a synthesis that combines the best features of the thesis with the best of the antithesis while leaving aside the shortcomings of both” (p. 17). He believes that this synthesis has yet to be achieved. (p. 62)

Burtchaell (1991a; 1991b) produced the following nine-stage model of secularization that church-related colleges and universities tend to follow in their historical development.

**Stage One: Intellectual Stagnation**

During this first stage the institution experiences some level of intellectual stagnation which is often blamed on the oppressive nature of the sponsoring denomination causing a conflict between the institution and the church.

**Stage Two: Raising Academic Standards**

As a reaction to the intellectual stagnation of stage one, the institution makes a determined effort to raise academic standards to offset a perception of academic inferiority. The steps taken are often implemented to appease internal institutional constituents who feel the denominational influences may limit institutional academic freedom.
Stage Three: Estrangement

This stage is usually characterized by a period when the denomination can no longer meet the resource needs, financial and otherwise, of the institution’s accelerated academic goals. During this time a shift occurs from reliance on funding from the supporting denomination to new funding sources.

Stage Four: Shifting Loyalties

During the fourth stage the faculty at secularizing institutions shift their loyalties from the supporting denominations to their academic disciplines and associations.

Stage Five: Disenfranchisement

The fifth stage of secularization involves the removal of active participation in denominational activities as a requisite for faculty, administrators, and board members.

Stage Six: Shifting Identifiers

In this stage of the secularization process, an institution moves away from using denominational identifiers, to the use of “Christian” followed by general religious identifiers, and eventually to secular identifiers.

Stage Seven: “Softening” of Christianity

This stage is characterized by a conscious effort of the institution’s personnel to make the religious heritage of the college more palatable to an increasingly secular set of stakeholders.

Stage Eight: Marginalizing of Religious Studies

The eighth stage involves the minimizing of religious studies from a place of integrated significance in the academic life of the institution to a minor component and eventual removal from the curriculum.
Stage Nine: Acquiescing to Secularization

The final stage in the secularization process occurs when the institution finally gives up the pretence of fighting the previous trends away from its religious heritage and convictions.

Burtchaell (1998) summarized his view of this process in the following passage from his book *The Dying of the Light: The Disengagement of Colleges and Universities from their Christian Churches*.

The elements of the slow but apparently irrevocable cleavage of colleges from churches were many. The church was replaced as a financial patron by alumni, foundations, philanthropists, and the government. The regional accrediting association, the alumni, and the government replaced the church as the primary authorities to whom the college would give an accounting of its stewardship. The study of their faith became academically marginalized and the understanding of religion was degraded by translation into reductive banalities for promotional use. Presidential hubris found fulfillment in cultivating the colleges to follow the academic pacesetters, which were selective state and independent universities. The faculty transferred their primary loyalties from their college to their disciplines and their guild, and were thereby antagonistic to any competing norms of professional excellence related to the church. (p. 837)

Other secularists have reinforced many of the concepts of these two models in their writings (Benne, 2001; Marsden, 1994). Benne (2001) pointed to the following four factors as causes of historical patterns of secularization in church-related institutions of higher education.

1. Education market: This factor was defined to include the competitive external market demands made on church-related colleges to attract students, faculty members, and administrators to the institution and to gain regulatory approval as well as financial support from outside accrediting agencies and potential funding sources.

2. Enlightenment paradigm: The pervasive Scottish and English worldview of the eighteenth and nineteenth centuries, which was transplanted into American Protestant
culture, held that truth can continually be refined as well as rediscovered and ultimately used to reach social perfectibility. Unfortunately, the outcome of enlightenment thinking was to question and distance the relationship between the church-related college and its host denomination.

3. Incapacity for adequate theological articulation of identity and mission: This internal factor was presented by Benne (2001) as an inability of church-related college leaders to find a voice that was distinct among the competing voices of modern non-Christian worldviews as well as Christian liberalizing theologies and anti-intellectual reactionary forces.

4. Weak mutual accountability and support: The idea behind this factor is that both the church-related colleges and their host denominations experienced a loss of trust and sense of partnership with each other. The resulting impact was a gradual loosening of the interdependence between the two groups, resulting in a loss of interest and involvement as well as financial support.

Benne (2001) asserted that the first two causes are external and the second two are internal. All of these items are recurring themes found in the secularist literature (Burtchaell, 1998; Marsden, 1994).

Not everyone, however, has agreed with these harsh views regarding the secularization of church-related colleges and universities. Cuninggim (1994) argued that secularists have overblown the process of change between church-related colleges and their supporting denominations.

These unfortunate knee-jerk reactions toward church-related colleges can be found not merely in the untutored public but also among church leaders and academics who ought to know better. But in spite of this, the colleges themselves may currently be as sturdy in their own right as they have ever been. That is, they
may be as academically sound and as fully possessed of their own autonomy as they need to be. Not incidentally, they may be as healthy in their relationship with the church as anyone without a particular ax to grind could expect. (p. 23)

Cuninggim (1994) suggested that the twentieth century was not as much a period of secularization as a mere shifting of balance between the institutions and their supporting denominations.

Partnership (if that is the right word) is not always dead-equal; it may be weighted on one side or the other, and weighting may change from time to time. In roughly the last hundred years, at least three different balancings can be identified. The first is the status that we just noted, at which colleges and churches had arrived by the end of the nineteenth century: the church as the senior partner, the college the junior . . . . The second form of the relationship is roughly even-steven: neither has the upper hand over the other in normal associations. The third is the period of the colleges being in the primary position, with the churches having to play the unaccustomed junior role . . . . One must be careful to state the central proposition with enough room to allow for the imprecise situations that frequently arise, and the unpredictable effect of short-term charisma in one place and episodic bullheadedness in another. But when all is added up, the spread of a century shows a steadily growing maturity on the part of the church-related colleges in the often crucial matter of their relationship with their parent churches. (p. 33)

One theme that seems to be recurring in the “secularizing” or “maturing” process of the relationship between church-related institutions and their affiliated denominations is the role of resource dependency. As noted earlier, the post-Civil War era brought an end to public funding for Christian colleges (Rudolph, 1990). Fortunately, by this time many institutions had begun to develop patterns of support from their alumni (Rudolph, 1990). Yale began its formal alumni association in 1890, and many other institutions soon started to view alumni as a critical new source of funds (Gustavsson, 2000; Rudolph, 1990). In addition, major benefactors came into play as saviors of many church-related institutions. Most large benefactors initially contributed from an earnest sense of Christian stewardship, as Rudolph (1990) described in the following passage.
The early patrons were the sort who established a model for Elaim E. Barney, a post Civil War benefactor at Denison who enforced upon himself and his family “the strictest kind of personal economy” in order to multiply his good works. A model ante bellum benefactor was Amos Lawrence, a Boston merchant, who carried around in this wallet a piece of paper on which he had scribbled, “What shall it profit a man to gain the whole world, and lose his own soul?” Into his account book, Lawrence wrote in January 1828: “My property imposes on me duties, which can only be known to my Maker. May a sense of these duties be constantly impressed upon my mind.” A sense of these duties made Amos Lawrence the leading individual benefactor of Williams College before 1875 . . . . (p. 179)

Unfortunately, not all benefactors were motivated by Christian charity or stewardship, as many college leaders began to recognize and at times exploit. Rudolph (1990) said, “The colleges that did receive benefactions could rely on the knowledge that stewardship might be combined with a yearning for self-monumentation. Certainly, on more than one occasion the image of Christian charity was blurred by flattery and conceit” (p. 180).

Over time, patterns of funding begin to influence the relationship between church-related colleges and their affiliated denominations. Burtchaell (1998) asserted that colleges often used funding to free themselves from their dependency on the church:

Access to independent funding often provided the first inspiration to the colleges that they might stand on their own. The patronage of the churches was often stingy, and their chosen trustees were sometimes there more to be humored than to help. As the colleges gained in sophistication and financial stability, they naturally suffered church fools less gladly. These mutual disservices tended to loosen their liaisons of convenience. For some colleges effective emancipation came in the form of a sudden, large benefaction. Major Milsaps emancipated his namesake from the start, D.K. Pearsons did it for Beloit, Ario Pardee for LaFayette, Maxwell Chambers and then the Dukes for Davidson, The Reynolds family for Wake Forest and Carnegie for several of them. Once the annual scrambling for students and solvency could be relieved, and patient growth begun, the colleges naturally began to think of themselves as less answerable to the churches. (p. 823)
Criticizing church-related colleges for seeking new funding sources would seem justified until the alternative is considered. Cuninggim (1994) described the financial and resource base of the average church-related college in the early twentieth century as follows:

Parallelizing the one-room school house, still in wide use, was the one-building college. Most church-relateds were housed pretty much in Old Main; and when Old Main burned down, as they had a habit of doing, a considerable number of colleges never recovered. A high proportion of them all, burned out or not, were impoverished and kept alive only by generous and sacrificing church folk, neighbors and faculty, Protestant and Catholic alike. (p. 28)

Cuninggim (1994) later suggested that during difficult economic times, including the Depression, the denominations were often unable to provide much help to their institutions.

In addition to the resource dependency on gift income, the need to attract students became a critical secularizing force for most church-related institutions. Liechty (2000), speaking of the church-related institution he studied, said, “If the marketing plan that they are currently following does not draw the college closer to the church, then they will be forced to look even more proactively outside it for students” (p. 204). He also suggested that church-related institutions are facing a dilemma concerning how to define the terms “ecumenically hospitable” (p. 205).

Benne (2001) contended that most secularizing schools make a conscious, and possibly incorrect, move to expand their reach to obtain more students from outside their religious traditions. He clarified his position in the following way:

Whether the judgment they needed to open up was truly accurate is a provocative question. Perhaps there were more potential students and faculty interested in a more sharply defined religious identity, but institutional leaders thought not. At any rate, the movement toward inclusion and away from specificity of denominational identity was pronounced. It then became a self-fulfilling
prophecy. The flight from specificity didn’t leave enough definite appeal to those who had specific tastes, and they went elsewhere. (p. 21)

Benne (2001) added that another function of this process is the development of a consumer-market mentality in regard to religious mission. He said:

An even more pervasive market reality is the adaptation of the notion of “consumer sovereignty” to education. In such a schema the prospective student is viewed as a customer and, as goes the conventional wisdom, the customer is always right. So the whole offering of the school is aimed at responding to what students might want in their prospective school. (p. 23)

The idea that secularization is a function of the pressure of consumerism in the education marketplace is a reoccurring view in secularist literature. Burtchaell (1998) supported the arguments that most church-related institutions both “opened up” and “caved in” to consumer demands during the process of secularization.

Some Protestant colleges drew the line at Catholics, Jews, and Unitarians, and encoded this unwillingness in their positive welcome to “all evangelical Christians.” But that is because they did not expect to need Catholics or Jews or Unitarians. When they did, they admitted them. When they needed them badly, they welcomed them . . . .

Early Protestant colleges initiated their students into the piety and the discipline of a parson’s household: the model for the Catholics was that of pupils in conventual schools . . . . The students began to badger the administration to alleviate their devotional duties and behavioral restrictions, item by item. The long pressing and yielding, voiced by rhythmic argument and obnoxiousness, was comparable, in its stubborn importunity-and-resistance, to the yielding of the British monarchy to parliamentary rule. One of the social forces that came to distinguish and divide administrators from faculty professionally was the way the latter soon left responsibility for student piety and morality in the hands of the former. It was later, when administrators in their turn created a class of religious functionaries-- chaplains, Y secretaries, deans of students, et al.--to relieve them, too, of those responsibilities, that ecclesial piety and discipline were shown to be only loosely and incoherently bound to the central purposes of the colleges. (pp. 820-821)

Liechty (2000) contended that leaders of church-related institutions must carefully consider their patterns of support, including funding and student denominational affiliation, in order to avoid the path of secularization. Cuninggim (1994) agreed that
colleges must have financial support from their denominations to remain connected. Liechty (2000) also warned that the broadening strategy can often backfire. Moreover, Benne (2001) concluded that for a church-related college or university to keep its Christian heritage relevant, leaders must publicly manage “its vision, its ethos and have Christian persons who bear out their vision and ethos” (p. 6). This challenge can become a balancing act in the marketplace of modern higher education. Ironically, in that sense, modern church-related college executives face the same challenges as those in the earliest colonial Christian colleges. They must constantly attempt to deal with struggles over mission, denominational governance, and resources.

**Types of Church-Related Colleges**

Due to the historical development and secularization patterns in Christian higher education, many different types of church-related colleges and universities exist in the contemporary higher education landscape. Over the years, many writers have attempted to create typologies to classify different types of church-related institutions (Guthrie & Njoftzger, 1992). Recently, Benne (2001) created a comprehensive four-classification typology based on 10 individual factors (See Appendix B). This typology features the following classifications:

1. **Orthodox** - Institutions determined “to ensure that the Christian account of life and reality is publicly and comprehensively relevant to the life of the school” (p. 50).

2. **Critical-Mass** - Institutions that “do not insist that all members of the community be believers in their tradition, or even believers in the Christian
tradition, though they do insist that a critical-mass of adherents from their
tradition inhabit all of the constituencies of the educational enterprise” (p. 50).
3. Intentionally Pluralist – An institution that maintains enough respect for its
religious heritage “that it intentionally places members of that heritage in
important positions” (p. 52).
4. Accidentally Pluralist - Institutions that lack “enough commitment to the
sponsoring tradition to push for its representation in key facets of the school”
(p. 52).

As Benne (2001) noted, “There is a major divide between the orthodox and
critical-mass schools and the intentionally pluralist and accidentally pluralist categories”
(p. 51). This divide is based on the presence in the first two classifications (i.e., orthodox
and critical-mass) of the “Christian vision and ethos as an organizing paradigm” (p. 51)
in all institutional activities. Given its depth of detail, Benne’s (2001) typology will be
used to guide the purposive sampling in this study.

**Contemporary Leadership Issues in Christian Higher Education**

The contemporary leadership issues in Christian higher education may have
increased in complexity and focus but they continue to revolve around mission,
denominational governance, and resources. Literature addressing the contemporary
status of Christian higher education tends to focus on predictions of gloom as well as
survival strategies emphasizing the promotion of mission and the development of
sustainable revenue sources (Adrian, 1997; Dean, 1985; Smith, 1993; Thompson, 1995).
While the debate over the proper response to the contemporary fiscal challenges
continues, considerable consensus has been reached that the solutions lie in the area of
developing a strong fundraising capacity through visionary leadership focused on Christian mission and academic excellence. However, balancing the institutional mission with the modern educational marketplace can be a difficult task.

Lawrence (1991) cited Witmer as suggesting that many church-related institutions are experiencing financial stress at the same time they are trying to raise their academic standards. Certainly, improvement in academic standards can be costly both in the increased need for new academic resources and through a loss of potential student tuition from less academically prepared prospective students from within their historic faith tradition. Adrian (1997) described the fiscal realities of producing academic excellence in church-related institutions of higher learning in the following passage:

The subtle influences in the drive for excellence may affect the institutions in ways not fully comprehended, especially since academic recognition is more closely related to public perceptions than to genuine academic quality. Recognition is dependent upon resources . . . . These schools that struggled financially in their early years simply to keep the doors open each fall now struggle to compete against well-endowed leaders of American higher education. (pp. 447-448)

Despite this inherent conflict, most institutional leaders feel that increased academic credibility is important to institutional success in attracting resources. Lawrence (1991) said, “The reputation of the institution as an educational entity which produces educational quality needs to be encouraged and promoted” (p. 65). Therefore, many institutional leaders are working diligently to offset a history of anti-intellectualism by reshaping their contemporary academic image (Liechty, 2000; Snell, 1997; Springsted, 1988).

Presidential leadership is usually a key factor in reshaping academic image and in creating a successful fundraising capacity. Thompson (1995) suggested that church-
related college presidents need to take the lead role in fundraising, and several other
writers have supported this concept. According to Hamlin (1990), institutions that
survived serious financial problems had presidents who focused on fundraising.

Gustvasson (2000) cited Glennon’s study as finding a high correlation between “the time
a president spends on fundraising and the amount of revenue received” (p. 20). Jones’s
(1991) study found that the president should be actively involved in soliciting and
cultivating gifts as well as maintaining a high degree of visibility. Duronio and Loessin
(1990) also found that strong presidential leadership in fundraising activities is critical to
fundraising success. Lawrence (1991) concluded his study with the following statements
concerning the role of the president:

The president is the visible figure around whom effective fund-raising
revolves. He or she must be committed to the institution and its mission in order
for effectiveness to be achieved in fund-raising. The president needs to actively
articulate the mission and purpose of the institution to both the campus and to the
public in general.

The president’s fundamental tasks, in addition to declaring the institution’s
mission, should include providing direction for the entire development effort,
supporting the chief development officer and staff, educating trustees as to their
fund-raising responsibilities and potential, and soliciting funds. Commitment on
his or her part in these capacities must be present or the fund-raising effort of the
institution will not reach its potential. (p. 64)

Unfortunately, “presidents of private colleges are uncomfortable with the duties
of fundraising” (p. 43), despite acknowledging that raising money is the key presidential
function, according to a study by Thorp cited by Janney (1994). Panas (1988), who
studied successful fundraisers including several college presidents, determined that
fundraising is a transferable skill that could be used for selection purposes. Janney
(1994) added that fundraising ability is generally a key criterion for selection and
evaluation of presidents, especially in church-related institutions. Fisher and Tack (1990)
identified an open administrative style as a trait of effective presidential leadership, and Janney (1994) found a strong correlation between a president’s open administrative style and fundraising effectiveness in church-related colleges. Certainly, presidential leadership seems to be critical to successful fundraising in church-related institutions.

The role of trustee leadership is also considered by many to be important for fundraising success in church-related colleges. Thompson (1995) suggested that trustees should become consumed with fund-raising efforts on behalf of the institution. Gustavssson (2000) cited a survey by Adringa as identifying fund-raising activity and ability to give as key indicators of board effectiveness in Christian colleges. Ironically, fund-raising activity was perceived as a more important criteria for board member effectiveness than an individual’s ability to give. Willmer (1990) also emphasized the importance of trustee involvement in successful fund-raising activities. Dean (1985) concluded that the selection of governing board members may also be a way to solidify denominational support in church-related institutions.

Colleges of this type may benefit from a re-evaluation of their relationship to their governing board and to the denominational constituency in general. Although the data does [sic] not prove the colleges receiving the greatest percentage of total gifts from the sponsoring denomination are governed by Boards of Trustees aligned with the denominations, it appears so. Likewise, if a denomination has control of the governing board through powers of appointment or election, it may provide the greatest financial support. (p. 82)

Wohbrecht (1990) performed an in-depth case study of a failed Christian college and found that the governing boards of church-related colleges have a growing influence on the direction of their institutions in the recent climate. Therefore, in addition to strong presidential leadership, members of boards of trustees should be committed to fundraising and mission development.
Mission and vision also appear to be critical to successful fund-raising in church-related colleges and universities. Smith (1993) stated, “The importance of relationships and an understanding of the mission of the church-related college will be the challenge of the 1990’s and beyond” (p. 13). Dockery (1999) described the importance of externally communicating vision in the following manner.

Not only must we develop a strategy for our times, but we also need to communicate well our vision and our direction. Thus, beyond the importance of establishing campus-specific strategies is the necessity of communicating those strategies and inviting others to participate in carrying out our work. (p.3)

Smith (1993) declared that the mission is more than just propaganda or advancement rhetoric: “In essence, the mission of a college expresses its rights to survive and prosper, its place in American society, and its future” (p. 39). In addition, the mission must come before fund-raising activity: “No development campaign reasonably approaches benefactors until goals and mission attain a clear definition” (Smith, 1993, p. 36).

The importance of presenting a distinctly “Christian” mission is considered vital to successful church-related institutions. Dockery (1999), commenting on a series of essays regarding the future of Christian higher education, stated, “What is common among all the addresses is the need to keep Christian higher education distinctively Christian. That will involve remaining focused on our essential purpose” (p. 5). Smith (1993) added a similar thought: “With the obvious importance of a clear mission and donor/institutional match, well-managed church-related colleges expend considerable effort in identifying and articulating their distinctiveness” (p. 38).

Christian higher education has numerous contemporary challenges; however, with strong leaders focused on articulating a distinctive mission, development and fundraising should flourish in the present day. The historical path of development has clearly created
some tension between secularizing forces, anti-intellectual forces, market pressures, and denominational influences. However, to some degree these tensions have always existed. The factor that seems most significant in the past as well as to the future of Christian higher education is the leadership response to this tension and the resulting vision the leadership presents. Dockery (1999) described the contemporary leadership challenges in the following manner.

At this time we must take seriously the call to develop Christian minds. The tensions often created between academic excellence and piety, between scholarship and teaching, between academic pursuits and revealed truths, between academy and the church, will always be with us. But we can only address these challenges and bridge the tensions with both –and answers. Either-or dichotomies will not advance the cause of Christian higher education at this karious moment. The issues of truth, the call to teach and mentor, and the vision to think and live Christianly are at this time our highest priorities. (p. 6)

When these leadership issues are effectively managed with a distinct vision, the challenges of finding adequate resources through development and fundraising activities should, with the implementation of sound practices and strategies, take care of themselves. However, if the response to the contemporary challenges and opportunities in Christian higher education is anything other than proactive and comprehensive, then the future of many church-related colleges will be in jeopardy.
CHAPTER THREE: LITERATURE REVIEW ON FUNDRAISING

Fundraising isn’t about raising money. It is a seamless fusion of magic and principles, benefits and details, art and science . . . Fundraising is about building relationships and helping those with resources know where to invest their funds. Fundraising has to do with helping potential investors know everything there is to know about your institution. Having them know how you provide a service that is uniquely your own—and how their gift alone, will make a difference. (Panas, 1999, pp. 14-15)

In the preceding passage Jerold Panas (1999) described the unique realities and complexities of the modern fundraising world in which nonprofit organizations exist. On one hand, fundraising is not just about raising money; but rather the process is about building relationships with like-minded donors who can facilitate, as well as fuel, the mission of an organization. On the other hand, if enough money is not raised to provide the services and to attain the financial viability needed to fulfill an institution’s mission, then the final result is institutional failure. The troubling paradox of fundraising is that developing relationships takes time and is critical for long-term success, while at the same time most fundraisers labor under intense pressure to produce current bottom-line results. Nearly every nonprofit organization operates with an awareness of this complex challenge.

As a result of these challenges, fundraising has become, as Panas (1999) and Rosso (1996) have each described, a unique blend of both art and science. Fundraising is a science based on the fact that increased planning emphasis accompanied by new tools and techniques have continued to raise the sophistication of fundraising practices. At the same time fundraising is still an art in the sense that to be a successful fundraiser requires an ability to connect to human emotions and motivations in a highly personal way based on “trust, faith and rapport” (Panas, 1999, p. 9). In the highly competitive world of
fundraising, both sides of this “science-and-art” equation must be fully developed to maximize results.

This chapter includes the relevant literature related to fundraising and begins with a description of the philanthropic and marketing roots of fundraising as well as an overview of the charitable marketplace in the United States. The overall fundraising cycle and broad strategic fundraising options are described next, followed by a more detailed review of literature related to identification, cultivation, and solicitation of donors. Literature on religious charitable giving is also discussed before the presentation of a review of the research on donor motivations, both in general and specifically in higher education. Next is a discussion of both the traditional higher education approach to fundraising and emerging trends in fundraising within the academy. Finally, the chapter concludes with a review of literature on successful fundraising in higher education, including the church-related segment.

**Philanthropy to Fundraising - A Marketing Approach**

The field of fundraising has emerged out of the philanthropic tradition. Cutlip (1965) contended that America has a strong, unique history and tradition of philanthropy that has shaped American culture. Drew (1983) concurred, saying, “The trait . . . . is amply verified by Americans answering the needs of the YMCA, community, church, hospital, and institutions of higher education” (p. 8).

Philanthropy is an important concept in terms of development and fundraising. Payton (1988) defined philanthropy as “voluntary action for the public good” (p. 61). Historically, philanthropy was based on humanitarian actions initiated by a donor’s generosity while the organizations receiving charitable gifts were generally passive
beneficiaries in the transaction. Eventually, organizational leaders began actively to seek more funding; but some of these early efforts were less philanthropic and more a process of “begging” for resources. In contrast, Grace’s (1997) model was based on the fact that philanthropy is values-based and should serve as the context for all development and fundraising activities (See Appendix C). In Grace’s (1997) view, development and fundraising became the facilitators of philanthropic action by matching individuals with opportunities to act on their values.

Over the years, the fundraising profession has also adopted a marketing approach to philanthropy. The Fund Raising School at the Indiana University Center for Philanthropy (2000) illustrated the marketing approach in a model the authors called “exchange of values” (See Appendix D). Under the marketing concept model, the fundraiser does not just ask for money but rather enters into a transaction. Grace (1997) described this process as “putting away the tin cup” and “moving beyond fund-raising” (p. 20). Using this philosophy, the goal of fundraising is to create “donor-investors” whose role with the organization is “dynamic” and not “passive” (Grace, 1997, p. 28). Williams (1999b) described this move towards a philanthropic culture in the following way:

A philanthropic culture is one that promotes philanthropy, and has no need to apologize for fund raising. Values and beliefs are authentic, not artificially contrived. A philanthropic culture says to the world, “We exist to fulfill a gap that is significant or to advance a cause that is critical—will you join us?” (p. 16)

In her popular book titled Beyond Fund Raising: New Strategies for Nonprofit Innovation and Investment, Grace (1997) proposed that to be successful in the new world of philanthropy, all development and fundraising activities must be based on an understanding of the following eight key principles.
1. Donors do not give to organizations because organizations have needs; they give because organizations meet needs.

2. Fund-raising is less about money than it is about relationships: in the words of a Stanford Centennial Campaign volunteer, “Fund-raising is a contact sport.”

3. Philanthropy is defined by Robert L. Payton (1988) as a participatory and democratic process which involves giving, asking, joining, and serving. It is not “multiple choice.” In a vigorous society, people must engage in each aspect of the process.

4. There are three levels of involvement and practice for staff and volunteers: philosophical, strategic, and tactical. Successful organizations operate at all three levels.

5. There is no such thing as a “quick fix” in the philanthropic sector. Organizations that experience immediate or unexpected success still must create the systems and structures that will endure over time. Otherwise, they will find they have built a roof without creating a foundation or walls.

6. Based on values, philanthropy is the context for values-driven development and fund-raising.

7. Stewardship is a neglected and misunderstood function. It must be practiced as diligently for the donor as it is for the donor’s gift.

8. The process of asking for contributions to a non-profit organization should be one in which the asker feels the pride of inviting investment and in which the donor feels not pressure, but release. (pp. 1-3)

Certainly, the most successful fundraising organizations have grown beyond the roots of philanthropic actions initiated by individuals and unsophisticated “begging” on the part of an organization’s leaders, to a more complex series of activities and relationships based on an exchange of values. As noted earlier, the management of this process is a complicated mix of science and art.

Demographics of Giving Patterns in the United States

The United States has a unique history of charitable giving that has produced a large philanthropic marketplace. According to the AAFRC Trust of Philanthropy (2004),
charitable giving grew by 2.8% in 2003 to an estimated total of $241 billion (See Appendix E). This number continues a 30-year upward trend that peaked at 2.1% of the gross domestic product in 1999, and experienced a large spike in 2001 related to the September 11th terrorist attacks. Individual giving represented 74.5% of all contributions in 2003, while giving from foundations, corporations, and bequests represented 10.9%, 5.6%, and 9.0% respectively. Giving by corporations experienced the largest growth rate of 10.5% in 2003.

Appendix F illustrates the allocation of charitable funds by type of recipient organization. Unfortunately, giving to education, which composed 13.1% of the total contributions in 2003, also experienced the lowest reported growth rate and represented a continued trend of slower-than-average growth rate for this sector. On a positive note, according to the Council for Aid to Education (2005), charitable giving to higher education totaled $24.4 billion in 2004, an increase of 3.4% over 2003 and 2002, but still below, both in real and absolute dollars, the 2001 level of $24.5 billion which was the peak of a 14-year growth pattern. Clearly, contributions to higher education are not keeping pace with overall philanthropic growth as competition from other charitable market segments continues to grow more intense. Overall, the United States continues its long history of generous philanthropic activities, demographic patterns that serve as good planning tools for fundraising professionals.

The Fundraising Cycle and Broad Strategy Selection

Henry Rosso (1999, 1991), the late founder of The Fund Raising School at Indiana University, described fundraising as a continual, cyclical process of activities that should be managed by the fundraising professional. As Rosso (1999) said:
There is a discipline to gift development that progresses in logical order from preparation to planning to program execution to control. The sequence of orderliness can be depicted in a continuum that can be referred to as the cycle of fundraising. (p.32)

Rosso’s (1999, 1991) model consisted of the following 14 steps and is displayed in graphical form in Appendix G.

1. Prepare the case statement.—The first step in the fundraising cycle is the preparation of the case statement. Sometimes referred to as the case for support, the case statement should define the central need that the organization serves, as well as the rationale for contributing to the cause in addition to the organization’s readiness for action.

2. Define objectives.—The fundraising objectives of an organization should be directly linked to the case statement and should describe in specific, quantifiable terms how the goals of the organization will be accomplished.

3. Prepare a needs’ statement.—The needs’ statement “provides testimony to the organization’s right to exist” (Rosso, 1991, p. 11). The needs’ statement translates the case statement and objectives into specific program needs that support budgeting and provide specific support for fundraising requests.

4. Analyze market requirements.—In this step the philanthropic market needs are evaluated to ensure that the service areas of the organization are viable.

5. Involve volunteers.—Recruiting volunteers to assist in the fundraising process is an important component of a successful fundraising cycle. Volunteers provide outside credibility to the process and can exert more leverage on their peers than a professional fundraiser can.
6. Validate the needs.—After establishing the case, setting objectives, and recruiting volunteers, all constituencies, particularly the volunteers, need to validate needs. This step serves as both a planning checkpoint to ensure that the organization is on the right course and as a precursor to the preparation of future communication literature. Needs are best validated by identifying specific examples of how personnel in the organization are addressing the problem identified in the case statement.

7. Evaluate gift markets.—Appropriate personnel in every organization should evaluate the various gift markets to determine what potential exists for fundraising within each segment. Examples of gift-market segmentation could be the broad sources of gifts such as individuals, corporations, and foundations or demographic categories such as women, middle-income families, alumni, past-program participants, and so on.

8. Select the fundraising vehicle.—The fundraising tools the organization’s personnel will utilize, like direct mail, personal solicitation, special events, etc., should be chosen at this step in the fundraising cycle.

9. Identify potential giving sources.—Building on the previous gift market analysis, the organization’s leaders must now identify the specific potential giving sources within each gift market. This step includes building databases of prior donors, developing prospect lists, completing prospect research, etc.

10. Prepare the fundraising plan.—The specific fundraising plan actually comes together when the market segments and potential giving sources are matched with the selected vehicles into a comprehensive strategy for execution. The
overall plan should be congruent with the institutional mission and case statement.

11. Prepare the communications plan.—In direct support of the overall fundraising plan, a communications plan should be developed. The communications plan should determine how to transform the case statement into a “compelling and inviting form” (Rosso, 1999, p. 13). As with any type of formal communication, choosing the best medium for communication is important to ensure clear transmission of the central message. In addition, the choice of communication tools should be consistent with, and tailored to, the particular gift market being addressed, as well as to the fundraising vehicle being utilized.

12. Expand the volunteers' corps.—Fundraisers in organizations should constantly be in the process of expanding the volunteer base as new individuals with commitment to the cause are identified through ongoing assessment and relationship-building activities.

13. Solicit the gift.—Finally, as the execution of the plan comes to a close, selected individuals in the organization must, in fundraiser’s terms, “make the ask.” This critical moment ultimately determines the results of the entire cycle of efforts. If the previous steps of the cycle were well managed, then this action should produce results; however, considerable potential for error exists at this climactic moment.
14. Renew the gift.—The last step in the fundraising cycle is to renew the gift on an annual or periodic basis. The ultimate goal at this level is to develop both a giving habit and specific organizational commitment within the donor’s mind.

Rosso (1999, 1991) contended that understanding and managing this cycle or process is the key to successful fundraising. Of course, under this model, before the cycle can begin, an understanding of the “exchange of values” marketing concept (described earlier) must be inherent in the minds of everyone involved in the fundraising process. Also, when implementing this model, all participants must understand that the process of fundraising never ends: some aspect of the process always needs to be executed. Successful management of the fundraising cycle results in “the right person asking the right prospect for the right gift for the right program at the right time in the right way” (The Fund Raising School, 2000, p. 37).

Many writers have emphasized the need to formulate or select a broad fundraising strategy to anchor the fundraising cycle of an institution (Grace, 1997; Rosso, 1996; Warwick, 2000). In his book titled *The five strategies for fundraising success: A mission-based guide to achieving your goals*, Warrick (2000) presented several options for broad strategy selection. The first option was to choose a growth strategy, defined as pursuing a meaningful increase in the number of donors. This growth strategy is typically best suited for use by young organizations with a broad mission likely to achieve wide support; however, this strategy often involves a large investment in fundraising that is low in efficiency.

Involvement, the second broad strategy option, focused on building stronger relationships (Warrick, 2000). The goal of this strategy is to reduce the distance between
the cause and the donor. The core attributes of the involvement strategy are its foci on producing a rewarding environment for the donor and its emphasis on grass-roots participation as well as volunteerism. Ultimately, use of this strategy produces donors who think of themselves as part of the organization, not merely donors.

The third strategy, visibility, placed the emphasis on gaining name recognition or “brand” identification (Warrick, 2000). The major attribute of this strategy is familiarity through broad public interest and awareness. The critical tools associated with this strategy include special events, promotional materials, and television as well as radio publicity. Typically, a visibility strategy does not lead to immediate increases in net revenue; therefore, fundraising practitioners must resist the temptation to capitalize too soon on successful publicity.

A fourth broad strategy option is to focus on efficiency, defined as raising money at the lowest cost per dollar raised (Warrick, 2000). The efficiency strategy is usually best pursued by mature organizations with a strong fundraising base where performance can be significantly improved through fine-tuning efforts by cost-conscious managers. Efficiency-driven organizations avoid controversy and focus instead on presenting to the public an image of trustworthiness. Efficiency is often a good strategy to adopt after successfully utilizing other strategies such as visibility or growth to get the organization established (Warrick, 2000).

Warrick’s (2000) final strategic option, stability, focused on diversification of funding sources and planning for sustainability. Fundraisers in organizations that pursue a stability strategy usually strive to present an image of “enduring legacy, unending needs and unchanging values” (Warrick, 2000, p. 45). The tools most often associated with a
stability strategy include a focus on endowment building, planned giving, and diversified fundraising.

Although each of these five strategies would seem desirable, Warrick (2000) contended that no organization can pursue them all simultaneously because each strategy contains inherent contradictions. He acknowledged that many organizations pursue one of the broad strategies as a primary focus while using elements of one of the other four as a secondary support strategy. Strategy selection should reflect organizational circumstances and aspirations; once selected, they should rarely be altered. Warrick (2000) conceded that strategies should change over time but only after careful evaluation and usually in reaction to changing environmental circumstances.

The formulation and selection of a broad strategy for fundraising activities is essential to successful fundraising, but numerous pitfalls in fundraising strategy abound including the following: conflicting demands, leadership indecisiveness, emphasis of tactics over strategy, inconsistency, and unwillingness to stay the course (Grace, 1997; Panas, 2002; Warrick, 2000). Ultimately, the chosen strategy must align internally with the organization’s mission and vision as well as externally with the given environmental realities in order to maximize the organization’s potential. The development of a sound strategic framework is critical to organizing the fundraising cycle of any non-profit organization.

**Strategies for Identifying, Cultivating, and Soliciting Donors**

Central to any fundraising effort is the process of building relationships with potential donors through identification, cultivation, and eventually solicitation. Since successful fundraising is a process of matching an organization and a donor into a
relationship of shared values, developing an understanding of how fundraisers can facilitate such a process is essential.

The cultivation process begins with identifying potential donors based on common interests and escalating them through a development process aimed at building relationships based on shared values and mutual interests (The Fund Raising School, 2000). In Appendix H this process is graphically illustrated. The result of an escalation of commitment through the cultivation process results in the formation of an organization’s donor pyramid as depicted in Appendix I (The Fund Raising School, 2000). This donor pyramid allows the organization’s fundraising to use market-segmentation techniques and to match the appropriate fundraising vehicle to the different segments. Appropriate vehicle (i.e., tool) selection is often described as a critical strategic decision in fundraising management because the vehicle chosen drives both communication efforts and fundraising costs (Drew, 1983; Holliman & Holliman, 1997; Rosso, 1999, 1996).

The pyramid concept also serves as a basis for planning and for estimating fundraising results as demonstrated by the inverse relationship between the pyramid and the funds raised, as illustrated in Appendix J (The Fund Raising School, 2000). According to this model, the top 10% of donors represent 60% of dollars raised. Others have asserted that the top 10% of donors represent an even higher percentage, perhaps as high as 90% (Rosso, 1999; Sturtevant, 1997). Based on these assumptions and the use of the development process model (Appendix H) described earlier, organizational fundraisers can focus their efforts on cultivating and moving selected donors up this pyramid.
The process of identification and segmentation should occur by starting with a concentric constituency model (See Appendix K), and working from the center of the organization by identifying groups with linkage, interest, and ability (LIA) (The Fund Raising School, 2000). Using this approach, people most closely linked to the values and mission of the organization will be the starting point of any fundraising efforts. Consequently, board members, managers, and employees should be considered the most likely donors because they should have the highest level of involvement, interest, and shared values with the organization and its development process. Unfortunately, these groups will not necessarily have the highest giving ability, which is also a key factor in fundraising. However, they are a key starting point because they have linkage, which means that their participation may influence others who possess more ability to give. Of course, in addition to linkage and interest, the cultivation process should identify, through donor research, individuals with a significant capacity to give. If the organization does a good job with the identification phase, then the remaining cultivation process should be an efficient one.

After the processes of identifying and segmenting potential donors have been completed, donor cultivation and relationship building must occur. Typically, cultivation is a fundraising practice reserved for potential major donors because of its labor-intensive nature. Major donors are generally defined by the size and scope of the organization. For instance, at a small homeless shelter, a $1000 donation may be considered a major gift, while at a major university a million dollars might be the threshold to be considered a major gift. Organizational fundraisers classify major gifts differently based on the organization’s size, needs, and experience.
Sturtevant (1997) presented a different, donor-focused perspective for understanding major gifts in his book titled *The artful journey: Cultivating and soliciting the major gift*. He stated that a major gift is a request that pushes donors into the “stop-and-think” level regardless of their capacity to give. Panas (2002) added that, to the donor, a major gift is one where the decision involves a spouse or other family members. Based on the donor’s perspective, Sturtevant (1997) presented the following four key factors (revealed through research) that are likely at work during the cultivation and solicitation process for major gifts:

1. It will take longer for the prospect’s needs and motives to develop.
2. As the level of solicitation increases, the number of inputs influencing the outcome increases.
3. As the size of the gift decision grows, the discussion becomes increasingly rational, but the decision becomes increasingly emotional.
4. As the magnitude of the gift decision grows, the consequences of a poor decision increase. (pp. 25-27)

Other important considerations or indicators of cultivatable potential are prior gifts to the organization, prior giving to other organizations, increased service or involvement with the organization, and a close relationship with a staff member or volunteer (Panas, 1999; Sturtevant, 1997). Panas (1999) described the cultivation process as a six “I” model composed of identifying the issues about which the prospects are concerned, capturing their interest, involving them in the organization, intervening in their lives, asking them to invest, and using them to influence others (p. 5). According to most fundraising experts, if members of the organization do not fully develop the prospect’s interest and create an emotional commitment through some type of involvement, then the cultivation process has not really occurred; therefore, any attempt
Eventually, cultivation efforts lead to solicitation opportunities or, as fundraisers call it, “the ask.” Several conventional theories concerning solicitation techniques have been developed. Sturtevant (1997) and Panas (2002) both emphasized listening over talking during the solicitation process. According to Sturtevant (1997), good fundraisers listen for emotional needs, potential problems, and motivational triggers. Another key issue in fundraising is determining the appropriate person to lead the solicitation call. Generally, the person with the best natural relationship with the donor should be involved in “the ask” (Panas, 2002; Sturtevant, 1997). Many fundraisers use relationship charts for managing prospective donors in an effort to track as well as utilize the individual’s social network during cultivation and solicitation efforts (Burnett, 2002). Many volunteers are uncomfortable making “the ask” and need training as well as rehearsal; therefore, they may be best utilized as contacts rather than the solicitors. Finally, the timing of “the ask” must be determined carefully; and high pressure tactics have to be avoided. As Panas (2002) said, “Donors give when they are ready to, not a moment sooner . . . . By pushing too hard, the fundraiser can actually slow the process” (p. 14). Certainly, solicitation is a complicated event; and if not handled well, the entire cultivation process can be lost.

**Religious Charitable Giving**

According to many authors, successful fundraising in Christian faith-based institutions has a unique dynamic and character that is rooted in underlying Christian concepts, values, and teachings of the church about the money management and responsibilities (Barna, 1997; Burkinshaw, 2000; Grimm, 1992; Jeavons & Basinger,
Demographically, George Barna (1997) identified several significant trends related to religious giving patterns in America. For example, on the positive side, six out of ten adults donate monthly, and three-fourths annually, to some type of charity, with two-thirds of all donors contributing to a church or faith-based institution. On the negative side, giving to religious causes, church and per capita religious contributions are all in decline. Barna (1997) concluded that giving patterns of the younger boomer-and-buster generations are very different from previous generations in the sense that they are less habitual and more evaluative in their donation patterns. He added that few Christian institutions have adapted well to this changing demographic trend, which is a significant threat in an increasingly competitive philanthropy marketplace. In addition, Hoge and Noll (2000) found that U.S. evangelical Christians gave 7.2% of income to religious causes, which is significantly higher than any other religious group including mainline Protestants who came in second at 5.4% of income. These demographic realities concerning U.S. religious charitable giving can serve as important external strategic framing tools.

Evangelical Christian institutions may seem to be doing a better job of fundraising because their leaders emphasize traditional Christian faith teachings about giving and money management. Unsurprisingly, the faith-based institutions, especially the evangelical colleges, that are producing successful results in fundraising, rely on traditional Christian teachings and doctrines including these: stewardship of God’s resources, giving as an act of worship, giving in proportion to blessings, sacrificial giving, God’s abundance mentality as well as promises, and giving that is both planned and purposed, which all serve as points of emphasis in their communications strategies.
(Barna, 1997; Grimm, 1992; Hoge, Zech, McNamara, & Donahue, 1996; Jeavons & Basinger, 2000).

In their book titled *Growing Givers’ Hearts: Treating Fundraising as Ministry*, Jeavons and Basinger (2000) offered an alternative model of fundraising for Christian organizations which differs from conventional fundraising in many ways. For instance, under their model of “fundraising as ministry,” they focused on bringing people to a closer relationship with God rather than closer to a relationship with the organization, as well as using the gift as an occasion for faith growth rather than an expression of existing faith. Under this model the philosophical root is stewardship rather than philanthropy, or, in other words, an emphasis on honoring God’s ownership of all things as opposed to a commitment to the common good. Jeavons and Basinger (2000) asserted that using their distinctively Christian model of fundraising avoids treating donors as a means to an end or engaging in any manipulative or deceptive practices to advance otherwise honorable causes. Certainly, fundraising in Christian organizations will be heavily influenced by faith teachings, language, and religious culture.

**Research on Donor Motivations**

Understanding donor motivations for giving is a complex process that has received significant attention in fundraising literature. Panas (1984), who studied several major donors, concluded that these individuals often do not fully understand their own motivations for making large gifts. Other scholars have identified several key concepts related to donor motivations (Odendahl, 1990; Prince & File, 1994; Schervish, 1997; Smith, 1994; Wolpert, 1994). Frank (1996) contended that most charitable giving occurs
as a combination of both altruistic and self-interest motives, a phenomenon he described in the following way:

In sum, it appears that ecological forces will give rise to a human population in which most people pursue a mix of selfish and altruistic motives, and a population of charitable organizations in which most groups attempt to appeal simultaneously to both types of motives. The characterization of charitable organizations and their donors has numerous specific implications for how these organizations might appeal most effectively for support. (p. 143)

In addition to this general concept of combined altruism and self-interest, Schervish (1997) summarized eight specific variables repeatedly identified through research on donor motivations that serve as determinants of charitable giving. These variables include the following:

1. Communities of participation—This variable refers to formal and informal networks of relationships that provide the basis for an individual being “connected” to other people and for raising awareness of needs.

2. Frameworks of consciousness—This variable refers to an individual’s deeply rooted values, beliefs, ideology, or social concerns that produce a commitment to respond to a situation. These frameworks of consciousness typically contain both a cognitive and an emotional component.

3. Direct requests—A key motivating aspect of charitable giving is often the simple factor of being asked to participate.

4. Discretionary resources—The amount of discretionary resources, such as time, income, and accumulated wealth, is a key motivational factor. This variable contains both an objective and subjective component in the mind of the donor.
5. Models and experiences from one’s youth—This variable typically refers to role models encountered and activities participated in as children that serve to influence and mobilize participation as adults.

6. Urgency and effectiveness—A need that appears to be urgent and also has a high probability to be corrected by a specific course of action is usually a key factor in determining mobilization of charitable giving.

7. Demographic characteristics—These factors are often controlled in research studies; however, many demographic factors, such as age, gender, race, education, etc., are also the basis for casual relationships.

8. Intrinsic and extrinsic rewards—Factors related to formal and informal gratitude by the recipient, and more importantly personal satisfaction on the part of the donor, often determine the level of intensity of participation in philanthropic activity (pp. 117-118).

These foundational principles of donor motivations should always be considered during the donor cultivation and fundraising process. As Pezzullo and Brittingham (1993) said, “knowledge of donor behavior and motivation is crucial to the practicing fund raiser. This knowledge helps determine the timing of solicitations, the types of appeals, and the sizes of requests, among many other things” (p. 31). Clearly, donor motivations are a major factor to consider in the design of development and fundraising programs.

Major donor motivations are a complicated area of great interest to fundraising professionals. As Panas (1984) studied the motivations for giving by major donors, he found that major donors are not moved to give by “needs,” but rather by mission and
value congruence. He also reported that major donors are people who have developed a habit of giving and who receive satisfaction as well as joy from giving. However, Panas (1984) also concluded that the many variables related to major donors’ mobilization still remain largely unknown.

Prince and File (1994) developed a powerful research-based tool for analyzing and segmenting major donors in their groundbreaking book titled *The Seven Faces of Philanthropy: A New Approach to Cultivating Major Donors*. In this book the researchers segmented major donors into seven unique profiles including the communitarian, the devout, the investor, the socialite, the altruist, the repayer, and the dynast. These profiles can be used to understand major donor needs as well as motivations and to tailor a unique strategy for cultivation based on the prospective donor’s profile.

The communitarian segment is the largest one representing 26.3% of the major donor market (Prince & File, 1994). Not surprisingly, communitarians give because sharing their resources makes sense. They are often male local business owners who believe that helping their local communities is the pragmatic course to take. Communitarians look for effectiveness in nonprofits, and they want to influence how donations are used. They also enjoy, receiving individualized attention and public recognition.

The next largest segment is the group that Prince and File (1994) referred to as the devout donors who represent 20.9% of the major donor market. Devout donors are motivated to give for religious reasons (i.e., because they believe God’s will is involved), and they support religious institutions almost exclusively. The devout segment
contributes on a trust basis and does not want to influence the use of the donation; however, they do want the nonprofit organization’s mission to reflect their personal values.

Fifteen percent of the major donor market is composed of investors (Prince & File, 1994). The investor group members give because they believe doing good is good business. Investors like to donate to umbrella groups and are always very concerned about personal tax and estate issues. Investors plan donations methodically and expect nonprofits to understand their business concerns. They also like to receive both public and private attention.

Socialites, a unique segment representing 10.8% of the major donor market, donate because giving is fun (Prince & File, 1994). Socialites only contribute to organizations approved by members of their social network. This group expects to receive public recognition and personal attention from the nonprofit. Additionally, socialites give because they believe generosity is part of their personalities and intrinsic natures.

The altruists, 9% of the major donor segment, generally focus their charitable giving on social causes (Prince & File, 1994). Altruists give because generosity feels right and because helps them to grow personally. This group is usually not interested in having an active role in the charity they support and prefers to remain anonymous; however, altruists do expect attention, respect, and caring from the nonprofit.

Repayers represent 10.2% of the major donor market and are motivated to give out of a sense of obligation or gratitude to an organization from which they have personally benefited. This predominately male group tends to concentrate its
contributions on educational institutions and medical charities. Repayers want their charities to focus on their constituents, not their donors; interestingly, they actually resent special attention and public recognition from the organization.

The final profile group in Prince and File’s (1994) study is the dynast segment which represents 8.3% of the major donor market. Dynasts give because they have been trained to share their wealth from an early age and because giving is a family tradition. This group expects nonprofits to stay true to their mission, and they are very sensitive about tradition; however, they typically do not want to be involved in the charity.

The seven donor profiles developed by Prince and File (1994) provide a useful tool for understanding donor motivations and segmenting potential prospects. Based on this model, donors can be analyzed and contacted during cultivation using their own social networks as well as motives. Organizations can generate and emphasize the positive images to which the different segments respond and shape individual cultivation strategies around this model. Overall, this model is a very important tool for managing and cultivating major donors.

Research studies of donor giving patterns specific to higher education have often produced mixed messages. However, several general giving patterns have been identified. Pezzullo and Brittingham (1993) summarized some of these patterns in the following text:

Further analysis of demographic data suggested that women are more generous than men and that Protestants may give more than Catholics. More important to higher education, estimates indicated that an extra year’s schooling adds 5 percent to one’s charitable giving, and people who give $500 or more per year make larger average gifts to higher education than to any other type of organization. Wealthy respondents tend to give higher proportions of their total charitable gifts to colleges and universities than do less wealthy respondents, whose giving tends to favor religion . . . . Donors to private institutions also devote a higher
proportion to higher education. In addition, private institutions receive higher proportions of large gifts; more than three-quarters of their gift income comes from gifts of more than $5,000, compared to about two-thirds of gift income at public institutions . . . (p. 32)

While many donor groups must be considered in higher education, colleges and universities are often most concerned about the donor motivations and participation habits of the institution’s alumni. Pezzullo and Brittingham (1993) identified several other findings specifically related to alumni giving.

Those who earned a bachelor’s degree give larger amounts than those who did not. Alumni of religious colleges are most likely to give, followed by those of independent colleges and public institutions. Loyalty to one’s alma mater is an important factor, especially among those who attended independent colleges. (p. 32)

Pezzullo and Brittingham (1993) concluded that research based on alumni behavior as students or simple demographic variables are both poor indicators of future giving. However, emotional attachment to the institution and participation in alumni events are very good predictors of alumni giving. Unfortunately, these variables are hard to measure and are usually not available in alumni databases.

**Donor Groups and Their Member’s Motivations in Higher Education**

Identifying members of the key donor groups and their motivations are critical tasks in fundraising for any charitable organization. For colleges and universities, the key groups usually include: alumni, trustees, faculty and staff members, parents, corporations, foundations, major donors, and others (Louden, 1993). Members of many of these groups significantly overlap. For instance, an alumnus may also be a major donor and represent a corporation or foundation as well. Certainly, each of these groups has its own interests and motivations for giving; and predicting key motivation factors for
each group is critical to successful fundraising in higher education (Pezzullo & Brittingham, 1993).

In higher-education fundraising, the most significant donor group is typically alumni (Webb, 1993). Historically, alumni have been the key focus of much of the fundraising efforts pursued by college and university personnel (Cutlip, 1965). In 2003, alumni giving represented 28% of all contributions to higher education, and 45.6% of all contributions to private liberal arts colleges (Council for Aid to Education, 2005). Considering the previous discussion of motivations, these statistics make sense for many reasons. First, alumni already have a strong connection to the institution: they are part of a community of participation and hold a framework of consciousness that is consistent with the institution. Alumni are also a known prospect base; direct requests are, therefore, easier to make. In addition, alumni should have an altruistic interest as well as personal self-interest in the continued success of the institution. Frank (1996) acknowledged the importance of marketing “status” as a motivator; and alumni are often very status-driven, particularly with their peers. All of these factors make alumni groups a very important constituency for fundraising.

Trustees are also a critical donor group in higher education (Patton, 1993), especially in private colleges. According to the Council for Aid to Education (2005), trustee giving at private liberal arts colleges constituted 21% of all individual giving in 2000 and reflected an average gift size of $36,022. Trustees are the stewards of the institution and, therefore, should be the group with the highest altruistic motives. They are also the group that should have the highest commitment to the general values and core mission of the institution, and they generally have a high status motivation among
their peer group. Typically, some consideration of discretionary resources and ability to give are part of the selection criteria for membership on a board of trustees. The constituency model (See Appendix K) described earlier illustrated the importance of the board as a central group within the concentric framework (The Fund Raising School, 2000). Contributions by trustees set the example and tone for fundraising from other donor groups; the existence of a low percentage of non-giving trustees usually indicates major internal institutional difficulty well beyond the fundraising process (Patton, 1993; Thompson, 1995). Undoubtedly, the trustees are critical to the overall fundraising process in higher education.

Faculty and staff members can be a significant donor group at most institutions of higher education. Similar to trustees, faculty and staff members usually have “bought in” to the general direction and core mission of the college or university. Although their resources may be small, high levels of participation by faculty and staff can send a critical symbolic message to external donors. For this reason, many institutions focus on faculty and staff campaigns to illustrate the significance of their cause (Cramer, 2002; The Fund Raising School, 2000; McCown, 2000). Obviously, this strategy can backfire if political conflicts affect faculty and staff contributions and involvement. However, in general, no group is more committed to the mission of an institution of higher learning than the faculty and staff members.

Parents are also becoming a critical group in higher education fundraising (Kavanagh, 1993). Schaefer (1991) contended that parents of current and past students are a steady and continually expanding source of potential donors. Lindemuth (1991) stated that parents should be placed in leading roles for all advancement and fundraising
activities. Parents obviously have a high level of interest in the continued success of the institution, and they also are not bound by history, as alumni often are, so they may have a stronger interest in the current campus environment. In addition, parents are often at a point in life where they have more discretionary income than younger alumni. For these reasons, parents are a very significant donor group.

Corporations are rapidly becoming a major donor source for higher education (Carberry, 2002; Withers, 1993). Unlike the previous groups, corporations have very different motivations for giving. First, corporations are motivated primarily by self-interest when they contribute. This self-interest may be in the form of public relations, employee relations, or support for specific business interests. Generally, charitable contributions by corporations are good public relations (Withers, 1993). However, they can also be controversial, particularly when a corporation chooses to support one institution over another. For this reason, many corporations have adopted a matching fund approach for charitable contributions (McNay, 1992; Withers, 1993). Under this approach, the corporation matches any qualified charitable contribution by an employee. This practice is obviously very good from an employee-relations perspective. In many other instances, corporations are motivated to support specific programs, research, or projects related to their business interests and have increasingly become “venture philanthropists,” requiring increased cultivation and measurement of results (Carberry, 2002). Finally, corporations are highly sensitive to changes in discretionary income. For this reason, economic conditions of the business are critical to the acquisition of corporate gifts.
Foundations are organizations formed specifically to advance particular causes, mostly through charitable gifts (M. Smith, 1993). Foundations are certainly motivated by altruistic goals; however, they also have their own altruistic missions and purposes to fulfill. For this reason, the key motivational factor with foundations is finding a congruent match between the foundation’s purpose and the institution’s mission. Foundations are bombarded with requests every day and must, therefore, make critical decisions about where best to invest their resources. Consequently, development officers must perform sound research on available foundations, be very adept at proposal-writing, thoroughly understand the request process of each foundation and have a well-defined case statement. Foundations will continue to be a critical source of funds for higher education institutions.

As noted before, major donors are a critical source of fundraising for higher education institutions (Dunlap, 1993). From 1996 to 2004, private liberal arts colleges reported that on average their three largest individual gifts represented 25% of all individual gifts (Council for Aid to Education, 2005). Similar percentages were reported in other segments of higher education as well. Naturally, major donors come from many constituencies, including alumni and friends of the institutions. Often, major donors contribute through planned-giving vehicles. The key issues with major donors are cultivation and relationship building with the institution. Many times the cultivation process for a major donor takes years before the institution receives a major gift. In addition, recognition and control are issues that must be monitoring when managing major donors, who often come with strings attached; consequently, balancing donor desires with institutional needs becomes a challenge. The key motivation for major
donors is usually a connection to the cause (Panas, 1984). Discretionary resources, as well as receiving a direct request, are also key factors (Dunlap, 1993). Timing of a direct request should be well orchestrated and researched to increase success. In general, managing major donors is a very complicated process requiring extreme care.

Finally, many others contribute to colleges and universities as friends of an institution; and most organizations work to attract donors from the local community and other communities of interest (Leslie & Ramey, 1988). Often, exposure to the college and university and its activities creates a connection for many donors who do not have any direct ties to the institution. Specific programs or services may begin the connection, and with time friends of an institution evolve into donors. Institutionally, the key factors for developing friends from outside the campus community are effective public relations and good management of potential new donors by maintaining awareness of individuals exposed to the institution through various activities. Personnel at every institution should work to grow the number of institutional friends from within the general public.

**Traditional Higher Education Approach to Fundraising**

Traditionally, fundraising in higher education has focused on these four distinct areas: The annual fund, capital and endowment campaigns, proposal writing, and planned giving (Worth, 1993). In larger institutions, these four areas of focus are often structured as separate departments; but in smaller institutions they may all be housed in the same office. In either case, however, most college and university leaders see the fundraising function as consisting of these four distinct areas, each with its own unique strategies and activities.
The annual fund is the most fundamental area of fundraising for the majority of colleges and universities (Louden, 1993). Annual-fund contributions support the operational budget of a college or university and, therefore, are generally viewed as consumable revenues in the annual budgeting process. Annual funds have always been critical for private colleges because of the absence of state support (Cutlip, 1965). However, in recent years, public institutions have also faced increasing pressures to improve their annual-fund efforts as a means of offsetting declining government appropriations (Drew, 1983).

The primary focus of annual-fund campaigns is on the alumni, trustees, faculty and staff managers, friends, and citizens from the local community. Because of the recurring nature of an annual drive, the critical success factors for the annual-fund campaign appear to be broad participation, retention, and escalation of donors’ commitments (Louden, 1993). Certainly, the fact that operating budgets in higher education are rapidly expanding has placed increased pressure on annual fund growth (Thompson, 1995). Finally, one unique challenge of annual-fund fundraising is that the case for giving is sometimes more difficult because the money is consumed by operations and not placed in perpetuity as are many other contributed funds, such as endowments (Rosso, 1999). Overall, for most colleges and universities, the annual fund is the most critical area of the fundraising effort.

Capital and endowment campaigns are also an integral part of fundraising in higher education (McGoldrick, 1993; J. Smith, 1993). According to the Council for Aid to Education (2005), nearly $11 billion, or slightly over 44% of all funds raised for higher education in 2004 were for capital campaigns. Capital and endowment campaigns occur
to support capital expenditures or to build a perpetual fund asset account that will earn revenue to support ongoing activities. Some common examples are a capital campaign to build a new library or an endowment campaign to establish a scholarship fund that will exist in perpetuity. An advantage of a capital campaign is that donors are able to see the ongoing results of their investment (Grace, 1997; Holliman & Holliman, 1997; J. Smith, 1993). Similarly, defining the case for capital and endowment campaigns is easier because use of the funds is more tangible. In addition, larger donors have the potential to leave a legacy for their commitment through naming rights or other types of recognition.

One difficulty with capital campaigns, however, is that they can dilute contributions to the annual fund, which, in turn, can cause budgetary problems (Grace, 1997; J. Smith, 1993). The critical success factors for capital and endowment campaigns appear to be managing the timing and communication issues, as well as identifying and balancing the interests and demands of major donors. Although capital and endowment campaigns do not occur all the time, they still manage to be a very significant part of the overall fundraising process in higher education.

Proposal writing has also become a major area of fundraising in higher education (Godfrey, 1993). Proposal writing is very different from the previously discussed types of fundraising efforts because the process involves writing proposals for unique projects that may be of special interest to a corporation, foundation, or government agency. Proposal writing is certainly more technical than the previous areas and often requires significant coordination across institutional departments. In many institutions, proposal writing is still very much an individual effort from people who are champions of a particular project. However, in recent years, many organizations have recognized the
need to coordinate proposal writing within the fundraising function to increase success and to prevent duplication of requests (M. Smith, 1993). In addition, proposal-writing has become a very specialized field in its own right, regardless of the technical content of the request itself (Godfrey, 1993). Because of this technical factor, many institutions have recognized the need to employ professional staff proposal writers. Clearly, proposal writing is rapidly emerging as a major component of the overall fundraising efforts in most institutions of higher education.

Planned giving is the last major area of fundraising in higher education to be highlighted in this literature review (Sapp, 1993). Planned giving is a highly specialized field of fundraising that essentially focuses on estate planning for individual donors. Planned giving usually involves the use of trusts, wills, and gift annuities in the process of estate planning (Jordan & Quynn, 2000). Obviously, this area requires highly specialized knowledge of federal and state tax laws, a factor that has deterred many institutions from increasing their involvement in this particular area of fundraising (Blackmore & Foster, 1995). Given its highly personal and sensitive nature, planned giving often involves dealing with a person’s complete financial picture, personal family issues, and ultimately the donor’s death; and all of these issues are quite complex as well as confidential (Blackmore & Foster, 1995; Sapp, 1993). In addition, planned giving is an area with significant legal and ethical liabilities, which is the reason that competence and professionalism are extremely critical (Jordan & Quynn, 2000). The advantage of planned giving is that often the institution can provide valuable service to a donor and assist him or her in implementing specific desires. In addition, wealthy donors have become very sophisticated in their financial management practices, leaving institutions
which lack the professional expertise to accommodate these donors at a competitive
disadvantage (Roha, 2000). Certainly, for many individuals who have a high personal
commitment to an institution and its mission but do not have large amounts of
discretionary funds, planned giving may be their one opportunity to make a major
financial contribution to the institution. For this reason planned giving has significant
potential to assist many institutions in preparing for future resource needs. Although
technical in nature, planned giving is rapidly becoming a major focus of fundraising in
higher education.

**Emerging Trends in Higher Education Fundraising**

Many trends and theories about fundraising in higher education are emerging in
literature. While the following description is not intended to be comprehensive, the
narrative include numerous recommended practices and new trends discussed in literature
during the last few years.

The first and most fundamental change is a shift to a more comprehensive
approach to fundraising (Worth, 1993). Historically, most of the fundraising as well as
development planning and activities were accomplished outside of the day-to-day
institutional operations. Today, at many leading institutions, fundraising is an integral
part of every strategic plan and every activity in which an institution is engaged
(McCown, 2000). This strategy usually involves implementing a team approach to
fundraising. Williams (1996b) said, “When development directors promote fund raising
as a team effort in which everyone shares the struggles and triumphs, philanthropic
responses will exceed expectations” (p. 8). According to Willmer (1993), building a
comprehensive program of institutional advancement that involves the entire academic
community is one of the critical success factors for fundraising in higher education. In recent years, most institutional leaders have come to view advancement activities as an integral part of the overall operation of the college or university.

A very similar change has occurred in the role of the typical college president (Patton, 1993). In the past, many college presidents came to office on the strength of their academic accomplishments and credentials. However, in recent years, the job of college president has become predominately a fundraising role (Hamlin, 1990). McMillen (1991) stated that fundraising experience and talent are now the number one criteria for selection of a college president; furthermore, she also contended that the development track has become the fastest and most successful path to the presidency, which is a dramatic shift from the historical roots of higher education.

Along with the changes in the direction of comprehensive planning and the president as chief fundraiser has come a trend toward decentralization of fundraising activities (Grunig, 1995; Worth, 1993). Many college officials have seen the development office shift from a primary function of doing most of the fundraising work to the role of facilitating and supporting divisional fundraising activities. In fact, most universities now have development offices dispersed throughout the various academic and extracurricular divisions. Some institutions have also moved to geographic decentralization, utilizing development officers in various parts of the country as well as abroad to market the institution in different regions of the world. Although decentralization can lead to undesirable competition between divisions of an institution, each division is ultimately allowed to serve its own constituency base more effectively. While no current evidence exists that decentralization has allowed the production of more
gift income, this new organizational structure and strategy seem to be an emerging trend within many higher education institutions.

Another emerging trend in higher education fundraising is an increased emphasis on planned giving. Since 1980, bequests to higher education have increased by 583%; and deferred gifts have increased by a factor of nearly 14 times; and many institutions are now receiving a large percentage of their funds through planned giving (Council for Aid to Education, 2005). Monaghan (1999) argued that most colleges and universities should spend more effort on planned giving and less effort on the annual-funds campaigns. Institutions that have engaged in marketing a planned-giving program for many years now have a distinct competitive advantage over colleges and universities that are just starting or that have a minimal involvement in planned giving (Sapp, 1993). As a large amount of wealth prepares to change hands over the next 20 years, planned giving will definitely increase in strategic importance in higher education fundraising (Roha, 2000).

Consortial fundraising has also become an emerging trend in higher education fundraising. According to the Council for Aid to Education (2005), consortial fundraising efforts raised $98.8 million, or 0.5%, of all higher education contributions in 2004. Peterson (1999) argued that, despite the initial difficulties of getting institutions to cooperate, consortial fundraising is still an extremely effective and cost-efficient way to approach certain markets, including foundations and corporations. Obviously, some dangers still exist concerning competition issues among member institutions. However, the recent success of many of these cooperative efforts has fueled an increase in the use of consortial fundraising approaches.
The use of leveraged gifts is also an emerging trend in higher-education fundraising. Executives at Emory University used leveraged gifts to increase unrestricted individual giving by 49% (McNay, 1992). McNay (1992) argued that challenge or leverage gifts add interest, incentive, involvement, and urgency to any development program. Challenge gifts often come from foundations or corporations; however, even individual major donors can be encouraged to increase the leveraging power of their gifts by utilizing this approach. Undoubtedly, challenge or leverage gifts appear to be an emerging trend in higher education fundraising.

Expert information systems that support donor and alumni research have increasingly become useful tools in many successful higher education institutions (Dunn & Mayer, 1993). Expert management information systems are used in fundraising for tracking progress, statistical analysis, prospect research, decision support, and multi-year projections. These types of systems are extremely valuable when managing multiple campaigns and multiple databases. In addition, many of the more sophisticated systems can now integrate Internet research into the process (Gressel, 2000; Siegal, 1993). Dunn and Mayer (1993) contended that planning and managing fundraising with the aid of an executive management information system provides a critical competitive advantage. Melchoiori (1988) also believed that using statistical methods in alumni research to project alumni growth, segment alumni markets, rank prospects, and profile donors as well as non-donors, is important to the long-term success of fundraising activities. Making the effective use of executive information systems and alumni research as critical tools in higher education fundraising will clearly enhance opportunities for success.
Another new trend in higher-education fundraising is the development of parent programs (Lindemuth, 1991). College and university personnel have always tried to raise funds from parents; but in recent years many institutional leaders have greatly expanded their commitment to this important group. Schaefer (1991) said that many institutions are using parent programs to increase their annual-fund contributions, thereby, requiring the compilation of an active database of current and past parents as well as involving them in ongoing communication with the institution. Lindemuth (1991) contended that parents can also be a potential source of volunteers as well as donations and suggested that parents be placed in leading roles as ambassadors for the institution. As parent programs continue to produce new financial resources, more institutions will likely expand development efforts in this area.

Increased faculty involvement is also a rising trend in higher-education fundraising. At Wheaton College in Massachusetts, faculty contracts were actually tied to changes in financial resources; and faculty members were asked to take leading roles in fundraising (Merck, 1998). While this approach may be a little extreme, many institutional officials are proactively using faculty members in their fundraising efforts. Faculty often represent the closest connection that many alumni have to an institution and can be a very useful tool for fundraising; moreover, as fundraising efforts become more comprehensive and decentralized, this trend will likely continue (Cramer, 2002; Evans, 1993).

Another promising practice in higher-education fundraising is an increased emphasis on environmental scanning, particularly in the area of corporate restructuring and market activity. Lawson (1999) said that market activities such as mergers, IPO’s,
and restructuring often provide windows of opportunity for donors to make tax-forwarded major gifts. Being sensitive to market conditions can be an important part of a proactive development program. In addition, corporate mergers, acquisitions, and profit levels can have a dramatic effect positively or negatively on institutions closely linked to specific corporations. Unfortunately, such a case existed between Chrysler and the University of Michigan at Dearborn at the time of the Daimler-Benz and Chrysler merger, leading to the loss of significant funding to the university (Pollack & Toward, 1999). Gibbs (1996) said that formal environmental scanning processes have become an integral part of most development programs at leading higher-education institutions. Obviously, an awareness of the environment in which an institution must exist is an important success factor in higher-education fundraising.

Finally, Internet fundraising has become an up-and-coming trend for donor research, mass communication, alumni tracking and communication, direct solicitation, and secured collections (Gressel, 2000; Hunter, 2002; Lejoie, 2002; Mayer, 1999; Sheridan, 2004; Vander Schee, 2009). Today, most colleges and university websites include dedicated sections of their websites to fundraising activities including taking donations and informing institutional supporters of planned-giving vehicles, as well as options. While the use of the Internet in fundraising is still relatively new, the potential benefits are unlimited; increases in online donations are creating a heightened emphasis and interest in this emerging tool (Sheridan, 2004). Ultimately, only the passage of time will reveal the extent to which the use of the Internet will change fundraising dynamics.
Research on Successful Fundraising in Higher Education

A review of the literature related to successful fundraising practices in higher education revealed that very little comprehensive research has been conducted, and that when literature does exist, the information is primarily anecdotal in nature. However, a few exceptions to this rule do exist. Duronio and Loessin (1990) performed a broad institutional research study, both quantitative and qualitative, to analyze the relationship between institutional characteristics and fundraising success. In this study, which involved over 500 colleges and universities and represented 10 different types of institutions, the researchers found no correlational patterns between institutional characteristics and fundraising results, a finding that held true within and across institutional types.

The quantitative portion of the Duronio and Loessin (1990) study produced voluminous descriptive data and some general findings. Prominent among the general findings were the facts that wealth and prestige were related to fundraising success, with the size of the institution being more of a factor for public institutions, and wealth more important to private. Overall, neither the correlational nor the multiple regression analysis produced any explanation for differences in fundraising success.

The follow-up qualitative study did produce a list of characteristics commonly associated with effective fundraising, as displayed in Appendix L. Key findings in the qualitative portion of the study focused on institutional commitment to fundraising, as well as strong leadership and high participation levels from the president and from the trustees. These findings are consistent with the results of other smaller studies (Janney, 1994; Jones, 1991; Lawrence, 1991; Thompson, 1995; Willmer, 1980; Wohbrecht, 1990).
Pickett (1977) conducted a research study of fundraising effectiveness based on institutional potential. In this study, he looked at 184 institutions and attempted to identify key variables that could be used to predict institutional fundraising potential. Using a multiple-regression equation based on the following eight institutional characteristics, a predictive formula was developed.

1. In-state enrollment
2. Cost of attendance
3. Graduate school attendance of alumni
4. Age of college
5. Value of endowment
6. Federal research and development support
7. Tenure of president

This formula has also been used, both directly and with modification, in later fundraising studies of church-related institutions (Dean, 1985; Grohar, 1989).

Overall, the research on successful fundraising and development programs in higher education is very underdeveloped, and most of the literature continues to be based on conventional wisdom from experienced practitioners in the field (Duronio & Loessin, 1990). However, the existing research has tended to support much of the conventional wisdom, as evidenced in following comments by Loessin and Duronio (1993).

We do not mean to oversimplify fund-raising success, but it seems apparent that leadership, sustained effort, and a genuine institutional commitment--all of which are anything but simple--are the basics upon which successful fund-raising programs are built. . . . Overall, the research has provided neither recipe-type instructions nor distinctive, clearly defined models for fund-raising success. The research does indicate that individual institutions vary tremendously in their
Many other writers and researchers agree that leadership which is both mission-based and integrity driven is the key component of successful fundraising (Jones, 1991; McCown, 2000; Rhodes, 1997; Thompson, 1995). Rhodes (1997) concurred with the concept that successful fundraising in higher education is a function of institutional leadership and mission when he said;

No fund-raising will succeed without the development of public trust in the institution and public confidence in the integrity of the leaders and programs. The cultivation of that trust and confidence takes time and effort and presumes the value and coherence of the programs and the integrity of the people involved with them. Fund-raising is not a quick fix; it demands careful and systematic preparation and the development of a realistic program . . . . No campaign or fund-raising appeal can rise higher than the level of activity it supports. The importance of the mission involved, the quality and effectiveness of the activities represented, the integrity and commitment of the individuals engaged and the efficiency with which resources are employed will determine the extent to which potential donors are willing to be partners in the enterprise. (pp. xviii-xix)

The shortage of comprehensive research in higher education fundraising is even more apparent in the segment of church-related higher education. Most of the research related to fundraising in church-related higher education is only descriptive in nature and specifically lacks any anchoring in the context. In addition, most of the studies also seem to lack a comprehensive scope. The one major exception to this trend is the pioneering work of Wesley K. Willmer.

Willmer developed a theoretical model for institutional advancement in small colleges by studying many church-related institutions during the early 1980’s: he continued to conduct research in this area for many years (Willmer, 1996, 1993, 1990, 1987, 1985, 1981, 1980). Willmer’s (1980) original theoretical model consisted of the following five elements: Institutional commitment, authority and institutional structure,
personnel resources, advancement activities and functions, and evaluation practices. These five elements were also supported by 23 subcategories. (See Appendix M)

Willmer’s (1980) study was performed by surveying 141 of 197 member institutions of an organization known as the Council for the Advancement of Small Colleges (CASC). All of these colleges were small (fewer than 2,000 FTE students), independent institutions; most were church-related. Willmer used survey data to determine “what is,” turned to the literature to produce “what should be,” and then proposed a grounded theory from the results of this comparison. The grounded theory he produced resulted in the model described above.

Willmer’s work is by far the most comprehensive and has served as the basis for most other research on fundraising and advancement in church-related colleges and universities. The strengths of Willmer’s model include collection of data from many institutions, the testing of his theory in subsequent studies, and a conceptual framework that is practical but not rigid (Dean, 1985). The major weakness of Willmer’s study is that his grounded theory basically comes from a review of the existing literature at the time, which Willmer himself described as being “written by practitioners in the field, not researchers” (p. 13). Furthermore, Willmer’s work is now dated; and he basically ignored the denominational influences on the church-related institutions he studied (Meadows, 1999). Despite these weaknesses, future researchers on fundraising in private, church-related colleges and universities should consider the findings and context of Willmer’s research.

McCown (2000) recently produced a comparative case study of six CCCU institutions that provided some interesting findings. In the study he contrasted three high-
performing institutions with three low-performing colleges and classified the findings into five categories. The first category was presidential leadership where he determined that in high-performing institutions the president, along with his or her spouse, was visible and active in the community, had an autocratic leadership style, and set advancement as a priority. Under the category of governing board, advancement was also identified as a priority and that trustee selection was heavily influenced by philanthropic proclivity. In the third category, McCown (2000) determined that the chief development officers at the high-performing institutions held high institutional status, exerted high effort, and were focused more on donor relations than management activities. The primary finding in the fourth category was that the high performing institutions placed major importance on vision and strategic planning. In addition, the advancement program itself was people-focused, used the capital campaign as the key strategy, and utilized high involvement of donors as well as community members. Overall, McCown’s (2000) study was similar in methodology to this study with the exception of his use of the comparison of high to low-performing institutions, as well as a basic lack of investigation of the institutional context, which is a central framework of this research.

In recent years, several other individuals have conducted research on fundraising and advancement in private, church-related colleges. Many of these studies built on Willmer’s work; however, most were too vague in scope. Some studies focused on specific areas such as alumni giving or development officers’ roles (Drew, 1983; Wetta, 1990; Willard, 1984). Other studies emphasized fundraising in institutions affiliated with particular denominations (Bartlett, 1989; Gustavsson, 2000; Myers, 1989; Thompson, 1983). Finally, in several studies researchers attempted to produce new or enhanced
theoretical models for fundraising in church-related institutions (Dean, 1985; Grohar, 1989; Jones 1991). Overall, with a few exceptions, these studies were judged inadequate for further consideration in this study, given the vagueness in scope and the specificity of the area being researched.

In summary, the research on development and fundraising in church-related higher education is “sketchy” at best. Willmer’s (1980) study is considered to be the best, but even this research seems dated and contextually incomplete. McCown (2000) offered some interesting conclusions but also lacks any contextual anchoring. Some researchers have documented important findings in narrowly focused areas, and others have developed techniques or tools that could be of further use in future studies (Dean, 1985; Drew, 1983; Smith, 1993). Overall, few of the researchers explained or even addressed the church-related context; in fact, most of the studies are church-related in sample only (Bartlett, 1989; Meadows, 1999; Myers, 1989; Thompson, 1983). Issues of conflict over secularization or denominational and religious culture seem to be ignored or mentioned in passing. Basically, most of the studies lacked a comprehensiveness of topic or an explanation of the unique context. Most of the research indicated the need for more investigation in this segment of higher education and acknowledged that the topic was largely uncharted (Dean, 1985; Jones, 1991; Lawrence, 1991; Meadows, 1999). Despite obvious weaknesses, some of the prior research in this area could be helpful in the development of future studies and can be used to assist in interpreting and framing conceptual models or explanations in this study (Jones, 1991; Smith, 1993; Willmer, 1980).
CHAPTER FOUR: RESEARCH METHODOLOGY

Introduction

In this chapter, the author will outline the research methodology used in this study. The following topics will be addressed: Research design, measuring fundraising success, sampling procedures, data-collection methods, analysis and interpretation, thematic narrative, role of the researcher, human subjects review board, provisions for the protection of anonymity and informed consent, and the participant institutions and individuals.

Research Design

In this study the researcher used qualitative methods that blended grounded theory with a comparative case-study approach. The investigative approach was inductive in nature, enabling general conceptual themes to be drawn from specific examples revealed by the study participants. The qualitative design was chosen because the nature of this topic met Glesne’s (1999) description of “variables [that] are complex, interwoven, and difficult to measure” (p. 6). The primary purpose of this research was ultimately a search for understanding, which required interpretation within a specific context. This study was larger than a component analysis and focused on finding patterns as well as pluralist complexities. Finally, the researcher’s role was been one of personal involvement in order to gain a better understanding of such a complex topic.

Measuring Fundraising Success

Although actual empirical research on fundraising in higher education is not very comprehensive, successful fundraising programs in postsecondary education have been examined by a few scholars (Duronio & Loessin, 1990). Brittingham and Pezzullo
(1990) classified previous studies of successful fundraising into the following three categories:

1. Studies of perceived effectiveness
2. Studies of effectiveness in relationship to potential
3. Studies of effectiveness based on objective criteria

The literature and research in recent years has continued to reflect these three approaches (Loessin & Duronio, 1993). Unfortunately, much of the problem with existing research stems from the difficulty of measuring fundraising success. Loessin and Duronio (1993) described this problem in the following manner.

We began our research on higher education in 1986 with the intention of creating practical training materials and evaluation guidelines for fund-raising practitioners. We intended to base this work on the example of institutions successful at fund-raising, but like many of our fellow practitioners, we were somewhat naïve about the complexities involved in measuring fund-raising performance. We knew that good fortune, a successful tradition of fund-raising, and institutional wealth and prestige all played a role in fund-raising success, but we also knew that skill and hard work influenced fundraising results. (p. 39)

Most previous fundraising studies have used some measure of effectiveness or efficiency to evaluate or identify fundraising success (Grunig, 1995). Effectiveness is generally defined as how well one accomplishes his or her goals (e.g., total dollars raised); while efficiency relates to the ratio of outputs to inputs (Loessin & Duronio, 1993). The following list is illustrative of some measures used in previous studies to identify fundraising success in higher education research:

- Actual gift-income/Predicted gift income (Dean, 1985; Grohar, 1989; Pickett, 1977).
- Gift-income as a percentage of total operating budget (Jones, 1991).
• Gift-income raised/Full-time students over a 3-year period (Lawrence, 1991).

• Gift-income raised/Actual student headcount (Janney, 1994).

• Average percentage increase in gift income over a 3-year period (Meadows, 1999; Willard, 1984).

• Total dollars raised/Total development expenditures (Myers, 1989).

Due to the complexity of measuring success in fundraising, this researcher used a set of multiple performance measures as a minimum threshold of success. No single individual measure from this group of standards necessarily qualified an institution as “outstanding in fundraising;” but, as a whole, the set of measures provided a broad base of minimum criteria expected of a well-rounded, strong fundraising capacity. As expected, these standards were greatly exceeded in certain areas at the sample institutions. However, taken as a whole, success in meeting the minimum requirements in all seven of these standards created a highly selective category of institutions. Data used to compute these minimum standards was taken from the report titled 2000 Voluntary Support of Education published by the Council for Aid to Education (2001), the standard for fundraising reporting in higher education. For this study, the seven required minimum standards used in defining a successful fundraising institution were the following.

• Minimum Total Support/Student Headcount--$3000: This measure was selected to demonstrate the institutional fundraising capacity relative to institutional size.
- Minimum Alumni Participation Rate –20%: This measure was chosen to demonstrate the institutional ability to manage alumni relations.

- Minimum Total Support as a Percentage of Operating Budget--20%: This measure was used to establish a minimum level of fundraising capacity as a percentage of institutional fiscal commitments.

- Minimum Planned Giving as a Percentage of Total Support –10%: This measure was selected to establish the institution’s minimal competence and participation level in planned-giving efforts.

- Minimum Combined Corporate and Foundation Support as a Percentage of Total Support--10%: This measure was chosen to demonstrate a minimal base competence and participation in corporate and foundation fundraising.

- Minimum of 12 Largest Gifts as a Percentage of Total Support--25%: This measure was chosen to demonstrate the institutional ability to cultivate and secure major donors.

- Minimum 3-Year Growth Rate in Total Support (1998-2000)-10%: This measure was chosen to exhibit that the institution is continuing to grow its resource base and fundraising capacity.

To establish this set of benchmarks, a panel of five experts was identified and polled to determine what criteria would serve as a good minimum threshold for identifying effective fundraising in church-related colleges and universities.

Determination of the measures of success and numerical standards for the base set of benchmarks was made based on the recommendations and collaboration by the researcher.
with this panel of experts. The panel consisted of professional individuals knowledgeable in the field of fundraising for church-related colleges and universities (e.g., two consultants, two professional practitioners, and one researcher from an education-related institute). Input gathered from this panel, during a process facilitated by the researcher, was used to create a set of minimum standards used in the definition of successful fundraising in church-related colleges and universities. After the researcher drafted this minimum set of standards, the panelists were each asked to review the appropriateness of these measures. As a result of the review, the panelists unanimously agreed that the standards developed represented a strong set of benchmarks to identify fundraising success for any private, church-related college or university.

**Sampling Procedures**

The researcher utilized a purposeful-sampling strategy focused on the selection of leading church-related institutions, a strategy consistent with a traditional comparative case-study approach (Stake, 1995; Tellis, 1997). The sampling process employed a two-step approach which began by first identifying leading institutions in the church-related segment of higher education for in-depth study and then later selecting key people associated with these leading institutions to serve as informants. The purposeful sampling of leading institutions started by identifying institutions that fall under Benne’s (2001) typology of church-related colleges and universities as either “orthodox” or “critical-mass” institutions. These types of institutions were chosen because the focus of the study is on institutions that have successfully developed a strong fundraising capacity but have not secularized. The second step was to determine which institutions are successful leading institutions in fundraising as previously defined by the minimum
benchmarks. After a pool of 17 institutions that met the first two requirements was generated, a purposeful sampling of five leading institutions was then based on these three additional criteria: Diversity of denominational affiliation, geographical diversity, and accessibility.

After the purposeful sampling of the leading institutions was completed, the following key people associated with each institution were then identified for interviewing: Presidents, chief development officers, trustees, and other important development officers. As planned, six to eight individuals were interviewed at each institution. At this point, snowball sampling was also employed to identify other knowledgeable individuals referred by the initial participants in the study. The snowball-sampling process primarily included individuals still associated with the participant institutions and others who had played key roles in fundraising leadership efforts in the past but had since retired or moved to other institutions. In addition, the snowball-sampling process produced four professional consultants and three other individuals recommended as successful fundraisers in church-related institutions.

**Data-Collection Methods**

Overall, the data-collection process in this study was principally based on interview data in the form of in-depth, semi-structured to unstructured interviews. Document analysis and observations were also utilized to a limited degree as time and access allowed.

Interviewing was the central strategy used to collect data during this study. In general, interviews can occur in several different forms, such as face-to-face structured or unstructured, telephone, focus groups, and others (Creswell, 1998; Glesne, 1999). The
form of interviews used in this study was mostly face-to-face, in-depth, semi-structured to unstructured, with follow-up telephone interviews for clarification occurring during the analysis stage. Occasionally, due to scheduling difficulties, some participants were interviewed by telephone. All initial interviews were conducted during the summer of 2002 with most follow-up interviews occurring during the 2002-2003 academic year. A list of sample interview questions is displayed in Appendix N.

Document analysis is also a useful form of data collection in qualitative research. In this study, many external communication documents were analyzed, including promotional materials, institutional catalogs, web pages, vision statements, presidential addresses, and other public communication sources. However, as expected, internal document analysis proved to be a difficult task. Internal documents such as strategic plans, donor records, memoranda, and correspondence about other sensitive topical areas were, with a few exceptions, “off limits” to access. Regardless of these access limitations, document analysis was used to support the interview data in this study and to gain a greater understanding of the individual institutional history as well as context.

Finally, observation is another strategy for collecting qualitative data. Glesne (1999) described observation in the following way.

In everyday life, you observe people, interactions, and events. Participant observation in a research setting, however, differs in that the researcher carefully observes, systematically experiences, and consciously records in detail the many aspects of a situation. Moreover, a participant observer must carefully analyze his or her observation for meaning . . . . Finally, a participant observer does all this because it is instrumental to the research goals, which is to say that the observer is present somewhere for particular reasons. (p. 46)

During the on-site interviewing process, the researcher conducted low-level participant observations. Creswell (1998) added that participant observation ranges from
the researcher being a complete outsider to a complete insider. In this study, the observation that occurred was clearly on the outsider end of this continuum. Events and acts that would be the most beneficial to observe, such as internal strategy meetings and donor solicitation opportunities, were not accessible to the researcher. Despite this limitation, the on-site interviews provided a valuable opportunity to observe the setting and context and were considered to be important data for this study.

**Accessibility Issues**

Access was a critical issue during the data-collection stage of this study. Glesne (1999) described access in the following manner.

> Access is a process. It refers to your acquisition of consent to go where you want, observe what you want, talk to whomever you want, obtain and read whatever documents you require, and do all of these for whatever period of time you need to satisfy your research purposes. (p. 39)

The researcher assumed that some levels of institutional access would be limited in confidential areas such as specific donor information and ongoing cultivation processes. However, the researcher believed, that the design of this study, including the use of many interview participants and assurances of both institutional and participant anonymity lowered the access barriers to a workable level. Access was initially obtained by approaching the college or university presidents of the potential sample institutions to request both personal and institutional participation in the study. Every institution and individual asked to participate in the study agreed to do so. Only two individuals requested to view their interview transcript and all data went forth without any limitations or revisions to the collected responses.
Achieving Rapport

Achieving rapport was essential to the gathering of information necessary to understand this topic and produce a successful study (Fontana & Frey, 1998). The researcher attempted to establish rapport with the participants by emphasizing a common background and commitment to Christian higher education as well as a sincere desire to understand this multifaceted issue. The respondents all seemed very open throughout the interviewing process, and the researcher believes that a high level of rapport was achieved with most respondents. In addition, many of the participants expressed a deep interest in the topic of the study and seemed to use the process as a learning experience for themselves as well as their institutions.

Analysis and Interpretation

Data analysis and interpretation are critical stages in any qualitative study. Glesne (1999) described their significance in the following way:

Data analysis involves organizing what you have seen, heard, and read so that you can make sense of what you have learned. Working with the data, you describe, create explanations, pose hypotheses, develop theories, and link your story to other stories. To do so, you must categorize, synthesize, search for patterns, and interpret the data you have collected. (p. 130)

Because data collected in this study were primarily from interviews and supported by observations as well as document analysis, a large quantity of information was gathered for analysis in multiple forms. The general process incorporated the following four steps that occur between data collection and the production of an account or narrative.

1. Data Managing
2. Reading and Memorizing
3. Describing, Classifying, and Interpreting


This researcher followed the general four-step pattern for analysis and interpretation and also used a systematic grounded-theory approach. Under the grounded-theory approach, data were analyzed by a series of procedures known as open, axial, and selective coding (Creswell, 1998). Strauss and Corbin (1990) described this process as follows:

Grounded theory provides a procedure for developing categories of information (open coding), interconnectedness of the categories (axial coding), building a story that connects the categories (selective coding), and ending with a discursive set of theoretical propositions. Collection of additional data and analysis often overlap in the open coding stages, until saturation of the categories has occurred. (p. 150)

During the analysis stage, follow-up interviewing and coding continued until the categories became “saturated.” Categories were deemed saturated when no new information or understanding seemed to emerge from the coding process (Strauss & Corbin, 1990). Pandit (1996) said that the coding process reaches closure when the “marginal improvement becomes small” (p. 3). For instance, when the interviewing process continued to produce a theme asserting that active participation by the president during the cultivation process was important and further follow-up interviewing did not reveal any new variations on that theme, then the category was considered “saturated.”

In addition, during the coding and analysis stage, the researcher reflected on differences between expected and unexpected findings (Cole, 1994). As this process occurred, data had to be grounded in existing literature. The final product or proposition can be presented in differing ways, including a visual model or a set of hypotheses, which appears in Chapter 8 of this study (Creswell, 1998).
Thematic Narrative

Overall, the thematic narrative is very analytic but also features some thick description of institutional contexts. The thematic narrative of this study was written to reflect all new understanding or meaning discovered through the coding process. The narrative initially describes the interconnectivity of the different categories while also establishing the relationship of this meaning to the existing literature (Strauss & Corbin, 1998, 1990). Creswell (1998) also contended that the rhetorical structure of the grounded theory should contain both a description of the extent of the analysis process and the resulting propositions, which is what the researcher attempted to do in this study. Finally, the narrative has resulted in a visual model of the proposed theory, to illustrate graphically the relationship between the complex variables (Strauss & Corbin, 1990). The resulting narrative that accompanies the visual theory is “conceptually dense” with heavy emphasis on explaining the relationships between the categories (Strauss & Corbin, 1998).

Since this study is also a comparative case study, additional emphasis was placed on describing and comparing the different institutional contexts through the use of thick description (Stake, 1995). Thick description focuses on establishing in-depth specific cultural knowledge, as opposed to broad cultural knowledge, and is rooted in the anthropological discipline (Geertz, 1973). The thick description used in this study has focused on presenting the context of church-related colleges in a manner that complements the structured-theory development through the coding processes.
Role of the Researcher

According to Creswell (1998), one rationale for a researcher to choose a qualitative methodology is the desire “to be in an active learner role” (p. 18). For this study, the role of the researcher was one of an interested, participative learner, referred to by Reason (1998) as one of “action inquiry” or “action science” (p. 273). The researcher attempted to gain an understanding of the practices, experiences, perceptions, and thought processes of educational leaders in church-related institutions that create a successful fundraising climate without compromising the core mission of the institution. The researcher played a key role in the study both in the data-collection and data-analysis stages. Ultimately, through the narrative-analysis process, the researcher takes the reader through a journey of self-reflection concerning what was discovered in a theoretical form about the phenomenon being studied. In this sense, the researcher has become an instrument in the study through personal involvement in the process of inquiry (Glesne, 1999).

Human Subjects Review

During the early stages of the research design and prior to collecting any data, the proposal for this study was reviewed and approved by the Human Subjects Review Committee at Eastern Michigan University. The review process included an approval of consent forms, sample interview questions, and data collection methods. Included in the data collection procedures approved by the human subjects review committee was the audio recording of interviews (with the participant’s consent) and verbatim transcription of these audiotapes. Additional procedures required that all data, including audiotapes,
be kept in the researcher’s office under lock and key. All procedures included in the human subjects review process were adhered to strictly throughout this study.

**Provision for the Protection of Anonymity and Informed Consent**

The sample institutions in this study will remain anonymous although the general characteristics of each institution are discussed as part of the contextual analysis. The presidents of the selected institutions were contacted and asked to participate in the study; when they agreed to do so, each president received a letter to confirm institutional participation in the study. In addition, each person interviewed during the study was asked to sign a consent form. The consent form for both the institution and the individual participants emphasized the voluntary nature of participation and noted that either the institution or an individual could withdraw from the study at any time (Glesne, 1999). Finally, the consent forms also provided assurance of anonymity for both the institutions and the individual participants. A copy of both consent forms is displayed in Appendices O and P.

**The Participants**

The five sample institutions have many characteristics in common. They are each successful in fundraising as defined by the benchmarks in this study. National reputations for academic excellence and strong commitments to a liberal arts curriculum are also common features of the institutions in this sample. Each of the five schools continue to have strong relationships with their founding denominations, and all clearly meet the definition of “intentionally Christian” as used in this study. Finally, all five institutions have long histories of existence, ranging in age from approximately 90 to 140...
years old. The common characteristics possessed by the institutions in this study are a source of strength for this purposeful sample.

The sample institutions in this study also feature many differences. They reflect diversity in denominational affiliation, as each school represents a different Protestant heritage. In addition, the sample also incorporates geographic diversity with individual institutions coming from the Northeast, Northwest, Southeast, Southwest, and Midwest, respectively. Finally, the selected colleges vary in enrollment size from approximately 1,500 to 4,000 students. The diversity found in this purposeful sample also adds power to the study.

The individual participants in the study bring many years of experience in fundraising in church-related colleges and universities. From the sample institutions in this study, 36 individual interview participants were selected. In addition, “snowball” sampling techniques also added another 12 individual interview participants not directly affiliated with the five sample institutions, but all experts in fundraising in church-related colleges and universities. The following is a numerical breakdown of the professional roles of the individual participants in this study:

- College Presidents (8)
- Chief Development Officers/Foundation Presidents (8)
- Other Development Officers (21)
- Trustees/Advancement Board Members (7)
- Professional Fundraising Consultants (4)

The individual participants provided a combined 117 hours of interview data and brought a variety of perspectives to the study. In addition, several of the individual
participants were used for follow-up and interpretation questioning during the coding and analysis process.

In summary, in this qualitative study, the researcher explored significant leadership and strategic management themes related to fundraising practices among successful church-related colleges and universities. A purposeful-sampling strategy was used to select the participating institutions, and the primary data-collection method was interviews supported by document analysis and observation. The sample participants were a homogenous group in general, with significant diversity within the existing subset of church-related higher education. The findings of this study were reported in a narrative format that captured data within a context of understanding necessary for interpretation. This research design was selected to produce a broad understanding of this topic, which should be helpful to educational leaders within this under-researched segment of higher education.
It is the context that provides interpretive meaning. Good sociological accounts point out the multiplicity of meanings and perspectives, and the rationality of these perspectives, by setting forth the context(s) . . . . Meaning is put together and packaged as it were, through nonverbal, usually nonlinear, and invisible features of context, often commonsensically referred to as tone, emotion, history, or experience. Understanding context is important for intelligibility and comprehension. The significance of context for interpretation and understanding, and the inevitability of reflexivity for all sense making, offers . . . . an additional resource for its authority (Denzin & Lincoln, 1998a, p. 307).

The institutions and individual participants in this study exist and operate within a unique context. The context itself tells a story and frames the research findings. Gladwell (2000) said that a subtle distinction in context can often be the factor that makes a dramatic impact on environmental results. The context in this study is strikingly similar across the sample institutions and contributes to the success of these colleges and universities. In order to explain and describe the context, in this chapter the author will first present a short individual description of each sample institution and paint a composite view of the contextual as well as environmental factors, that define the sample institutions. Then, some general findings related to the fundraising context will be discussed. Finally, the author will discuss anticipated factors that were not found to be true in this study.

Individual Institutional Context Description

The five sample institutions in this study each have a unique individual context that contributes to the formation of the composite contextual framework. In order to better understand the similarities and differences within the individual institutional contexts, the following section includes a thumbnail sketch of the context of each of each sample institution represented in this study.
College A

College A is a small Christian college with approximately 1,500 students located in a very remote and rural region in the northeastern United States. The campus is a beautiful one, sitting high on a hill overlooking the small village that hosts this impressive college. The small town below the college is barely a dot on the map as its “business district” contains only a post office, combination hardware and feed store, a large church affiliated with the college’s supporting denomination, and a Subway franchise located in a remodeled historic building. The population of this town without the college is less than 1,000 residents; in fact, the college is much larger than the town itself, both in population and in land mass. The nearest city is well over an hour’s drive on small winding state highways. The surrounding countryside is remarkably attractive but clearly “off the beaten path.” To find this college, a person would definitely have to be looking for it.

Founded in the late 1800s by its host denomination, College A has a strong spiritual emphasis both in mission and practice. In campus literature the institution is described as “a college community of evangelical believers.” Ironically, the small size of the supporting denomination means that only about 10% of the current students come from the college’s denominational tradition, leaving several other denominational groups to possess larger representation within the student body. However, a majority of the faculty and administrators do represent the college’s supporting denominational heritage; and this factor helps to maintain a fairly stable, yet ecumenically balanced, spiritual environment. Chapel services are presented every Monday, Wednesday, and Friday; and
students are expected to attend two-thirds of the programs per semester. The college provides numerous opportunities for Christian worship as well as service project involvement in which both students and faculty participate during the course of the academic year, over the summer, and during other school breaks. As a College A development officer said, “We have a very high percentage of students and faculty involved in Christian service activities both during the academic year and also over the summer in foreign-mission opportunities.” The Christian Life Office is a prominent fixture and an important part of the college with responsibility for managing chapel services as well as outreach opportunities, voluntary worship and devotional times, and the general spiritual climate of the campus. College A is a member of the Council for Christian Colleges and Universities (CCCU).

College A is also nationally recognized for excellence in academics. *U.S. News and World Reports* ranks College A as a tier 2 institution in the highly competitive national liberal arts category. Moreover, College A has been repeatedly recognized by the Templeton Foundation as a prestigious “College of Character” for its role in character development through academics. A pre-med program with national name recognition is just one of several academic programs that highlight the excellence of this college. The student-to-faculty ratio of 14 to 1 and a faculty with strong academic credentials are hallmarks of this college. In addition to the outstanding academic climate on campus, College A is also known for its emphasis on study abroad programs with permanent campuses in London, England, and Tanzania, East Africa, as well as ongoing travel-study programs in China, Russia, Latin America, and the Middle East.
The students at College A are an impressive group with average ACT (American College Test) and SAT (Scholastic Aptitude Test) scores of 26 and 1250, respectively; in addition, approximately 30% of the student body comes from the top 10% of their high school graduating classes. While the students represent over 40 different denominational groups, most of them have come to College A from Protestant, evangelical backgrounds, thus creating a fairly cohesive religious culture. The economic background of the student body is fairly diverse for a college of its academic prestige level, as indicated by financial-aid records. A large percentage of the student body participates in the college’s intercollegiate athletic programs which compete in the National Association of Intercollegiate Athletics (NAIA). Over 50% of the student body is enrolled in the liberal arts program, and nearly 40% of College A graduates go directly to graduate or professional school following graduation. Tuition, room, and board at College A cost approximately $25,000 per year.

The fundraising and development function at College A has a fairly simple organizational structure reflective of the institutional size. The Chief Advancement Officer oversees all fundraising activities and these personnel: five major gift advancement officers, two annual fund coordinators, and a support staff that includes a researcher, grant-writer, and two clerical staff members. All alumni relations, events planning, marketing literature, and corporate fundraising activities are coordinated by the advancement office. The regional advancement officers are responsible for major donor relationship management and cultivation as well as directing alumni and donor events within their geographic areas. The long-serving president of College A, who is known for his strong academic background, is also an active and talented player in the
fundraising process; and his role in the cultivation and solicitation process is closely managed by personnel in the advancement office.

**University B**

University B is located in the southeastern United States and was founded by a large Protestant denomination in the years prior to the Civil War. The university is located in a town of nearly 100,000 people that serves as the center of economic activity for an otherwise rural region of the country. The campus features a remarkable blend of classic architecture that has become the defining physical trait of the campus. Despite being located in the middle of town near a commercial district, the university, with its large open land space and impressive buildings, has truly a beautiful campus with a distinctly coherent plan for future expansion. Undoubtedly, the campus reflects its southern roots, both in appearance and culture.

The undergraduate student enrollment at University B is slightly over 2,500 students: and estimated tuition, room, and board costs are approximately $18,000 per academic year. Most students live on-campus, and both the student body and the faculty are predominately composed of individuals from the university’s denominational heritage. The university has a very strong and homogenous religious culture. Students have many opportunities to participate in religious activities, including chapel services, student-led devotional groups, global outreach and local service opportunities. A large number of the male faculty members and administrators also serve in part-time ministry roles outside of the campus within their supporting denomination. Participation in voluntary religious activities is very high and reflects the denominational heritage of the university, in both form and style. University B is also a member of the CCCU.
The student body at University B has an average ACT score of 24 and includes 10 to 20 national merit scholars in any given year. The student-to-faculty ratio is 12 to 1 at University B, and the faculty members are known for their research expertise as well as for their involvement in teaching and service. University B is continually rated as one of the tier 1 masters-comprehensive universities in the South by *U.S. News and World Reports*. In addition to the traditional undergraduate curriculum which emphasizes the liberal arts, the university’s faculty members have also developed strong professional programs in business administration and engineering, as well as graduate programs in business and education. The university is vitally attached to its regional community although its growing national reputation has begun to draw students from all over the country. However, the typical student at University B continues to come from a middle class, southern family, with roots in the school’s denominational tradition.

The development and fundraising function at University B reflects an emphasis on church relations which is undoubtedly the result of significant, continued, direct financial support from the governing body of the supporting denomination. The chief advancement officer is responsible for the separate departments of church relations, alumni relations, annual fund, capital campaign and major donor relations, and the marketing-public relations. The president, a nationally recognized scholar in his field, is also intimately involved in all aspects of fundraising and advancement at University B. In total, the advancement group includes the chief advancement officer, seven executive officers, and six support staff personnel.
University C

University C is the largest sample institution in the study with slightly over 4,500 students. Located in the southwestern region of the United States, University C sits on the edge of a town of approximately 50,000 residents that is well over two hour’s drive from any large city. The university’s host community can be defined by both the southwestern culture and the hot, dry climate. The campus scenery and landscape is mostly flat with a remarkable green appearance that stands out like an oasis against the dry, brown background terrain of the region. The physical facilities are outstanding with an effective blend of well-kept older buildings from previous generations, and many new state-of-the-art facilities. The campus of University C seems larger and more comprehensive than the other sample institutions, reflecting both the larger student body and a significantly larger endowment. Overall, the quality of the campus facilities at University C serves to offset the more attractive geographic environments of the other sample institutions.

Approximately 100 years old, University C was founded by a mid-sized Protestant denomination with which the institution remains closely affiliated. Most of the student body and all of the full-time faculty members represent the institution’s denominational heritage, which creates, like University B, a very homogeneous religious and spiritual culture. Mandatory chapel services are offered three times per week, and all students must take some religion courses to complete their general education requirements. In terms of housing, all full-time freshman and sophomore students are required to live on-campus; and most upperclassmen continue to live in university housing. Many opportunities exist to participate in student-led religious activities,
including devotional services and outreach opportunities in both local and global settings; and student involvement in these activities is very high. University C is a member of the CCCU.

Continually ranked in the tier 1 master’s-comprehensive category in the West by *U.S. News and World Reports*, University C is quite an impressive academic institution offering baccalaureate degrees in over 100 fields of study as well as 27 master’s degree programs. The mission of University C is to “prepare students for Christian service and leadership”; with over 70% of the student body involved in community-service activities and with law and medical school acceptance rates twice the national average, this institution is effectively achieving its mission. University C is also a perennial choice of the Templeton Foundation for the “College of Character” designation. The student-to-faculty ratio is 17 to 1, and the full-time faculty members are highly credentialed with impressive records in both research and teaching.

Students at University C have an average ACT score of 24, and well over 20% come from the top 10% of their high school graduating classes. Many University C students participate in study-abroad programs in China, England, Mexico, or Uruguay. Approximately 30% of University C students continue their education in graduate or professional school following graduation. The average annual cost for tuition, room, and board at University C is approximately $24,000.

University C has the largest and most sophisticated development and fundraising function of all the sample institutions. In addition, University C has a substantially larger endowment than any of the other sample institutions. The institution not only has a large advancement office, but the university also has a private foundation, which operates
separately but in conjunction with the advancement office at University C. The advancement office at University C is responsible for all fundraising activities, including the annual fund, capital campaigns, alumni relations, marketing and public relations, church relations, and corporate and foundation relations. The University C foundation is responsible for providing a professional support structure to inform and advise donors about charitable planned-giving options and to manage investment assets of both individual donors and the university endowment. Although the development office and the University C foundation operate independently, considerable overlap of donor relationship management exists between the two offices, with the foundation offering technical financial and legal expertise while the development office focuses on the actual fundraising process. In addition to the chief development officer who manages the fundraising function, the University C foundation is led by a president who is in charge of that operation. These two leaders have a strong working relationship and clear distinction of responsibilities. The president of University C is another strong and active fundraiser who came up through the academic side of the institution. Between the development office and the University C foundation, 14 professional executives and a support staff of well over 20 employees are involved in fundraising activities.

**College D**

Located in a Midwestern tourist spot, College D is a very impressive institution with approximately 3,000 students. The campus, founded in the Civil War era, is a pleasing blend of beautiful older buildings and new state-of-the-art facilities. The campus itself has a traditional “ivy-covered” feel that reflects its long history and is set in the middle of a historic downtown area known for tourism. While all of the sample
institutions are closely connected to their host communities, College D is even more connected to the small tourist community that serves as its home because they share a mutually intertwined history and founding by the same group of immigrant settlers. This long historical connection continues to exist today. As one respondent said, “It is impossible to separate this college from this community.”

Founded by a small and declining denominational group with which the institution continues to be affiliated, College D maintains a strong spiritual culture. The spiritual environment at College D is somewhat different from the other sample institutions in the fact that it is the least compulsory of any of the institutions in the study. Chapel services are offered three days per week, but participation is voluntary. A campus-wide Sunday evening service is also voluntary. Yet, despite the absence of compulsory attendance requirements, participation in both the weekday chapel and Sunday evening service is very high, drawing an average attendance of 80-90% of the student body. The campus ministry office, large and highly visible with a professional staff of eight, serves to manage the spiritual culture of the campus. Over 20 teams of students are involved in service projects during the summer and spring breaks, and weekly devotional groups are a popular student activity. The relatively small size of the host denomination creates a very ecumenical religious environment that seems to work well at College D.

A Phi Beta Kappa institution, College D is probably the most academically prestigious educational institution in the study. Rated by *U.S. News and World Reports* as a tier 2 national liberal arts institution, College D is best known for its nationally acclaimed programs in science; honors received in this area include being chosen by the
National Science Foundation (NSF) as 1 of 10 colleges with exceptional programs in natural and biological sciences, selection by Project Kaleidoscope as a model institution in science and mathematics, and inclusion in *Peterson’s Guide* to top colleges in science. In addition to the prestige of the science and mathematics programs, the college is also known for excellence in other areas, including the fine arts and humanities. College D is ranked among the top 5% of colleges in the nation for producing Ph.D. holders; and over 30% of the graduates go on to graduate or professional school immediately after graduation (Franklin & Marshall College, 1998). Lauren Pope (2000) in his book titled *Colleges That Change Lives* selected College D as one of 40 exceptional higher education institutions in the country that “will raise trajectories, strengthen skills, double talents, develop value systems, and impart confidence because they do a better job than the Ivies or the universities” (p. 1). The student-to-faculty ratio is 13 to 1 at College D, and many of the students as well as faculty members are involved in study-abroad programs in 29 different countries.

The advancement office of College D is geographically structured with six regional advancement officers reporting to the chief advancement officer. The regional advancement officers are responsible for all fundraising activities within their geographic areas of responsibilities, including major donor management, special events, and planned giving. In addition to the regional advancement officers, four officials are responsible for the following functional areas: the annual fund, corporate and foundation relations, alumni relations, and a parent program. The advancement office also includes several support staff members in the areas of donor research, clerical support and operations. The president of College D is a dynamic fundraiser with significant experience in both
advancement and academics prior to assuming his current leadership role. College D has won numerous awards from fundraising professional groups for successful advancement operations.

**College E**

College E is a small institution with approximately 1,300 undergraduate and 300 graduate students located in the northwestern section of the United States. The campus is positioned within a large metropolitan area in a mountainous region. The natural beauty of the regional location is a major influence on the campus. As a development officer at College E said, “When you look out your office window or dorm room and see the mountains, you know that God is here and [that] you have been placed in a very special environment by His hand.” He later added, “The natural beauty of the physical surroundings is a real selling point for the college.” The campus facilities are in excellent condition, and the grounds are immaculately kept. The campus environment provides an unusual combination of metropolitan life and outdoor recreational opportunities.

Founded in the early 20th century by a large Protestant denomination, College E has a strong commitment to its Christian mission and a strong spiritual culture. While nearly 60% of the students come to College E from the supporting denomination, the remaining members of the student body come from the regional area and from other Protestant denominations. As one trustee from College E said, “We don’t think that we get many students coming here who are not wanting the spiritual environment whether they are (denominational name withheld) or not.” Mandatory chapel services occur three days per week, and all students are required to take Christian faith courses as part of the
general education requirement. Most students are involved in community-service activities, and many students participate in international summer-mission trips.

Academics are also a source of strength at College E, as the *U.S. News and World Reports* continually places the institution in tier 1 of the master’s-comprehensive category in the West. The tuition, room, and board cost at College E is $20,000 per academic year; and most students are required to live in on-campus residence halls. College E has a medical-school acceptance rate of 97%, and approximately 30% of undergraduates go on to graduate or professional school following completion of the baccalaureate degree. Study-abroad programs include options in Europe, Asia, Mexico, Africa, and the Middle East; and participation in these programs is high. The college offers 40 different bachelors’ degree with chemistry, biological sciences, religious studies, business and education being the most prominent programs on campus. The institution also offers graduate programs in business, education, and minstry.

The fundraising function at College E is fairly simple in structure. The chief development officer is also the executive director of the college foundation. Similar in purpose to the foundation at University C, the foundation consists of a large board of outside professionals commissioned with the responsibility to advance planned giving, to foster foundation relations, and to manage the investment of the college’s endowment. Unlike University C, the foundation at College E focuses more on leveraging and coordinating outside volunteer professional and technical assistance rather than on providing those talents on an in-house basis. The actual management of fundraising activities such as the annual fund, alumni relations, capital campaign, and public relations all occur through the development office which, in addition to the chief development
officer, consists of two major gifts officers and three administrative support specialists. The president of College E is an experienced fundraiser and is utilized significantly in the cultivation as well as solicitation process.

**Composite Context Description**

The sample institutions in this study share many similarities in context. Although the institutions exist in very diverse geographic settings and each represents distinctively different denominational heritages, a very strong sense of commonality exists across the sample. In the following section the author will provide a composite contextual description of the sample institutions in this study.

**Pervasively Christian Environment**

“I think the first thing you have to understand about College D is that we are a Christ-centered institution . . . that has always been the hallmark of this institution across the generations,” one respondent said. Another participant said,

> This is a place where everyone from the president to the groundskeepers and the new freshmen in the dorms understand that we are Christian in everything we do . . . Not everyone will agree with everything we do or the degree to which we do it . . . but everyone knows who we are and why we are . . . and that is to be a distinctively Christian University.

The most obvious, yet critical, defining trait of the sample institutions in this study is that they are pervasively Christian. This statement is not institutional propaganda or marketing but a fact. A random stroll across any of these campuses produces illustrations of students praying, meditating, or reading their Bibles under oak trees. A quick glance into a student’s book bag will find a Bible and/or devotional reading book mixed in with a chemistry or finance textbook. Student conversations are laced with discussions of summer mission trips and “finding God’s will” for their lives.
Notably, profanity is largely absent. While profanity could probably be detected on these campuses, its use would stand out in sharp contrast to the surrounding environment. At these are colleges and universities, students regularly attend chapel services (sometimes daily, but in most cases less frequently) and are required to take some Bible courses as part of their general-education curriculum. However, despite the minimal levels of compulsory religious participation, most members of these communities are compelled only by their devotion to God.

The administrators, faculty, and staff of these educational institutions also reflect the pervasiveness of the Christian culture on these campuses. Staff meetings typically begin with prayers, and expressions of faith are found everywhere. Most individual faculty members’ web pages not only describe research interests, but also communicate testimonies of faith and Divine callings to teach. When describing key institutional players (administrators, faculty or staff), the respondents in this study usually referred to an individual’s Christian character traits long before they discussed professional skill or accomplishment; and the participants’ vocabulary was loaded with terms and phrases that have special meanings within a Christian context. Undoubtedly, the leaders at all levels of these institutions are devoutly Christian.

The pervasively Christian nature of these institutions is not only reflected in the people but also through other visible symbols. Many buildings have Biblical scriptures engraved in the stone or marble, while office plaques and signs often convey devotional thoughts or scriptures as well. The cross, the most recognizable symbol of Christianity, can be found on signs as well as buildings and even carved into trees. Institutional literature, web sites, and all other sources of formal communication clearly convey that
these institutions are Christian both in composition and in practice. The pervasively Christian nature of these institutions cannot be missed by even a casual observer, but for an in-depth researcher the inherently Christian focus is the most obvious defining characteristic of this institutional group.

**Sense of History**

Another defining characteristic of these institutions is that they possess a strong sense of history. The five sample institutions have a combined 483 years of operational experience. On many of these campuses, numerous well-kept old buildings and large magnificent trees exist that serve as visible reminders of the institutional history and also convey a sense of permanence. The campuses also display monuments honoring alumni from previous generations who have embodied the historical mission of each institution. Missionaries killed serving in China, an army chaplain who drowned while helping the wounded on D-Day, and numerous doctors as well as businessmen who gave back to their communities through lives of service are just a few examples of the types of people acknowledged in the historical legacies of these institutions.

The participants in this study deeply understand this legacy and sense of history. As one college president said, “We know that we drink from wells we didn’t dig.” He added, “There is a sense everyday that we have been entrusted with the temporary stewardship of an institution that is bigger than any individual and will exist long after any individual . . . . and that keeps you both motivated and humble.” Another respondent said, “You know that regardless of whether you have been here a year or forty years, as some here have, that you represent a small slice of College A . . . that you are only passing through.”
This sense of history is not lost on the students either. Many of these institutional leaders boast of high levels of multi-generational alumni, and the current students are reminded of, and attracted to, the institutional legacy through the campus symbols as well as literature and through previous generations of alumni. According to one trustee, “Our internal surveys tell us that many students choose University A because their uncle went here in 1960-something, or Pastor so-an-so went here and they want to follow in their footsteps . . . to emulate their legacy.” Another respondent replied, “We have 6th and 7th graders that are waiting to come here because they want to be part of the tradition of this place . . . and they know that they will be a part of the experience of College A.” The collective histories of these institutions are strong defining characteristics of this study sample.

Seriousness about Academics and the Life of the Mind

“Can Christian faith sustain the life of the mind?” To many academics, this question would seem absurd. In their judgment religion is fundamentally dogmatic while the life of the mind requires openness, creativity, and imagination. This stereotypical assumption regarding the nature of religion in general and Christianity in particular has contributed significantly to the divorce between faith and learning on countless campuses across the United States. (Hughes, 2001, p. 1)

Certainly, all institutions of higher education claim to be serious about academics, and most church-related colleges claim to be serious about Christian faith. However, some have suggested that it is difficult to accomplish both objectives simultaneously (Snell, 1997). The institutions in this study are not only pervasively Christian, but they are extremely serious about academics as well as the life of the mind. Each of these institutions continues to receive prominent recognition from U.S. News and World Reports, Time, and many other outside sources. This recognition does not surprise the
participants because they know their institutions are very strong academically. As one
president stated,

    We work very hard at it . . . . I think people appreciate and expect to see a
    high quality of teaching and scholarship . . . . We like being able to show
    that we are engaged in serious work. Our faculty are rigorous scholars and
    exceptional teachers. We are not a Bible college. We are not a fly-by-
    night school. We don’t call ourselves a university when what we are
    really doing is church canvassing. I think it is very important that people
    understand we are serious about education but within a Christian
    worldview.

The chosen tool used by leaders at these institutions to make an
environment of academic excellence is a commitment to liberal arts and “whole-
person” education. One respondent described the role of liberal arts in Christian
education in the following way:

    We believe that the study of the liberal arts moves students toward
    intellectual maturity, moral integrity, and physical vitality while anchoring
    an appreciation of truth as expressed in culture, art, the natural and
    physical universe, and the human spirit . . . . An understanding of these
    truths as revealed by God in everyday life produces a better citizen,
    prepared and informed to be a life-long learner and contributor to this
    world . . . . if we educate someone with specialized knowledge in one field
    but miss this component, we have not only failed them academically but
    spiritually also, because the liberal arts are essential to understanding the
    created world.

    Several other participants added that “whole-person” education was also
part of the liberal arts model of integrating faith and learning as well as the
ultimate responsibility of Christian education. One respondent expressed this
concept in the following manner.

    We view each student as a person, not a component part. Whether it is in
the classroom, on campus, on in an extra-curricular activity, we know we
are contributing to the complete development of that person.
A pervasive belief exists among the educators at these institutions that Christian education through the use of liberal arts curriculum assists in “whole person” development. As one person said,

We want to educate the whole person, intellectually, physically, spiritually, and emotionally in such a way as it is obvious that we have prepared them to critically think and be leaders in a complex and continually changing world . . . . We feel this is best accomplished through a liberal arts approach that asks and re-asks the timeless questions of humanity.

Despite their relatively small size, these colleges and universities have strong academic programs, and their graduates receive national attention. This type of recognition is very important to these institutions. As one respondent said,

We like to hear that Harvard Medical School reserves so many spots for College A grads . . . . That reaffirms our commitment to quality and impresses people that we are not just a Christian school with Christian values, but we’re always striving to be first-class in what we do. We will send our graduates out prepared for whatever vocation they are involved in.

Personnel at the sample institutions are very careful to ensure that their strong Christian missions do not undermine their academic quality. As one president said, “We should never substitute piety for competence.” Another respondent said,

Being distinctively Christian is no excuse for academic inferiority . . . . In fact, being truly Christian demands that we be nothing less than the best scholars and teachers that we can be.

Academic excellence is a defining trademark of all of the institutions in this study, and institutional leaders as well as faculty and staff members are quite aware of the importance of maintaining this distinctive advantage.
Residential and Community Feeling

The colleges and universities in this study all have a strong residential environment. In other words, people physically live in a state of community. These institutions are not commuter schools; instead, these are institutions where most students live on-campus in residence halls, and most faculty members as well as administration live very close to campus. As one walks through these campuses, a sense of isolation from the outside world exists along with an almost overwhelming sense of inclusion within an internal community, almost a feeling of sanctuary. Students and faculty passing each other on the sidewalks know each other by name and often respond in genuine conversation. The cafeterias and student centers are not just places to eat and relax, but rather they are also places to exchange information, bond, and build community. Outsiders quickly realize that they have entered into a community when they visit these campuses.

Although they are not closed communities, neither are they completely open. This type of community is extremely friendly to visitors, yet initially guarded. “We like to get to know people. Who they are and what they stand for is as important to us as what they can do for us,” one respondent said. Another participant said, “We have a set of shared community values . . . . and we are very open to constructive criticism or advice, but not from people who don’t share our community values.”

An understanding has been developed among its members that this community exists for a purpose and within a set of norms or parameters. One result of this fact is that existing anonymously in this community would be very
difficult. As one respondent said, “We know our students. We watch them grow up and develop while they live here.” One college president described the situation it in these terms: “Our students and faculty live and exist here in a community with a full understanding of our mission . . . . That doesn’t mean that we are sectarian, parochial or separatist . . . . In fact, we exist to be engaged in our culture from a Christian worldview.” The sense of residential community is a key factor in defining the experience of attending these institutions.

**General Themes**

As a result of this study, several general background themes or findings were identified regarding the conditions and challenges facing church-related colleges and universities at the beginning of the 21st century. In this section the author will discuss three of the major backdrop themes which serve as contextual frames for the following chapters on strategy and leadership behaviors.

**The Low Endowment-High Tuition Trap**

As previously described, the institutions in this study were selected because they are successful in fundraising and have avoided secularization processes that have plagued other similar organizations. However, despite the success achieved by these colleges and universities, the leaders of these institutions feel major fiscal pressure due to a lack of endowment resources and the rising operational costs being experienced across all forms of higher education. The lack of a strong base of endowment resources traditionally found at elite private colleges is a major source of concern for these college presidents as one summarized in the following comment:
We are an old institution, but we are very young in terms of raising endowment. I think we have 20 years now working towards an endowment and have grown that from $21 million to $47 million over the past seven years . . . If we have a little bit of success we should reach $100 million by 2010, and I think at our size if you are not at $100 million by that time you won’t make it. The schools that aren’t there by 2010 won’t be able to sustain [themselves] because the rising costs will price them out of the market.

Another college president described the endowment challenge in these terms:

Endowment is everything in this business; and like most Christian schools we are behind the curve. We have been working so hard just to grow the annual fund and to make the capital expansions we need for facilities and program growth that we have neglected to focus on endowment . . . Actually we haven’t neglected it; we just had to prioritize differently . . . . But I see the same process going on everywhere within the CCCU schools and other Christian schools--There is a push to get it done for operating funds and capital campaigns but little being done to address endowment; and I don’t think many of these schools, especially the ones that have been living off enrollment headcount growth and adult education markets, have much of a chance of surviving the next 20 years living hand-to-mouth.

A third president added these comments concerning the need for endowment:

Yes, in the Christian higher education world most institutions are tuition-driven. Our desire to grow endowment is to minimize that as much as possible by building other sources of revenue to take the pressure off the tuition. In fact, I have a sign in my office that says, “In the future there will be two types of institutions; former and endowed.” I think that is largely true. On the other hand, I don’t like to say that for sure, but I just don’t know whether the smaller institutions that don’t have sufficient endowments can survive.

As operational costs rise, pressure increases to meet the operating budget in the only two revenue markets in which these institutions work: Private donations and student tuition. Because the institutions in this study are academically elite, they could alleviate some of their fiscal pressure by increasing tuition costs through a differentiation strategy focused on academic prestige.

However, this strategy also has the potential to alienate the traditional core
constituents of the host denomination and undermine the institutional Christian mission, both of which are believed by the study’s participants to be slippery slopes toward secularization. In short, the low endowment levels at these institutions have created a potential trap between choosing endowment growth to maintain accessibility for students attracted to the traditional mission, or tuition price growth focused on gaining entrance into a new academic prestige market that is based on academic quality. One of the presidents described the complexity of this dilemma:

We have to have a stronger endowment to hold tuition prices down. We have to. But that’s a real hard thing and we have talked about it a lot. What happens if we move our tuition up? I think, given where we are academically now, we can attract those kinds of students; but they are not our primary constituency. If we don’t raise tuition, if we stay here, we are just perpetuating the fact that we are going to have kids from low-to-middle income families who can get their kids through school but long-term can’t help us with our development funds . . . . But if you continue to raise academic standards and tuition prices, then you have kids from wealthier families which can help you financially to move up another level which perhaps makes you more elitist and farther away from your core constituency . . . . It’s a really tough call. Right now we are not ready to make it. Right now we going to stay on the trajectory that who we are, who we have been, is our role in higher education . . . . But it means we will never have the guaranteed wealthier constituency that would help us financially succeed, and we will always be tuition dependent which limits our ability to pursue all of our goals.

Another president described the difficulty in making a tuition jump and maintaining a denominational connection:

When you look at those distinctively Christian schools that have made the elite private school tuition jump, you will note that none of them are denominational. Wheaton, Taylor, etc., they are all independent . . . . We want to push our academic success as far as we can without pricing our denominational kids out of the market. I go out and preach in our churches about 40 Sundays a year. I can’t go out there and preach and have the opportunity to meet with parents and prospective students and tell them what a great school this is, thank them for the fact that the
(denominational name withheld) sends us $2 million dollars a year, and then say “sorry you can’t come here because it costs too much for your child to come.”

A third president explained how endowment levels dictate the choice of tuition strategies and perceptions of quality at these church-related institutions:

Endowment affects your strategy of tuition pricing because there are different philosophies of tuition. One is that you charge low or virtually give it away compared to the higher cost institutions. The problem with that model is that you are communicating to the consumer that it’s not worth the money. So the philosophy of most selective private schools is to price on the high end and then turn around and discount it back to the students in the form of big scholarships. We do that too; we just don’t do it as much or as blatantly as other institutions do because we don’t have enough endowment to totally pursue that strategy.

Thompson (1995) found that even among the successful Christian institutions participating in his study low endowment was a continued threat to sustained success. The institutions in this study confirm the endowment threat, but less in terms of survival and more in terms of protecting the mission and identity. This general theme serves as an underlying contextual challenge for leaders at these institutions as they continue to work on strengthening fundraising capacity. As one development officer described, “When you have a low endowment, the pressure is always on to raise money now. It is like you are working without a net.” Unfortunately, despite the success of these institutions in fundraising, these educational leaders all understand that fiscal security could fall apart suddenly without a stronger endowment.

**Threat of Secularization**

The educational leaders of the institutions in this study are also well aware of the potential dangers of secularization. Secularization theorists have often
suggested that most Christian colleges and universities are unaware of the process and usually fail to see the threat (Benne, 2001; Burtchaell, 1998; Marsden, 1994). For the institutions in this study that is not the case. In fact, the fear of secularization is a conscious concern that affects leadership behavior and fundraising strategy for each of the sample institutions. As one president described,

> Of course, historically, the secularization process at most schools was financial. It was based on resource dependency and that is a slippery slope that we don’t want to tread . . . . I would like to think that we are not susceptible to those types of temptations, but I realize that as a gradual process every institution is susceptible to the secularization trap, especially when you pursue academic excellence.

One trustee added similar thoughts about secularization and funding sources:

> We are aggressive about raising money for our mission, but we also understand that we must avoid the historical trap that so many Christian schools have fallen into . . . . We don’t want to look back 30 or 40 years and say, “What happened back then? How did we get off track?” I think history has left a pretty clear warning that where your funding comes from can lead you into a path of secularization and that all decisions must be considered in light of that danger; but certainly fundraising efforts must be carefully scrutinized.

Clearly, the leaders of these institutions are aware and extremely concerned about decisions regarding sources of funds that could facilitate any secularization processes at their institutions. This heightened consciousness serves as a collective mindset and institutional value system parameter that shapes the fundraising processes at these colleges and universities.

**Tensions between Campus Spiritual Culture and Denominational Heritage**

The spiritual culture at each of these institutions is strong and, as previously described, pervasively Christian. However, the campus spiritual
culture is not always in line with the culture desired by denominational leaders outside of these institutions. In fact, at each of these institutions there is often considerable tension between the denominational heritage and the campus spiritual culture, another important factor in raising financial support. As one college president described, the tension over spiritual issues is prevalent in these institutions.

Every denomination is in flux today. We are living in a post-denominational era, and that theme is most reflected on our Christian college campuses. Not just us, but every denomination is experiencing this phenomenon in the youth culture. These kids, even kids from our own denomination, are interested in being Christian, in being genuinely spiritual; but they are not terribly concerned with denominational affiliation or status as previous generations were. Traditions of the denomination are not a priority for our kids; and, unfortunately many of our pastors don’t get that even though it is happening in their own local churches. They somehow think we can control it or stop it on our campuses when they can’t control it in their own local situations. So then when they look for someone to blame for this issue, we become an easy target; and that can affect our donations. We have to monitor those situations closely.

The effect of denominational tensions is felt on day-to-day fundraising activities as described by a development officer:

We have had to answer some tough questions for our donors, I think, because in recent years, in the last 10 years, we have had a movement in our chapel program that was so moving that a couple of thousand students or more would attend and participate and support and rally behind a rather more contemporary evangelistic kind of service and pastor. For all the good that was doing for College D and all of those students, it also caused some alumni to say, “Wait, wait. Is that my way of exercising my faith? Is that the kind of Christian I am? That’s not the kind of Christian or at least the expression of Christianity that was in place at College D when I was student, so what is going on?” . . . . That has been an interesting dynamic for fundraising at College D because we have had to hire spokespeople for the college who are capable of explaining the changing Christian dimension of the school.
Even with some tensions existing between the host denominations and the campus communities, a sincere appreciation still abounds for the host denominations by the institutional leadership. In fact, one prevailing theme in this study is that these educational leaders would like to have a stronger relationship and even more involvement with members of their host denominations.

I would say that College D is more desirous of maintaining a vibrant connection than the church is. That is a confession that I don’t like to make. I think that there is more at stake for the church than there is for the college in maintaining it. I think College D can survive without (denominational name withheld), but I don’t think the church can survive without College D playing a central role in its future. I only wish the denomination would be more engaged with the college.

Another respondent described this desired relationship in these terms:

We want their involvement. We want them to say “This is our college”. We value that relationship, and we are sensitive to it. If we don’t produce the next generation of leaders for (denominational name withheld), then who will? I don’t think the church fully appreciates what we do although we have tried and will continue to carry our side of the relationship. But we need some reciprocation on their part, and over the last 10 to 20 years that just hasn’t been the case.

In summary, personnel at the institutions in this study take seriously their responsibilities to their host denominations and desire a stronger relationship than they currently have with them. Although the spiritual culture does not always fully mesh with the traditions of their supporting denominations, institutional leaders are sensitive to the tension that often arises and realize that dealing with these pressures is a major factor in the fundraising process in terms of donor relations.
“Dogs that Did Not Bark”

In his popular best-selling book titled _Good to Great: Why Some Companies Make the Leap . . . and Others Don’t_, Jim Collins (2001a) referenced a classic Sherlock Holmes story to describe what he called “dogs that did not bark.” These “dogs” were phenomena and factors that his research team had expected or at least potentially expected to find in their study but did not, and therefore, by their absence, serve as general findings. In this section, several anticipated factors identified in the fundraising literature as being of potential importance that were not found in this study will be outlined and briefly discussed.

**Organizational Structure Issues**

Considerable discussion has occurred in the literature about the need for an effective, efficient organizational structure for the fundraising and advancement function in a higher education institution; and several potential models have been recommended (Evans, 1993). The researcher in this study closely analyzed the organizational structures of the various advancement offices in the sample institutions with the expectation that organizational structure themes might emerge.

In fact, the organizational structures for fundraising in the sample institutions, as described earlier in the individual institutional profiles, were quite diverse, and really did not demonstrate any consistent pattern or emergent theme. Some institutions utilized simple structures, and some were complex. Some institutions organized geographically and some organized around functional expertise or market segmentation. Decentralization was present at some institutions while others operated on a more centralized model. Modern organizational structure theorists have suggested that organizations should
choose a structure that is most appropriate to their external environment, strategy, personnel, and the nature of the task (Daft, 2008; Robbins, 2005); and this appears to be what the sample institutions have done.

**Trustee Involvement**

As discussed in earlier chapters, trustee leadership and involvement are believed to be a critical success factors for positive fundraising performance in higher education (McCown, 2000; Patton, 1993; Thompson, 1995). While the trustees in this study are involved in fundraising both as donors and as participants in the cultivation process, their involvement, with a few exceptions, was limited, contrary to the researcher’s expectations. Institutional leaders are working hard to increase the level of trustee involvement. While each institution has a few stellar trustee performers in this area, institutional personnel realize that they have not yet fully utilized this critical resource and are often working against a historical precedent that does not favor active board involvement. As one president commented,

> We have to work at educating our board about those expectations. About twenty percent of our board is made up of pastors which helps in church relations but is sometimes a detriment to fundraising . . . . I think you put together a board like you would put together a football team. You don’t want 11 left guards. You need all the different positions. We need people who can help with academics, and governance and administration issues; but we also need people who can help with the development process…not necessarily by giving us money, although that is important, but more through the networking process . . . . We are starting to ask of potential board candidates, “Are you willing to give of your wealth, give of your wisdom, give of your time, and share your network with us?” Those are four important things, and we have never really asked that before.

Another respondent added the following comment:

> Trustees have the potential to be critically important and should be; ours are not there yet in terms of fundraising participation. With our trustees I think they personally participate as much as one could expect, some
sacrificially. But we still don’t have them engaged in the process; and although we are starting to emphasize that more, I think it will take a lot of education and a cultural change on the board over time.

The leaders interviewed in this study, including several trustees, all agreed that trustee leadership is important. However, although established as a significant and ongoing goal at each of the sample institutions, none of the institutional leaders felt they had reached a broad level of participation in the fundraising process with members of their individual boards. Therefore, despite an institutional desire to leverage a strong trustee network and to utilize trustee leadership in the cultivation process, based on the information obtained in this study, the researcher cannot conclude that trustee involvement is a source of competitive advantage for these church-related colleges and universities.

**Donor Research**

Modern fundraising practices often involve elaborate donor research techniques utilizing intrusive background searches provided through sophisticated information systems and Internet tools (Dunn & Meyer, 1993; Gressel, 2000; Siegel, 1993). In fact, the literature has suggested that the use of modern donor research methods and tools is both an ethical concern and also a potential source of competitive advantage (Anderson, 1996; Fischer, 2000). The institutions in this study used some basic donor research methods, but in general they relied on traditional methods of interpersonal-networking and relationship-building to assess a donor’s interest and capacity. The researcher is not completely clear whether the absence of intrusive donor research methods among the sample institutions is a function of resource limitations or of ethical concerns of institutional leaders, although both reasons were suggested by the participants. However,
clearly, the institutions in this study have achieved considerable success without the heavy investment and utilization of “cutting-edge” donor research tools and methods, despite the contrary expectations of the researcher.

**Summary**

Each of the institutions selected for this study has its own unique history, organizational culture, geographic culture, and denominational heritage. Yet, despite the uniqueness of the individual institutions, a common set of characteristics made this sample group very homogenous. An understanding of the general context of these institutions is important to make sense of the strategic management factors and leadership behaviors discussed in the following two chapters.
Despite voluminous research on higher education, very little research attention has been paid to the strategies pursued by institutions in this industry. Institutions of higher education are normally viewed as a “black box” into which resources flow and out of which various products such as degrees or research are generated. Like most large organizations, institutions of higher education have strategies. As a basic definition, a strategy means to set goals, make plans for achieving them, and set indicators or benchmarks to assess achievement of these goals. Such a strategy is instrumental in allowing an institution to meet its underlying objective of profit or revenue maximization. Identifying institutional strategies helps us to understand the ways the sector as a whole operates and responds to changes in its operating environment . . . . Institutions make myriad decisions on which markets to serve and what services to offer in each market. (Brewer, Gates and Goldman, 2002, p. 25)

Strategic management, as the preceding quote indicates, is an integral part of any higher education institution and its success or failure in achieving its mission. The institutions in this study have very distinct strategies which are illustrated by many common themes related to the way in which they have defined their mission and goals, made distinctive choices of implementation practices, and determined ways of monitoring operational performance; all of which eventually leads to the attraction of additional resources through successful fundraising results. For this reason strategic management is one of the lenses through which the sample institutions will be analyzed. This chapter focuses on the strategic management themes that emerged during this study and the relationship to fundraising success.

Before describing the specific themes from this study, a brief discussion of some strategic management concepts is needed. Since the early 1960s, strategic management has evolved into a vast field of study with ten distinct schools of thought that belong in three separate categories (Mintzberg, Ahlstrand & Lampel, 1998). The first three schools of strategic management include the design, planning, and positioning schools which
focus respectively on the conception, the formal process, and the analytical process in which strategy formulation occurs. All three schools are considered “prescriptive in nature” because they describe the way strategies should ideally be formulated (p. 5, Mintzberg, Ahlstrand & Lampel, 1998). There are also six distinct conceptual schools which are “descriptive in nature” as they focus on how strategies are actually formulated. These six schools of thought include the following: entrepreneurial, cognitive, learning, power, cultural, and environmental, which focus respectively on the vision, mental process, emergent process, negotiations, collective process, and reactive process (p. 5, Mintzberg, Ahlstrand & Lampel, 1998). The final theoretical school in the strategic management field is the configuration school which focuses on organizational transformation through strategy formation which is integrative in nature (p. 5, Mintzberg, Ahlstrand & Lampel, 1998).

Several other scholars (Lauriol, 1996; Martinet, 1996; Bowman, 1995) have created slightly different typologies to sort these ten conceptual schools and to categorize the growing body of strategic management literature. However, these ten fundamental schools of thought remain intact regardless of categorization, and in reality there is significant overlap between all of these conceptual schools. Of course, not all of the ten schools receive equal support in either the academic or practitioner worlds. For instance, Porter’s (1980) watershed work *Competitive Strategy*, and Senge’s classic book (1990) *The Fifth Discipline* have led to the increased prominence of the positioning and learning schools respectively in the field of strategic management. Although minor elements of many of these ten conceptual schools are present in the strategic management process at these sample institutions, these two classic works on strategic management will be
heavily emphasized to explain much of the strategic process formulation and implementation as it exists within the institutions in this study.

As a result of this growing body of literature and the many distinct schools of strategic management thinking, trying to discuss the strategic management process within organizations is, at times, complicated. Often this complexity results from an overlap in terminology, including the fact that most practical discussions of strategic management typically combine both strategy formulation and implementation. Mintzberg, Ahlstrand and Lampel (1998) suggest that strategy is often discussed in terms of five different “P’s” (p. 9). These five “P’s” include strategy as: a plan of action, a pattern of behavior, a position, a perspective, and a ploy. The discussion of findings from this study often cross each of these five “P’s” as these participants describe the strategic processes in which they are engaged at their institutions and includes both strategy formation and implementation.

Another critical set of definitions in strategic management are the concepts of intended, realized and emergent strategies (Morrison & Salipante, 2007; Andersen, 2005; Mintzberg, Ahlstrand & Lampel, 1998). The formulation of a strategy is referred to as the intended strategy, but the realized strategy is what actually occurs based on the actions and reactions that are taken during implementation. Realized strategies that were intended are referred to as deliberate strategies, while intended strategies that are not reached are referred to as unrealized strategy. Finally, there is a third category of strategy known as emergent strategy, which occurs when an unintended strategy is realized. The degree to which successful strategy implementation is intended versus emergent is an important
issue in the analysis of the strategic management process of any organization and will be considered in the context of this study as well.

The ultimate purpose of strategic management is to create and sustain competitive advantage. Competitive advantage is defined as “anything a firm does especially well compared to rival firms” (p. 8, David, 2005). In practical terms competitive advantage implies that an organization can provide superior value which is difficult to imitate and yet increases the long-term flexibility of the organization. These three traits; superior value, inimitability, and enhanced flexibility are the key components of competitive advantage (Clawson, 2006; Day, 1994). The institutions in this study obviously possess a competitive advantage in fundraising since it was a criteria for selection in this study; however, their competitive advantage in that area is actually the end result or one component area of a broader strategy which has separated these institutions from their competition.

This chapter will address thematic findings related to many strategic management issues that help these institutions achieve and sustain competitive advantage and subsequently lead to successful fundraising results. The chapter will begin by explaining through the use of Porter’s (1980) five forces model how the leaders of these institutions perform and view the external industry analysis of the environment in which their organizations compete. Then a discussion of the internal analysis of the sample institutions using the resource-based view (RBV) of competitive advantage will describe how these institutions leverage their existing resources in their strategic processes. Following the external and internal analysis, there will be a description of the broad strategy selection and a section explaining the supporting market segmentation process.
Next, operational strategy choices centered upon a theme of core competency will be discussed, as well as a section describing the communication strategies used by these sample institutions. Finally, this chapter will conclude with specific themes from the fundraising strategies used by these institutions with an emphasis on the use of learning organization concepts to execute emergent strategy.

**External Industry Analysis: Porter’s Five Factor Model**

A key activity in the strategic management process is the step known as external analysis or sometimes referred to as industry analysis or environmental scanning. The purpose of external analysis is to analyze the variables and conditions that define the environment in which an organization operates in order to later develop a proactive set of potential actions which could be taken to exploit market opportunities and defend against emerging threats. There are many categories of external variables which define the nature of any organization’s external environment such as: economic, sociological, demographic, cultural, technological, political and competitive forces (David, 2005; Aaker, 2001). One of the most widely used frameworks for understanding the market conditions of an industry is Porter’s (1980) five forces model which is based on an industrial organizational (I/O) view of environmental conditions, which asserts that external forces are more important than internal forces in determining an organization’s competitive advantage. Porter’s (1980) five forces model consists of the following variables: threat of new entrants, availability of substitutes, bargaining power of suppliers, bargaining power of consumers, and intensity of rivalry among competitors.

Although Porter’s (1980) model is widely used in strategic planning for all types of organizations, some have questioned its applicability to non-profit organizations
(Stone, Bigelow & Crittenden, 1999; Goold, 1997). Others have argued that although non-profit organizations, particularly religious non-profits, are usually more mission-dominate and less environment-dominate than “for-profit” organizations, these institutions still exist within an industry structure which contributes to the strategic management process and the creation of competitive advantage (Miller, 2002; Allen & Shen, 1997; Gould, 1997; Chafee, 1984: Benson & Dorsett, 1971). Certainly, the respondents in this study continually confirmed the mission dominance theme but also supported the idea they must strategically react to compete within a complicated industry structure which blends both the higher education industry with what Finke and Stark (1988) describe as the “religious economy” (p. 42). For example one respondent described this phenomenon in this manner:

A Christian College has the unique challenge of having to exist and perform within two dynamic environments; the world of higher education and the world of religion. Both of these environments are complicated to navigate strategically in and of themselves, and most of the people you have to deal with in this job come from one world or the other and have little understanding of the requirements and expectations of the other side. You go out and talk to some pastor somewhere, and they couldn’t care less about program offerings and accreditation issues or funding sources; they are only concerned about the spiritual component of what you are doing on campus…religious practices and such, or what is being taught by some professor on your Bible faculty…But although they are not concerned about these other issues they can still turn some small issue into a PR crisis that will affect funding and donors…On the other side when you deal with state agencies or accrediting bodies they don’t realize the competitive and strategic nature of the religious culture. They are so secularized that they have no concept that we have other challenges that are unique to our institutions.

Because the participants in this study frequently used industry terminology and analogies to describe the markets in which they compete, the Porter (1980) five forces model will be used to describe and explain how the leaders in these institutions view their
external environment and how those assumptions subsequently frame their strategic planning process.

The availability of substitutes and the threat of new entrants are two of the categories of variables which define an industry (Porter, 1980). While it could be argued that higher education is insulated from the threat of substitute products and new entrants by high entry barriers, the respondents in this study recognize that the higher education industry is experiencing dramatic change due to the influx of alternative educational providers often using non-traditional delivery systems, including for-profit institutions such as the University of Phoenix. One president described this phenomenon in these terms.

We certainly don’t feel like we are in the same business or have a similar mission to the University of Phoenix, but we do feel the ripple effects of these alternative institutions as they move higher education systems towards something different than they have historically been…soon our regional state schools start emulating many of these practices and so we have to decide how to respond competitively.

Several other respondents described the evolving higher education market as becoming excessively market driven and focused on credentialization rather than education. One college president described the new entrants into the higher education market as producing a commodity effect throughout the industry.

In my lifetime, our college has withstood the emergence of community colleges which were initially designed in the 60s to fill a technical training gap in the workforce, often for academically under-prepared students, and now have become widely accepted, low-cost, general education providers. And we have also watched high schools become AP course generators. Now we must face pseudo virtual institutions which are increasingly gaining legitimacy, and are influencing the state schools to become less traditional . . . . The research institutions abandoned undergraduate education years ago and now the regional state schools are running scared trying to become like the University of Phoenix . . . and all of these trends
have produced a net effect of turning a college education into a cheap commodity.

Many of the institutions in this study also face the threat of substitution or “new” entrants at the micro level from mission expansion of Bible colleges within their own denomination. While this threat is small in industry terms, it hits these institutions hard at the core constituent base by threatening a loss of students and donors.

We have been pinched over the years by some of our (denominational name withheld) preaching schools and Bible colleges deciding to expand their mission into more general education and professional or vocational training. Most of the time they are far from being a true liberal arts college but that is hard to explain to the (denominational name withheld) rank and file who often remember when our institution more closely resembled a Bible college and often view our academic success as a sign of secularization . . . . If you try to point out the distinct qualitative differences such as admissions standards, academic programs or faculty credentials and such, you can come across as being haughty or ungracious to your denominational brothers at some fledgling institution.

Several others added similar comments about the threat of mission expansion from denominational sources not historically in mainstream higher education. While the participants emphasized that these new players are not major threats to their institutions, there is genuine concern because these schools can erode the core constituent base. As one respondent said, “You can say ‘don’t worry about it,’ but if you lose even 5 students per year and a few donations, it starts to chip away at the margins, but it is chipping from the middle not the fringe.”

The bargaining power of suppliers and buyers are the next two categories of factors which define an industry. One of the difficulties in applying Porter’s (1980) model to the higher education industry is in defining the buyers and sellers. Many higher education scholars refer to students as consumers or buyers and donors as suppliers, while others reverse these definitions (Russo & Coomes, 2000; Kotler & Fox, 1995;
Resiman, 1981). The participants in the study consider the students and donors to be both suppliers and buyers in relationship to their organizations. They are suppliers in the sense that they provide the vital inputs required for success (i.e. students and money), but they are also buyers because they must choose to consume or invest in the services and mission of the institutions. Regardless of how they are defined, the respondents in this study were clear that both students and donors have increased their bargaining power in recent years.

In developing an advancement strategy for a small Christian college today you must be very aware that you are dealing with a strong consumer mentality among both prospective students and prospective donors. Students, and more significantly their parents, come in with considerable demands for financial aid, transfer credit, program and curriculum interests, and extracurricular activities . . . . Many donors today have more of a “what’s in it for me?” attitude, or just a general legitimate demand for transparency . . . . Both groups do more “shopping” around than they did in the past.

Industry rivalry is the last variable in Porter’s (1980) model for analyzing an organization’s external environment and refers to the intensity in which players within an industry compete. The participants in this study believe that the higher education industry has developed a more intense rivalry than in the past, including within their own denominational niche. As one trustee responded, “We fully understand that we are in competition with our sister institutions for students, faculty and donors. It is friendly competition, but it is competition.” Others emphasized an increase in the rivalry between state schools and their institutions has arisen as state schools are getting more directly involved in fundraising. As one chief development officer said:

The competition for donors, particularly regional donors, has increased significantly since the state schools have started pursuing fundraising more aggressively outside of their alumni base in recent years. I can’t even say how many times in the last five years that I have been out to visit a
major donor and they say, “(State university name withheld) was just here discussing a project.” That was extremely rare 15 to 20 years ago.

Others added that the increased use of donor research and the subsequent increase in the amount of information about donors has raised the profile of major donors, including alumni, and has intensified the competitive environment for fundraising from other charitable organizations outside of higher education. One development officer noted, “You have a lot more nonprofit organizations out soliciting for funds today than we had in the past, and that increases the speed of the game.”

The use of Porter’s (1980) five forces model helps to explain the strategic management process within the sample institutions. Overall, there was a strong consensus among participants in this study of several external analysis themes related to the external industry analysis, including an increased threat of substitution for the traditional product and new entrants into the market. There is also a clear agreement that the bargaining power of both students and donors is increasing rapidly and that industry rivalry is also becoming more intense. All of these external factors influence the strategic planning process and fundraising efforts of the sample institutions.

**Internal Analysis: Resource-Based View**

While external analysis is one way to explain an organization’s strategic process and position, the resource-based view (RBV) of organizations, which contends that internal resources are more important than external environmental factors in creating and sustaining competitive advantage, is an alternative theory. The general concept behind the resource-based view is that it is by managing and leveraging the unique set of internal assets or strengths of an organization which ultimately produces competitive advantage.
The respondents in this study provided much support for the resource-based view as being a factor in their fundraising success.

In effect, the participants in this study asserted that the mission-dominance of these institutions and the historical development and relationship with the host denominations are all key internal resources for attracting funds. In addition, the personalities of the leaders of these institutions, including long standing faculty members, and the successful alumni leaders are also important resources to leverage. Strong academics, well maintained physical campuses and good geographical location were also listed as important internal resources. Yet, all of these factors are present at many other institutions which are not having the same level of success in fundraising and resource development. As the respondents described the unique internal leverage strengths of these institutions it always came back to the unique culture and a brand image which all of these other variables support. One respondent described leveraging the brand image of his institution it in these terms:

There is an image of a (College C) student, faculty or alumni that is consistent among all constituent groups including our donors. There is an image of the culture of (College C) which is emblazoned in the minds of our stakeholders. It is an image of an institution where leadership, truth and God all come together not to indoctrinate but to explore and not with the idea that we hold the truth in a bucket but that we are searching for it from one generation to the next and with the understanding that any truth we find is God’s truth or we haven’t found it. . . . There is a further understanding that the truth we find must always be tested and questioned and most importantly applied to the world we live in through leadership . . . Because we understand that if we discover any truth in this world and do nothing with it in terms of service then we would be better off to be ignorant. And that is the brand image of (College C) from one generation to another and it is consistently conveyed in every activity we pursue at this institution whether it is the Chemistry department, the baseball team, the president or a group of students spending their summers serving AIDS victims in Africa. This is what we leverage in our fundraising efforts. This is our case for support.
The idea of branding will be discussed further in the communications strategy section later in this chapter, but clearly these institutions do leverage the internal assets of their schools in their fundraising strategy but in a holistic manner that reflects an image of the total package of related resources presented as a brand concept that is consistent and is mission-dominate. Again, this does not mean that these institutions do not analyze and react to the external conditions of the market in which they compete, but it does mean they have a clear sense of purpose and understand how to leverage existing historical strengths to frame a strategic model that builds on existing internal assets.

**Broad Strategy Choice: Focused Differentiation**

In his classic book *Competitive Strategy*, Porter (1980) outlines three broad generic strategies that organizations must pursue to create and sustain competitive advantage. These three broad strategies are: cost leadership, differentiation, and focus. Cost leadership involves being a low cost leader and achieving competitive advantage in market pricing through spreading overhead costs usually by creating economic efficiencies and economies of scale. Differentiation involves competing on unique product features which allow the organization to charge a higher price and create value-added demand and brand loyalty among the consumers. A focus strategy is based on defining a narrow market segment, preferably of sufficient size with growth potential, which is under-serviced or insignificant to the major players in the market. Within the focus strategy category an organization can either operate on a focused differentiation strategy whereby the product is uniquely designed and offered at a premium price for the focal market, or focused cost leadership where the product is offered at a lower overall cost specifically to the focal market.
The colleges in this study all pursue focused differentiation as the broad generic strategy choice for their organizations. Based on the industry or market conditions and the internal analysis previously discussed, the leaders at these institutions understand clearly that they cannot be all things to all people and that they must avoid what Porter (1980) calls being “stuck in the middle” (p. 41). Porter (1980) suggests that organizations which are strategically “stuck in the middle” are doomed to fail because they face competitive pressure from both ends of the industry market and also have a tendency to try to “flip back and forth over time among the generic strategies” producing organizational incongruence (p.42). Although none of the respondents specifically referenced Porter’s (1980) widely used model, the concept of focused differentiation and niche development was a prevalent theme at all five institutions. One development officer described it in these terms.

We must be careful to stay within our niche. Our students and donors and alumni and other interested friends want us to be a certain way . . . and the temptation in this business is to try to be like everyone else. Well, that doesn’t work for us. If we get away from the expectations of our core supporters we would fail quickly. We have seen many of our sister schools within (denominational name withheld) do just that and later regret it. It is not just on spiritual matters that we need to stay on our traditional course, it is within the academic side that probably is most critical. We are expected to be a place that emphasizes academic quality, mentoring and student development and teaching. Donors tell us they like the fact that we know our students personally, not just a name on a class roster. Parents want to call and ask us—FERPA or not—how their child is doing academically, socially, and most importantly spiritually. The fact that we can answer them with genuine sincerity is our greatest asset. Donors want to know that we stand behind the quality of our graduates both academically and in terms of personal character, and they don’t accept that as an “either-or” proposition . . . To be able to do these things makes all the difference in advancing our college.

The preceding quote from a college president illustrates the focused differentiation model. The emphasis is on expectations of core constituencies such as
students, friends, parents and ultimately donors within a defined focus group. The expectations of this narrow focal market include: being distinctly Christian both in practice and philosophical worldview, academically excellent, anchored in liberal arts and traditional residential, hands-on educational processes. By choosing to focus on these institutional characteristics these colleges are able to differentiate their organizations from the low-priced, high volume institutions such as community colleges and regional state colleges, and high-priced private secular colleges and major research institutions. By choosing this position they have separated themselves from their larger competitors in higher education by emphasizing academic quality, whole-person education and the “personal touch” educational experience achieved at smaller institutions. The differentiating factor which separates these institutions from elite, private, secular liberal arts institutions is the Christian focus, while academic rigor distinguishes these institutions from many other small Christian schools that lack the same quality of academics. If any one of these three factors is not delivered to this focal market, these schools would not succeed as noted by one respondent.

We must distinguish ourselves from the larger state schools by emphasizing our small “hands-on” approach to education. Many students pick us over our state school competition because of the small residential approach and because they believe they will be known on our campus by their name and not some student ID number. On the other side, if we can’t provide academic excellence then our cost of attendance would not justify picking us over a larger state school . . . . We also have to maintain our Christian focus in addition to academic excellence, or then we become just another expensive private school and our pool of competition gets significantly larger . . . . But Christian focus without academic excellence will also land us into a pool with Bible colleges and other lower quality Christian colleges who generally are cheaper to attend. So it is a case of triangulation in the higher ed market, and we really have make sure we don’t slip in any of these areas or we will fall out of a defendable position.
Of course the economic pressures in the market place in all segments of higher education are great, forcing many institutions to experiment and try new models of higher education, but leaders at these sample institutions believe that is a trap that will lead to an identity crisis, which could threaten long-term survival. The respondents in this study strongly believe that to survive they must look and operate much differently than the higher education market as a whole. DiMaggio and Powell (1983) identified the concept of mimetic isomorphism as occurring when organizations within the same industry become more homogenous through imitative structures and practices usually pursued under conditions of strategic uncertainty. The higher education industry has long been considered an industry with a high degree of isomorphism (Davies & Quirke, 2007; Frumpkin & Galaskiewicz, 2004). One president described the pressures to follow the trends of isomorphism in higher education and the need to avoid that trap in this way.

At a time when everyone in higher education is saying you have to change to survive, we realize that we have to stay the same to survive. We aren’t blind. We know what is happening in higher education with alternative delivery systems and market driven practices, but the more everyone else goes that direction the more distinctive our traditional method of education becomes, and at the end of the day there are still more people out there, particularly wealthy donors, who remember when college education looked more like what we do as opposed to the current models . . . . We often have donors and visitors on our campus who are surprised to see that we still have dorms and that our professors actually teach, and they are impressed by that . . . and of course we are unapologetic about that fact . . . . I believe, in a modern higher education world that is highly competitive, this is what allows us to separate ourselves from the masses and to price as we do and raise money successfully . . . . We can’t be a “Walmart” in this industry, and we aren’t Harvard either. So we have to be distinctively Christian, academically challenging, values-driven, hands-on educators creating a unique educational experience that can’t be duplicated and probably isn’t for everyone, but is uniquely tailored to the needs of our constituencies.
Having a clearly defined focused strategy that differentiates based on a Christian worldview, academic excellence, and a small residential liberal arts delivery system is the basis of the broad strategy of these successful institutions. It was also clear to the researcher that while the basic foundations for the focused differentiation strategy may have been in place for a long time historically and most likely was initially an emergent strategy, that the preservation and development of this broad strategy selection over the past several years have been very deliberate.

**Market Segmentation**

In order to pursue focused differentiation as a generic strategy choice it is important to understand how an organization decides to segment the market. An organization must make a determination of how best to dissect their particular market into meaningful segments, which can then be expressly targeted through to the unique characteristics of that segment (Aaker, 2001). The defining of a focal market segment and the concerns of that segment are the basis for a focused differentiation strategy (David, 2005). Specifically, for fundraising activities the market segmentation process helps to determine the appropriate fundraising vehicle to use within a particular segment.

At the micro level the institutions in this study segment their markets in the traditional higher education model of constituency and stakeholder groups such as alumni, parents, foundations, and other categories as described in chapter three. In addition, these institutions also follow the donor pyramid model, also described in chapter three, that focuses mostly on ability, supported by linkage and involvement, to identify the individuals who have the potential, through cultivation, to become major donors. Finally, fundraising professionals at these institutions also incorporate individual-
donor motivation knowledge, such as Prince and File’s (1994) “7-faces” model to allow further individual-market segmentation. All 3 of these approaches to donor-market segmentation are presented in the literature as conventional wisdom and sound fundraising practice for implementation at any type of college or university. The fact that fundraisers at these successful institutions are well versed on donor-segmentation processes and theories is really not a surprise. However, uniquely, at each of these institutions donor markets were first segmented at the macro-level based on a 3-fold concentric model involving denominational affiliation, religious orientation, and values (See Appendix Q).

This 3-fold model is initiated when those constituents are linked to the institution first by the denominational affiliation (i.e., the core constituency within the concentric model). The next level of segmentation for these schools is the larger Christian constituency, which in the case of these institutions is primarily the members of the Protestant evangelical as well as fundamentalist Christian communities who hold broad theological and moral views similar to the host denomination. The third and most distant group within the concentric constituency model is a population of donor prospects sharing or appreciating the basic core values of the institutions while not necessarily accepting the full Christian or religious components of these colleges and universities. This 3-fold model, although applied at the macro-level, takes precedence over all of the other segmentation strategies and processes previously described, and also helps to explain how those institutional leaders view their relationships with members of their supporting denomination. This model was best described by a chief development officer at one of the sample institutions using the following words.
Our development strategy begins first with our denominational affiliation. That is our core base constituency. I can’t tell you in exact percentages because it would be hard to quantify exactly how much of our funding comes from our denominational base, but it would be a majority. And they are always our top priority regardless of resources. However, like most denominational colleges, we have to reach out to a broader audience than our denominational ties can produce. For us, that secondary market is the larger evangelical community supplemented by some players from the mainline Protestant and Catholic population. This group shares a common Christian worldview and is interested in the same general educational purposes to which we aspire, and we need their support to achieve our goals. At the outer level, we also attempt to reach an even broader group, which typically includes some major donors, local citizens, corporations and foundations who are interested in character-based or values-based education or are impressed with the academic quality of the school overall or of a particular program and are generally accepting but less interested in the religious aspects of the college.

This 3-level model of market segmentation was remarkably consistent across the sample institutions regardless of the resource strength of the supporting denomination. The participants were clear that this model is how they view their base of support and how they work their fundraising strategy. One respondent described the situations as occurring “from the inside out.” As noted earlier this model takes precedence over traditional micro-level segmentation processes which are common at any higher education institution and are still the focus of most individual-donor analyses. For instance, an alumni donor might be categorized as a non-denominational source first and as an alumni donor second. This segmentation practice is not intended to devalue or lower the significance of the donor to the institution but rather to understand better the perception of the donor in terms of motivation and interest. Additionally, using this segmentation approach allows the development team to tailor a communication strategy that best meets the particular donor’s interest.
The identification of this model raised some other interesting strategic questions. For example, when asked if these institutions’ leaders had considered reversing the order of this 3-part model to target first a larger Christian or evangelical market, many of the respondents acknowledged that the temptation to do so was significant because the overall evangelical market is considerably larger than the denominational base. However, they also recognized that to expand the central target market was a potential step toward secularization and loss of identity. One of the presidents commented “that ‘you have to dance with the one who brought you;’ or you will lose all credibility, and you will lose your base.” But he also added, “it doesn’t hurt to have other friends with money.”

Another development officer described this issue in these terms:

We are often asked by donors, “Are you still a [denominational name withheld] school?” and we tell them we are, and even those non-[denominational name withheld] donors seem pleased that we haven’t ditched our roots. I think it becomes a character issue even for people outside our denomination heritage that we have stayed true all these years.

One of the presidents commented, “You can’t go out with a broad evangelical push and expect that your denominational base will stay in the center.” He later added, “You must connect to the broader evangelical base by reaching out from the base. It doesn’t work the other way around.” The theme of remaining denominationally anchored was repeatedly emphasized by the research participants regardless of whether the denomination’s membership was in decline or had low representation within the current student body.

Another strategic question related to this segmentation practice dealt with the issue of mission communication. As noted earlier this 3-fold model serves as
the basis for understanding and developing a communication strategy and choosing the appropriate fundraising vehicle. The respondents in this study acknowledged that the Christian mission of the college may not be the lead emphasis in communication with members of groups from organizations such as corporations and foundations, in the third layer or outer edge of this model. However, they also emphasized that they would never alter the communication strategy enough to “water-down” the mission of the college; they were acutely aware of this tension within themselves and the potential for this lack of focus on core principles to “turn off” members of their core constituency if they perceived that the Christian mission were being compromised. One respondent explained this tension as follows:

It is tempting to go out and talk to the corporate set or the National Science Foundation or other institutional donors and tell them all about your programmatic success and then skip over your Christian mission and values. But then you have to ask yourself, ‘What are we doing this for in the first place?’ Is it just to raise money? No, we raise money because of our Christian mission. And it is important to remember that. I think if you start to alter your communication about who you are to try to influence a particular group, then pretty soon you come across as insincere or like some sleazy politician who panders to different interest groups. And insincerity will kill you in fundraising. You can’t be phony and be successful . . . . But this doesn’t mean you don’t tailor your talking points to non-Christian institutional donors and their specific interests.

In support of the broad strategy of focused differentiation, institutional leaders have developed a unique way of segmenting their market niche based on denominational and religious connections to their colleges. This finding was consistent among each of the participants and helped to explain how leaders at these institutions viewed their market segment. Some of the leaders at the institutions even used this 3-level market segment to code donors specifically within the donor database as well as information systems. This
finding is important in understanding some of the motivation for maintaining the
denominational affiliation because this segmentation practice is viewed as both a core
identity issue and a secularization defense.

**Operations Strategy: Focus and Investment in Core Technology**

A concept frequently discussed in strategic management literature is the idea of
sticking to a core competency and focusing on core technology (David, 2005; Aaker,
2001). A central theme of this research study was that these institutions focused
operationally on their core competencies, which they determined to be teaching,
mentoring, and developing undergraduate students through use of a traditional residential
liberal arts model. Additionally, a major finding of this study is that a well-defined
operations strategy is viewed by the respondents to be a key factor in fundraising success.
To pursue this strategy effectively, an organization’s leadership team members must have
a clear understanding and definition of their product as well as their customer market. An
institution of higher education has many different potential products and customers. The
educational leaders in this study were clear that the finished product or output of their
organization was their graduates; and, in turn, they used this principle to frame the overall
strategic management process as well as subsequent fundraising strategy for each of their
institutions. A consistent emergent theme in this research study was the idea that the
success of these institutions at developing their graduates was the central factor in raising
money because the success of graduates ultimately became the case for support. As one
trustee described the situation:

> I think fundraising is like selling. You’ve got to have a good product. You
can have the best salesman in the world and give him [her] a piece of junk
and he’s [she’s] not going to do very well. You may sell two or three but
eventually it is going to catch up with you. The real key that makes
fundraising easier, and it's never easy, is if you have a great product and
the product of a place like [University B] is the mission and the students.
We have some of our sister schools come in and talk to our board and
question us like you are now about how we raise funds so well, and they
all seem to be looking for some marketing scheme or quick strategy, and
that is just not going to work. We give them some basic advice, but what
we can’t give them is our high quality product; and without that,
fundraising is going to be difficult.

To support the institutional commitment of developing students, institutional
officials invest their resources primarily in their faculty as the critical tool of the core
technology. In fact, the method by which operational resources are internally allocated
and the values as well as priorities conveyed to, and by, the faculty were considered to be
major factors in fundraising success at these schools. As one president said:

Everything we do here all revolves around the quality and commitment of
our faculty, and we make our expectations clear about faculty job
performance. Every dollar we spend at this place has to pass my student
development test, “Does this support the development of our students?” I
don’t want a lot of payroll dollars tied up in people who don’t interact with
and develop students. We cannot afford to have many dollars tied up in
non-instructional or non-student activities. When you look through that
lens, a lot of what is done in higher education is not for the students . . . .
Faculty especially can often begin to think the school exists for them to
pursue their personal interests in research or otherwise. We are very
careful how we recruit faculty. We want scholars who love students and
love to teach and mentor young people first. Of course, we want
academically high qualified people, but we recruit faculty whose top
priority is teaching and that is getting increasingly harder to do . . . . It is
not that we don’t do research because we do; but that is not who we are,
and it is not our priority. I’ve watched many schools similar to ours get
captured in the prestige chasing game, and I don’t think they realize how
poor an investment that is and how much it undermines mission and
eventually fundraising efforts. Frankly, in our niche the payback on that
type of activity is poor. I don’t want a bunch of faculty prima donnas who
are more interested in impressing their peer group at some obscure
academic conference or the peer review board of an academic journal that
nobody ever reads, while their students get a small commitment . . . . We
are a teaching college first, and that is why fundraising is easy for us
because everybody knows and understands that, and our donors expect
that. Our donors know that we are about shaping and changing young lives
through teaching and mentoring in a Christian environment because we
make that our fundraising case, and it is obvious looking at us operationally that this is what we do.

As the preceding quote revealed, faculty members are viewed by the administrators and trustees in these sample institutions as the conveyors of organizational mission, history, culture, and values. A very strong belief exists among the participants in this study that the relationships and experiences students have as they interact with faculty members during their time in college are integrally linked to future fundraising success. This belief is so well engrained in the thinking of the presidents and development officers that they actually have identified key faculty whom they believe are critical to their ability to raise funds and often leverage these professors in campaign communication, particularly with alumni. As one development officer said, "We leverage the life of service and student relationships of our talented faculty into fundraising dollars. If we didn't have that we couldn't raise money." Another president reinforced the idea of sticking to the core competency and having the right faculty personnel as being essential to successful fundraising.

We focus on providing a nurturing environment for our students that forces them to understand that they are part of a Christian academic community which affords them both opportunities and responsibilities for growth. Our faculty and student support staff must model that in their lives of service to our students . . . . I tell our faculty all the time we can achieve all kinds of honors in the academic community; but if we don’t win over our students and help them march toward becoming productive alumni, then we will be out of business because donors aren’t interested in accreditation, or faculty publishing records, or rankings in *US News and World Reports*. We talk about that stuff, because we can; but it is not the driver in raising funds. The real closer in the deal is your alumni. How do they look to the outside world and how do they feel about their experience at [College D]. Was it life changing or did they just do their time? That is what makes or breaks the fundraising cycle at an institution like ours, and you must constantly remember that as you interact with sometimes immature 18, 19, and 20 year-olds . . . . But when you have the right people on your faculty, your coaching staffs and the other support staffs,
then it is not a problem keeping your focus. The development of students, that is the real personal reward anyway; it just happens to also be the critical factor for fundraising, and that responsibility falls on the faculty.

In support of the theme of focusing on the core technology and competencies, two other recurring operational management themes exist that are not typically discussed in fundraising literature but are considered to be vitally important to the leaders at these institutions. These two themes are the importance of student retention and placement of graduates. The following comments from a development officer placed the issues in perfect perspective.

I would say one of the biggest things a school should do to improve fundraising is to improve student retention. Retention problems translate into fundraising problems. You go visit a donor who may also be an alumnus and he or she says, “You know my daughter went to college there last year and she didn’t like it or had a bad experience, etc.; and I am very disappointed in you guys . . . .” Retention problems smack of failure whether it is the failure on the student side, which is usually the majority of it; or if it is a failure on the part of the school, which is usually a component also. And failure is bad for fundraising . . . . Retention problems often have the potential to be blown out of proportion. Of course, from the other side, a preventive fix for a retention issue may produce a lifelong donor either through the students themselves or from a parent or another concerned party, etc. I think this is true for any school, public or private; but I think it is especially critical for a Christian school because the expectation is that a Christian school has a sacred duty to the students, and I think often our people fail to realize that expectation from our constituency. This also means that you have to be careful about who you admit in terms of their potential to succeed . . . . It is funny that our president often tells the other departments, including academics, that the advancement office is more concerned about retention than they are because we have to live with the long-term consequences of retention problems. We often end up with the bent ear of stories about retention problems.

Retention rates at all of the sample institutions are well above the national averages of similar colleges and universities; the leaders participating in this research study at these institutions viewed this topic as a critical success factor for fundraising.
(i.e., a sign of organizational success which can be leveraged into a strong case for financial support). The retention-to-fundraising link was mentioned by nearly every respondent in this study and was clearly viewed by these institutional stakeholders as a critical success factor. One president added this comment about the issue:

I think a really interesting study would be to estimate how many fundraising dollars are lost as a result of poor retention . . . . I don’t know how you would calculate or quantify it; but I know in my 30 years in this business, it has cost us a lot of money. Of course, on the positive side, I believe our strong retention record has provided us with millions in raised funds.

On a similar note, the placement of graduates is also considered to be important to institutional fundraising efforts. Since the primary product of these colleges and universities is their alumni, it is important to these institutional leaders that their alumni are successful in their post-undergraduate pursuits. One respondent described the relationship between placement and fundraising in these terms:

I think studies of alumni giving have shown that alumni form their perceptions about their college experience during their first couple of years out of school. Well, what happens during those first couple of years? Well, you get thrown out in the “real world” and that means you either get a job, or you go to graduate or professional school, or whatever. If that is not a positive experience for you, regardless of the reason, then the blame often falls back on the college . . . . Either we didn’t prepare you, or we didn’t help you find a job or whatever; but the blame clearly comes back on the school, and that affects alumni and parent giving . . . . The whole thing can also work for the positive, or in reverse as well. You got a good job or into a good medical school and were successful; then there is a sense of obligation to give back. It is very important in the minds of alumni donors, and alumni giving rates are really important to non-alumni donors, which later helps to complete the circle.

Sticking to core competencies also means that institutional leaders have had to make different strategic choices in the past in terms of investing in popular new programs and adaptive initiatives. Two particularly attractive adaptive initiatives which the leaders
of these participating institutions have avoided were online degrees and adult-degree completion programs. One president described these strategic decisions in the following quote.

We looked at adult education several years ago when it was really booming, and we decided to take a pass on that option because we did not like what it would do to our mission and how it would change the demographics of our alumni. I think a lot of schools have gone down that road to find a short-run cash cow, but I don’t believe they have considered the long-term consequences of those choices. They are two very different markets serving two very different constituencies. Traditional college students have very little in common with adult students in those operations. Most of the adult students are looking for a convenient delivery system and quick credentialization and are willing to accept the Christian atmosphere and worldview to access the delivery system. It has the potential to distort the mission, image, and culture of your college; and that is why we have avoided it. We do not want to become an academic meat market . . . . If you think about what this strategy does to your alumni, it basically has the potential to change your entire constituency base through changing the profile of your graduates to a group that has less commitment to your mission and less personal linkage to your school. Adult students may get a good education in one of these programs, although I am not completely convinced of that. But even if they get a quality education, it is not the same experience as a traditional residential student would get if for no other reason than the age and maturity difference . . . . And online education is just so counter to what we do here; once you go down the road a ways, you have made a counterintuitive statement about the value of your traditional core approach to education. A statement that this is equivalent in turn waters down your traditional model; so in an effort to make a few extra bucks, you have damaged your core educational philosophy and business.

In general, the leaders at these institutions understood that, for them, successful fundraising is as much a function of good operational management and focus on the core competencies as on any particular fundraising practice. The heavy emphasis on this finding was not anticipated by the researcher. In addition to the coupling of strong operations management and strong fundraising, clearly fundraising was viewed as an integral component of the overall strategic planning process. Moreover, all budget and
resource decisions, including both faculty and staff personnel decisions, were considered and evaluated in terms of their effect on future resource growth. As one president stated, “The biggest key to successful fundraising is to first run a good college.”

**Communication Strategies**

Communicating with core constituencies is a key part of strategic management and is an important component of fundraising. The leaders of the participating institutions have a very intentional communication strategy that reinforces their broad strategy of focused differentiation and works off of the 3-fold market segmentation (Appendix Q) previously described. The communication strategy is broader than a mere marketing or public relations strategy but certainly relies upon and is rooted within these common disciplines. Several distinct communication themes emerged from the interviews with participants at sample institutions to form the idea of a branding communication strategy.

Before discussing the specific components of a branding strategy, one other communication theme that is significant to the delivery of the brand image to target markets must be addressed (i.e., the institutional focus on utilizing an integrated marketing approach). Integrated marketing refers to a holistic planning approach to branding which ensures that all brand contacts received by customers or prospective customers are consistent across all groups and over time (Percy, 2008). An important finding in this study was that these institutions are highly committed to the concept and practice of integrated marketing. One president emphasized the importance of integrated marketing in this way.

We must communicate effectively to multiple constituencies in a consistent way. I think one of the advantages we have that makes our fundraising so strong is that although we have several target markets to reach, we only have one integrated marketing strategy. I know that when I
am out on the road cultivating donors that I also have to be recruiting the
next generation of students; and I do. So that 15-year-old kid that I meet at
a church function or at an alumni function is just as vital to our success as
the major donor, and I give them both the same message. We want to
make sure that our message is intentionally refined and honed in such a
way that it travels well geographically and demographically . . . . We
make sure that our development officers are looking for opportunities
beyond just fundraising. We want them to look for opportunities to recruit
prospective students and to place graduates in employment opportunities.
. . . We expect that from them in their duties, and we have mechanisms
intentionally in place to recognize and ensure that these integrated
marketing practices are in place among our development staff . . . . I
recently went out with one of our young development officers, and we
didn't get the results we wanted on a donor call. It just wasn't the right
time and circumstance. But while we were visiting with this potential
donor, we provided him with program information about our nursing
school and women's soccer team for his tenth grade daughter, and we got
connected for some internships at his company for some of our business
students, and to me that was almost as good as what we went there for in
the first place because it gives us more opportunities to fulfill our mission
and more ways to build a stronger relationship with this man and his wife.
[Young development officer's name withheld] was disappointed with the
trip, but I told him that God may have a better development plan with this
donor than we do . . . . We want everything we communicate to advance
the mission of the college.

As noted earlier in this chapter, the sample institutions in this study actively
develop and leverage a unique brand image to support their case for fundraising, and this
brand image cannot exist or be sustained without significant management of a
communication strategy. This brand image is based on the idea of being distinctively
Christian, denominationally anchored but religiously open, and academically excellent.

To create a brand image, an institution’s constituents must first define a frame of
reference (Tybout & Sternthal, 2005). The frame of reference is often referred to in
branding terms as the "points of parity" which include features of the product or
organization which are shared by other members of the category. For the sample
institutions in this study, the point of parity is that they leverage their academic quality to
communicate that they are as academically credible as any state university or their secular private university competition. As one respondent said,

We make the argument that we are just as strong or stronger academically as [major state research institution name withheld] and that if you go to school here or give us money, it is a better investment. I love telling donors that our medical school acceptance rate is the highest in the state and one of the highest in the country . . . . The US News and World Reports and other academic listings help us make our claim that we hold our own with any top-level institution. We have to be able to back that up with educational outcomes such as excellent medical school and law school admission rates and career placement.

Clearly, these institutions have no problem leveraging their academic status as a point of parity with other colleges and universities that charge higher tuition prices; but a strong branding strategy must also produce "points of difference" which are used to separate the product or service organization from its frame of reference competitors (Tybout & Sternthal, 2005). These institutions, as noted earlier, differentiate against other high quality academic institutions by leveraging the denominational heritage and the religious climate of the organization against the secular nature of their competition. Again, this framing would be impossible without the high quality academic experience and outcomes which keep them in the same frame with the other high quality academic institutions. Of course, the religious culture and student experience are the differentiators that sell prospective students and donors on the uniqueness of their educational experience. In addition, as previously discussed, the high academic quality serves as a differentiator from the lower quality academic Christian colleges within their denominational niche or within their geographic region. It is not a coincidence that the schools in this study are generally considered to be the strongest academically within their denominational niche but are also still very anchored religiously within that
denominational heritage. One president said, "We love and respect our sister schools, but we have a major academic quality advantage over all of them; and we plan to keep it that way." Another respondent added, "Our unique brand position is created by the combination of our denominational niche, our campus spiritual culture, and our academic excellence." She later added, "We have to carefully manage all three of these variables to preserve our brand position."

Values, involvement, and ownership are part of the unique selling proposition of this branding strategy. "I sell values system investment," one development officer stated. Clearly, that part of the branding process is the selling of values which these leaders believe encourages donors to invest in their institutions. "We state our values and encourage people to take ownership in these values through our school," another respondent added. "People are looking for ways to put their values into action, and we make the case that our institution and mission are active in that process," added another major gift officer. One president noted, "We emphasize involvement and ownership in this institution in our communication with donors. We want their involvement in the cause, and then we will get their money." Participants emphasized that conveying a firm sense of values-driven brand image is vital to the image of their institutions.

The value systems "sold" to donors follow the 3-tiered market segmentation process described earlier. At the core level of this values model is a set of beliefs which Burtchaell (1991a; 1991b) called "denominational identifiers." These values are very important selling points to core denominational constituency because they are both the espoused values of the host denomination and also serve as evidence of “orthodoxy preventing secularization.” At the broader evangelical level the values presented are
based on widely held Christian worldview beliefs which transcend denominational lines. These values are important because they give the institution a broader base from which to build relationships without undermining the Christian mission. This strategy, which Benne (2001) referred to as "anchored but open," allows denominational heritage to be preserved while reaching out to the broader evangelical community. As one president said, "You have to be able to reach out from your denominational base without going out. It is not easy." Finally, leaders at these schools sell a set of broader values to the outer level of their market which could best be described as "integrity-based education." As one development officer said, "After Enron, the idea of a school that teaches integrity and moral law is very popular among a broad audience." These schools understand that a big part of the fundraising and branding communication strategy is inviting people to invest in their own personal values whether that is denominationally specific, broad Christian worldview, or basic integrity-based education. As one president added, "We don't change who we are for anyone; but we will tell people how we intersect their values, if possible."

Another major communication and branding issue is managing denominational relations and positioning. The leaders of institutions in this study have strategically chosen to be denominationally anchored within their religious heritage while also remaining spiritually open, with some degree of what Liechty (2000) called "ecumenical hospitality;" they attempt to communicate that theme both internally and externally. Being denominationally anchored while spiritually open does present many communication challenges. Often denominational groups experience internal political conflict, and denominationally-affiliated colleges are sometimes caught in the middle of these contentious issues. One of the communication themes of the branding strategy is
that institutional leaders attempt to position away from denominational controversy by staking out a middle-ground position or just trying to stay out of the conflict altogether. They pursue this strategy not because they do not have opinions on issues but because they understand these types of issues are divisive and distract from their core mission, which can cause fundraising fallout. One chief development officer put it this way:

> We want to represent all of the [denominational name withheld] and not be seen as being over here and over there on every little issue. We know who we are and what we stand for, and we don't apologize for that . . . . but for whoever is out on the extremes individually, corporately, collectively, we are probably not going to try to press ourselves upon the representatives of these groupings of folks on either far side. And, again, from my naive perspective, I guess I see most of the hot-button divisive issues within our denominational structure as being vested in or resting in or on the extreme sides. So, again, I don't see us as weak voiced or indecisive about who we are; but I don't see us going over to a far position on either side of a controversial issue or trying to influence or win over the thinking of people on the far side of any issue through the use of this school. It doesn't make sense to do this, and all it can do is to distract you from your primary mission.

Of course, avoiding controversy is never an easy task for effective leaders, and all of the participating study institutions have sister colleges and universities within their own denominational heritage that form a continuum along the ideological spectrum of the rank-and-file within their specific denominations. Strategically, the mission and values of many institutions are to the left or to the right of the denominational center as a means of differentiating the institution from the competition within their particular denominational niche. The institutional executives in this study have all staked out a middle position within this spectrum; they know they have sister colleges and universities on their left and on the right, and they are satisfied with their location on the continuum as one president described below:
We do understand that there is a perceived or maybe a real continuum of schools within our denomination, and I understand that some of our sister schools are trying to position themselves as more orthodox or more progressive within the denomination. I just don't want to get caught up in trying to out [denominational name withheld] the competition. We will compete on academics and culture and facilities but not on who is the most [denominational name withheld] as that is defined at the moment. That would be counterproductive for our school in the long run. However, as you framed this question, we understand that part of this business is positioning; and we realize those perceptions do have to be watched and managed. I guess if there is going to be a continuum, we would prefer to be in the middle.

Maintaining a neutral stance on denominational conflict is often hard to accomplish and does not mean that academic freedom is trampled at these institutions. In fact, the opposite is true. These institutional leaders avoid staking out controversial positions because they feel that by doing so they would damage academic culture directly and fundraising indirectly. One president described this issue in the following way:

A high quality academic institution cannot go around telling people how to think on every issue, or it is not a high quality academic institution. Of course, I have opinions, and you have opinions, that is part of what it means to be educated. Educational institutions, including Christian educational institutions, have to preserve room for dialog on all topics; or they stop becoming educational institutions. All I ask of our people is that they not attempt to speak for the school. We have only had a couple of problems with that in all my years as president. We have values that aren't compromised; and we are relatively homogenous on those core values. But one of the core values of a Christian is supposed to be mutual respect. I don't have to agree with but I do have to respect you, and it is amazing how when we act on mutual respect we can discuss things we disagree about and learn a lot about the other perspective . . . . We invited [Name withheld] from [Ivy League School name withheld] to a 3 day academic symposium a couple of years ago where everything from economics, politics, poverty, social justice, and race relations, were discussed. When it was over, he pulled me aside and said “I owe you an apology;” and I had no idea what he was talking about. He said, "In 40-plus years in academics, I have never had a more free-flowing or intellectually stimulating experience in my life; and that is not what I expected. I expected to be ambushed and to experience closed minds; and I found that my mind may have been the most closed mind in the room. He went on to say, “What we did in the last three days could not occur at any Ivy League
or big state school in the country because real academic freedom is
destroyed by internal politics, deans, and department chairs; and the spirit
of genuine dialog and listening doesn't exist in academics any more.” Of
course, if we were an institution that focused on indoctrination, he would
not have gotten the same response. And the truth be told, we had a lot of
people who thought we should have controlled the discussions and the
speakers at this conference better . . . ; but I think we struck the balance
we wanted for our academic community, not just for a conference but
every day in our classrooms.

While the academic cultures of these institutions are very open in terms of
academic freedom, some parameters are clearly communicated and firmly in place. Such
issues include a commitment to a Christian lifestyle and core belief systems such as the
sovereignty of God, the deity of Christ, etc. However, the religious litmus tests are very
broad at these institutions which actually makes them slightly less denominationally
orthodox by Benne's (2001) model. As one respondent put it, "we have very broad
parameters on doctrinal issues compared to some of our sister schools; but where we do
have lines, they are hard and fast and well communicated to produce a consistency to all
of our outside constituents." She later commented that those lines at College A are
typically centered more on acting "Christ-like" than they are about any particular
religious doctrinal interpretation. She added, "I worked at [sister institution’s name
withheld] where particular doctrinal views were strictly enforced; but in your personal
behavior you could act like the devil, and nobody questioned it. I like this model much
better." As another respondent said, "We want to communicate to outside constituents
that we are Christ-like in service and behavioral lifestyle and not just denominationally
orthodox."

Neutrality as a strategic position applies to national and global politics at these
institutions as well. A general perception exists that evangelical and fundamentalist
Christians are politically conservative across-the-board and linked to Republican-party politics and that, therefore, these colleges and universities should cater to the same revenue streams. Again, the leaders of these institutions view political ideology as being unrelated to their institutional mission and as a dangerous landscape through which they would prefer not to navigate. One president illustrated the difficulties of avoiding political ideology at a Christian college in the following quote.

I have to be honest: we try to steer clear of politics as much as possible. That will never be a big factor while I am president. It just causes too much trouble and divisiveness, and I can't see it as a positive for fundraising. . . . I know there are many Christian schools that play in that world, but I just don't think it is worth it. There is not much of anything that happens in our two-party political system that looks very Christian to me, and getting involved in that world makes you look bad also. Many Christians consider the Democratic party to be morally degenerative on social issues while many other Christians consider the Republican party to be warmongers and unconcerned with poverty or social justice. Of course, being relevant does mean that you need to be able to discuss major issues from a Christian worldview and within an academic framework; and we do that vigorously.

I think you have to be careful of bringing political figures on campus. We were expecting Al Gore to come to our campus for an event honoring a family member; and we got a lot of negative attention to the point where his people suggested he not attend to distract from the event. I was appreciative of that gesture, and I wish he hadn't needed to do that; but I do believe his presence would have caused me some problems. A couple of years later we had scheduled Rudi Guilliani to speak. We had booked him several months before 9-11; and so at the time he was scheduled to come he was the hottest ticket in the country. But I was watching him in an interview on television about his martial relations, affairs and so on, and I knew he would not be a good speaker for us. The development staff tried to talk me out of it because he was such a hot speaker; but I cancelled him the next day. And before we even got the announcement out about the cancellation, we were getting mobbed with complaints about his moral behavior and how it reflected on our institutional values. Since that time I have tried to keep politicians away from this campus.

Finally, the branding strategy involves communications about academic excellence. In the field of higher education much has been written about the strategic
importance of reputation and prestige in creating competitive advantage (Brewer, Gates & Goldman, 2002; Hopkins, 1990; Kerr, 1997; Zemsky, Shaman, Iannizzi, 1997).

Utilizing principles of industry analysis originating in the positioning school, Brewer, Gates, and Goldman (2002) described the contextual nature of strategic management within higher education leading to an emphasis on investment in reputation and prestige in their book titled *In pursuit of prestige: Strategy and competition in U.S. higher education.*

Higher education is an industry in which consumers are often underinformed in the sense that they cannot objectively evaluate the quality of service before they actually purchase it. Consumers’ inability to evaluate quality before making a purchase is a common feature of service industries. However, the problem is particularly severe in higher education because many of the relevant outcomes are not observed until years later (p. 19).

Brewer, Gates and Goldman (2002) stated that institutional officials must choose to invest discretionary resources in either prestige, reputation or both. Reputation is typically defined by the ability of an institution to respond to the customer demands in tangible results-oriented ways and can be either positive or negative in the minds of potential stakeholders (Brewer, Gates, & Goldman, 2002) Prestige is usually demonstrated by outcomes such as student quality, faculty research success, and even athletics or the physical appearance of the campus and other trappings of prestige images (Brewer, Gates, & Goldman, 2002). The institutions represented in this study focused on building reputation with the belief that prestige does follow over time. One president described his feeling in the following words:

Certainly, our emphasis on producing extraordinary academic results is the basis for our growing reputation in the higher education world . . . . eventually that produces a prestige factor that becomes part of the brand image of [College A]. We do expect that there will be a residual effect of
building on a strong academic reputation which we can leverage to raise all of our necessary resources from fundraising to student and faculty recruitment . . . . There is a danger, however, at a school like ours to get caught up in a prestige chasing game to look like Duke or Vanderbilt and forget what got us here in the first place. I think continually focusing on our academic reputation and student outcomes is where we separate ourselves in brand image.

Brewer, Gates, and Goldman (2002) suggested that institutions usually must choose between investing in reputation or in prestige. While reputation is easier to evaluate and achieve, prestige has a longer "shelf-life" in the modern world of higher education. One president described the tension between investing in reputation and investing in prestige in the following manner:

The historical roots of our institution are that we have always emphasized student performance and spiritual development and that we have rarely had excess funds to do anything frivolous. As a result we have always been very frugal in our spending patterns, and anything that looks like flash or prestige-type spending was frowned upon as bad stewardship and somewhat un-Christian. Unfortunately, in higher education some prestige spending may be a necessary investment to grow the visibility of the institution; and as we have become more affluent, we have had to begin to address that issue. This is a tension I have to confront constantly between some stakeholders who want no prestige investment and others who want a significant investment in image spending.

The integrated marketing of a brand image is a central focus of the communications strategy at these institutions. It is something they discuss and upon which they reflect continually during the strategic planning and managerial decision-making processes. Core to the brand image is the maintenance of academic quality, spiritual culture, and denominational orthodoxy while remaining open, hospitable, and supportive to non-denominational stakeholders. Any steps taken intentionally or accidently to erode these features of the brand image are immediately addressed by all members of these institutional communities. The brand image is viewed as the strategic
basis for fundraising success and is closely monitored. Ultimately, however, all constituents at these institutions understand that their brand image is best displayed through their graduates. As one president said, "Our brand image is conveyed through the lives of service and Christian leadership of our alumni." He added, "If our alumni don't carry and represent our mission, then the greatest fundraising strategy in the world will not help us. Our graduates have to look like the brand image of a [College A] graduate." For these sample institutions, brand image is a constant pursuit and the foundation of the fundraising case for support.

**Fundraising Strategy: A Learning Organization**

The specific fundraising themes in this study were a surprise to the researcher in the sense that no unique, specific fundraising practices could account for the success of the sample institutions. As noted earlier, all of the institutions were aware of and utilizing many of the best practices for fundraising found in the literature described in Chapter 3 including but not limited to these: planned giving, proposal writing for external funding, consortia fundraising, leveraged gifts, parent programs, environmental scanning, and donor research programs. Yet, none of these practices seemed to account for the ongoing success of the fundraising process. However, an identifiable unique theme at these sample institutions was that the fundraising and development departments as well as related functions and players displayed many strong characteristics of the learning organization model in executing the fundraising strategy.

Learning organization concepts have formed an important framework in strategic management thinking for many years, although the concept of a learning organization is still viewed as something of a theoretical model not actually achieved but rather to be
strived for continually in daily practice. Peter Senge (1990) described learning organizations as:

Organizations where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole together. (p. 3)

Whether these institutions as a whole can be considered as examples of learning organizations is unclear. However, it is very apparent that the fundraising and development teams at these sample institutions practice learning organization principles at a very high level. Although only a few of the participants were familiar with actual learning organization concepts and terminology, the study participants believed that these learning organization practices were success differentiators in the day-to-day work of the fundraising and development process.

One of the characteristics of a learning organization is a focus on personal mastery, and the advancement officers of the sample institutions practiced this discipline continuously. Personal mastery is often defined as a process of continuous personal growth both at the individual and the group level (Kezar, 2005; Loermans, 2002). The participants frequently mentioned this phenomenon in describing their work environments. One development officer said:

I have worked in this role for 10 years now and had a 20-year career in business prior to this . . . . but nothing in my past professional experiences compares to the emphasis here on professional and personal growth. [Advancement VP Name withheld] really emphasizes continuous professional growth among everyone in the advancement department, and I enjoy that all of my colleagues are also part of that growth . . . . over the years I have become a leading expert in gift recording which I know you understand very well, but most fundraisers are ignorant of the new standards, and I take pride in knowing that I am the person people all over the country call for advice and clarifications. That has only occurred because of our emphasis on personal and professional growth.
The participants emphasized the need to be highly motivated and growth oriented to succeed in the fundraising world. "[Chief development officer name withheld] is the best and most experienced fundraiser I have ever seen," one respondent said. "But he will share with all of us every year his personal growth goals and that motivates me tremendously" she added. According to another respondent, "there is a sense in our group that we are all on a spiritual journey of growth and that fundraising just happens to be our calling." At all of these institutions personal mastery continually pursued by highly motivated and committed people is necessary to perform effectively in the fundraising function. As one respondent put it:

I can't imagine doing this job if you aren't 110% committed to this role . . . and that includes the president. In fact, he tells us that every week. He tells us that if we aren't mentally up for the task that he can find us something else in the college to do . . . . I think you can have an off semester or year as a professor or an administrator in some areas and still be considered a high performer; but in this job you really can't have an off week or the consequences are immediate. We have to be committed to personal excellence and growth in this role or we will fail to adequately represent the school, and none of us wants to do that . . . . We don't always agree about how to do things in a fundraising and development situation, but we always know that everyone we are working with in this group is fully committed to being the best fundraiser in the school. I like that feeling. It does sometimes create competitive situations and some occasional conflict, but that it is better than wondering if your co-workers care about what they are doing. That is never a question in our department.

Another distinct characteristic of a learning organization is the concept of managing mental models. Senge (1990) described mental models as "deeply ingrained assumptions, generalizations, or even pictures and images that influence how we understand the world and how we take action" (p. 8). The fundraising personnel at these sample institutions are very reflective people by nature which assists in understanding mental models. One president commented, "My development staff are the most reflective
group of people I ever work with." As one respondent said, "we are in a job where we have to think a lot about what we are doing while we are doing it." Another development staff member added, "we spend a lot of time thinking out loud and asking the questions that may not get asked in any other place on this campus." She added, "we ask, because we have to." Apparently, in the minds of the research study respondents, fundraising is a very reflective job.

Understanding mental models also implies that the members of the organization practice what Senge (1990) referred to as "fostering openness" and transcending internal game playing and politics (p. 286). "The development staff doesn't have time to play internal politics like the rest of the college often does." commented one president. "We are very open in our communications--because if we aren't, we screw up," added a development officer. Senge (1990) argued that learning organizations use mental models to distribute organizational responsibility while increasing coordination and control (p. 290). The fundraising departments illustrated this concept very well at these sample colleges and universities.

Shared vision is another learning organization characteristic of the advancement offices at the sample institutions. Shared vision usually means that a group holds a collective picture of the future in an uplifting and creative way that encourages organizational commitment (Senge, 1990). As already noted these institutions have a very high level of mission dominance. A sub-component of that the mission dominance is the idea of shared vision. The respondents emphasized the need to own a shared vision as being essential to executing the job of an effective fundraiser. As one major gift officer said:
Being able to share the university's mission and vision is absolutely paramount in being able to go to someone and ask for money. Selling the mission and vision to them, being enthusiastic about it ourselves, and being able to document and share authoritatively that not only I as an individual, but our administration, our faculty and staff, are supportive of the mission and vision. This is essential. This is what we do better than anything else at College E.

Senge (1990) asserted that shared vision produces increased clarity, enthusiasm, and commitment. "Every year I do this job my vision of what we are about grows clearer, and my job gets easier," said one respondent. She added, "This job requires complete commitment to the vision; donors can see through you without that commitment." Shared vision by definition implies consistency among organizational stakeholders. One chief development officer emphasized the need for shared vision instead of just a dominant mission.

I think most Christian colleges have fairly consistent missions in the sense that they know why they exist or their purpose if you will . . . . at least historically. What I believe separates us from our sister schools is that we also know where we are going; and we have all bought into that vision, and it is consistent with our mission both currently and historically . . . . We don't just have a strong mission; we actually have a well communicated vision for how we will continue to achieve it . . . . and that is different from many other Christian schools.

The sample institutions in this study also practice a high level of team learning in their fundraising process. Senge (1990) asserted that team learning builds on the concepts of personal mastery and shared vision as people begin to realize that they need to act together. The development staff members at these institutions understand that success in their work environment is completely dependent on maintaining open lines of dialogue; therefore, they have structured their team processes to facilitate this priority. As one development officer said,
This is the ultimate information-gathering business. I don't know any other job where your success and failure are determined by staying up-to-date on personal information. To know what donors are thinking, you have to stay in constant contact with the donors, their spouses, children, friends, employees, fellow church members. This is a business where you are constantly gathering pieces of information about donors, and you must get that information from multiple sources; and you have to be able to covertly cross-validate those sources, and to do that best you need a team approach. . . . It is like everyone here is helping everyone else put together a puzzle. It is a very collaborative process. If you tried to do it alone, you would never be as successful because you wouldn't be as informed.

Many development officers confirmed that the continual dialogue experienced in a team-learning system is critical to executing the "ask" and may prevent making some serious mistakes. According to one respondent, "I don't know how many times I have told the group that I am going to see so-in-so. And somebody says, 'No, this isn't the right time for this reason.'" Other respondents echoed similar examples including this comment from a major donor officer.

I was on the road in [state name withheld] and I was preparing to ask a potential major donor for a significant request to support one of our athletic programs; and someone on the staff emailed and said, “wait, I just heard that his company was sued this week.” So when I saw him at our donor function, I told him I was sorry to hear about his situation; and I recommended one of our alumni who was a successful corporate attorney in that area whom he did not know. They met and he hired [name withheld], and the situation turned out well for him and eight months later he gave us a big check. Today they both serve on one of our development boards and do a lot of fundraising work for the school. It just shows that timing and relationships are everything in this business.

Members of the development departments at the institutions participating in the research effort are very team learning oriented. One officer said, "[Development VP name withheld] always emphasizes debriefs to the entire staff, and people are always encouraged to speak up." Another respondent added that although development professionals are generally competitive people, she also had found that most of them need
the support of the team to stay encouraged. "This is a tough job and it helps to feel like you are not in it all by yourself." She also added, "I wasn't as much of a people person before I came into this job, but after a few years you are all team all the time." When asked if that attitude was good thing, she just smiled and said, "I can't imagine my life without these people." Team learning is certainly a defining characteristic of these fundraising departments.

Finally, the development officers at the institutions studied engage in a high degree of systems thinking as they execute fundraising strategy. Systems thinking is defined as the characteristic of understanding and seeing the integrated whole as well as the interrelationships between variables within a situation. In fact, systems thinking is generally considered to be the conceptual cornerstone on which the other learning organization practices are built (Kontoghiorghes et al., 2005; Loermans, 2002). The previous discussion of the important role of sound operational strategy and integrated marketing strategy are both good examples of how successful fundraising is viewed as an integrated outcome of leading an effective organization. The fundraisers at these institutions understand the complex whole of the academic, administrative, and operational functions of their organizations. They are knowledgeable about institutional policy and its impact on fundraising success. Seeing the whole in a dynamic process is an important aspect of systems thinking, and the leaders of these institutions do this very well. One development officer said this:

I worked in fundraising at another college and two non-profits before I came to [College A]. I never really understood the big picture in those previous roles . . . . Here the big picture is constantly the focus, and there is a continuous emphasis on making sure we understand the big picture before we start to execute our fundraising objectives . . . . I have seen and worked in other environments where fundraising was close to selling used
cars or being a professional beggar. At [College A] we let the school itself do the fundraising’, and we understand everything that we have to do from a systemic level which makes the execution of fundraising much easier and more enjoyable.

While seeing the integrated whole is one aspect of systems thinking, another element is learning to think on a long-term basis. Having as well as maintaining a healthy long-term perspective is very difficult in any job; but in fundraising where results are measured and reported in both internal university publications and external sources such as publications of the Council for Aid to Education, the emphasis on the “here-and-now” can be quite intense. One Development VP described the counterintuitive pressures of maintaining a long-term perspective in fundraising in the following manner:

It is difficult to do this job right. But I think the thing that you must understand institutionally is that if you don't put the long-term objectives first you will ultimately limit your future. The simple truth of this business is that the best fundraisers will raise far more money after they are retired or dead than they ever will while they are on the payroll. But you must have a leadership team that understands that perspective or you will fail in this job . . . . Twenty-five years ago [name withheld] was in my job, and he spent over $200,000 a year for several years on investing in planned giving programs with little or no immediate return on that investment at a time when our total development budget was less than 20% of what it is today. I was a young development officer here back then, and I thought he would lose his job over it. And believe me he and [college president's name withheld] took a lot of heat over it.

Today, over 40% of our gifts this year will come from planned giving work that was done in that time period. Should I take credit for that result? No! I need to make sure that what I am doing today is paying off in 20 years or I am not doing my job well. That makes performance evaluation difficult but that has to be the measure in this job if the school is going to succeed. Anybody, can pick off the low-hanging fruit. But to be great at this job, you have plow fields you will never harvest yourself. It is very much like the Biblical parable of planting, watering, and so forth . . . . But that is a difficult tension in this job.

I have to be willing spend $30 a year on communicating with thousands of young alumni who will pay me back with an average return of $6.80 . . . .
believe that is a good investment, but it takes a lot of faith in God, my judgment, our people, and good systems.

In addition to holding a long-term perspective, Senge (1990) also emphasized the importance of developing systems maps and reinforcing feedback to appreciate systems thinking. As noted earlier the integrated marketing strategy and brand development of these institutions is the systems map for producing fundraising success. The long-term perspective at these institutions is emphasized in an overall philosophy of developing relationships and doing things "right" over just finding resources. The respondents continually emphasized that fundraising is about relationships more than money and that relationships take time to build. Using terminology discussed in chapter three, these development teams use a broad fundraising approach would be best described as an involvement strategy with some supporting elements of viability and stability strategies (Warrick, 2000). One respondent said, "Everything we do institutionally is ultimately a measure of fundraising capacity." She added, "If we have trouble recruiting students or new faculty or winning basketball games, all of those things indirectly determine our ability to succeed in raising money." Systems thinking is deeply rooted in the minds of the leaders and members of the development staff at these sample institutions and literally drives the way in which they view the fundraising process. Fundraising is one aspect of a complex integrated system that influences every activity that occurs in these institutions.

**Summary**

The institutions in this study have a strong strategic framework and implementation process which are focused on many critical success factors and a comprehensive awareness of the industry niche in which they compete. Academic quality
and operational effectiveness expressed by doing a few things extremely well in order to focus on the core technology of the institution, and the management of a distinctive brand image are among two of those defining strategic factors. These colleges and universities utilize a unique 3-tiered model of their supporting constituencies that is rooted first on denominational affiliation followed by subsequent degrees of value congruency which serve to frame the manner in which they understand, segment, and communicate in their market niche. Finally, a fundraising and development environment that draws heavily on the concepts of a learning organization model helps to explain the strategic success of these institutions. All of these strategic themes are clearly evident from the hours of interviews and observation of institutional priorities as well as activities that represent data collected in this study.

A second, more complicated, strategic question exists in this study. Are these identified strategic themes and practices the result of intended or emergent strategy? Unfortunately, this question cannot be clearly answered by this researcher because substantial evidence exists to support both sides of the question. At times the respondents seemed to imply that these strategies were the obvious reactionary function of the historical development pattern of the institutions and that the leaders have basically, as one president said, "played with the cards they have been dealt." At other times, seemingly a strong sense of strategic vision has allowed leaders to put these colleges and universities in position proactively to create their own success. Clearly, some intended strategy and emergent strategy have produced the strategic outcomes of successful fundraising and resource development. When emergent strategy has been accomplished out of strategic necessity, the results have been carefully contained within the boundaries
of the institutional mission. During the times when intended strategy has been
successfully realized, the processes have occurred as a function of a desire to advance
that same mission. In either case, strong leadership was behind the strategic choices made
at every step.

The high mission dominance and congruence of these institutions included an
unwavering commitment to avoid secularization patterns and the loss of denominational
identity; such a stance cannot be established or maintained without the existence of
strong effective executive leadership. In other words, the successful strategy of the
sample institutions, whether intended or emergent, is a function of strong mission-
oriented leadership. The leadership behaviors and attributes necessary to support the
successful strategies of these institutions will be the focus of Chapter Seven.
People say “leadership” but describe “management,” talk only of a commanding style, serve up speeches about how more than one leader creates chaos, or talk in mystical terms. I have witnessed this cluttered thinking endless times in intelligent people. When capable individuals make such remarks, we have a clear indication of the need for a better understanding of what leaders really do. (Kotter, 1999, p. 4)

The preceding quote from leadership expert John Kotter (1999) described the difficulty in defining leadership and the impact of leadership on organizational success. According to Hogan and Kaiser (2005), social theorists have historically held two distinct views of human social existence; one set of theorists maintain that forces larger than individual leaders are driving people’s destiny and the other theorists contend that individual leaders are responsible for much of what occurs in the world. In this second view individuals influence, to some extent, the course of events within social systems, including organizations, which implies that leadership is important as well as relevant to the outcomes of human efforts. If this latter view is accepted then leadership should be considered as a factor in assessing an organization’s success in achieving its objectives. However, as many organizational theorists have argued, attributing organizational success to leadership is often a vague and indefensible default position assumed by researchers when success cannot be explained in other terms (Collins, 2007; Hogan & Kaiser, 2005; Peterson et al., 2003).

The second problem in discussing leadership is that it is a difficult domain to define because leadership is often discussed in many different ways such as behaviors, traits, processes, relationships and outcomes. Hogan and Kaiser (2005) said that leadership literature has always fallen into two categories they called the "troubadour and
academic traditions" (p. 171). The troubadour tradition is composed of popular anecdotal, biographical, entertaining but unreliable opinion pieces, lacking any supporting evidence or conceptual framework. The academic tradition is a composite of decontextualized empirical findings that failed to provide a strong basis for understanding the leadership construct comprehensively. Several other researchers (Judge et al, 2002; Lord et al, 1984) have come to similar conclusions concerning the gaps in leadership research. This struggle of theoretical ambiguity has often led researchers to define leadership inadequately as "occupying a position or standing out in a crowd" (Hogan & Kaiser, 2005, p. 171).

Much of the academic research on leadership focuses on identifying and illustrating key leadership competencies. Hogan and Warrenfeltz (2003) developed a comprehensive 4-domain model based on leadership competency research and found those domains to consist of intrapersonal, interpersonal, business and leadership skills. The intrapersonal and interpersonal domains encompassed all areas of self-management and relationship skills respectively, while the business skills domain represented technical competencies. The leadership skills domain included common behaviors associated with influence, motivation, and team-building skills. This 4-domain model condensed information from volumes of research on leadership competencies and the developmental progressions required to become a successful leader.

Academic scholars also have identified reputational elements of leadership. Reputational elements are those characteristics that followers seek and expect in their leaders. Some of the common reputational leadership themes include these: competence, vision, integrity, decisiveness, credibility, and many others (Dubrin, 2010; Kouzes &
The perceptions of followers about their leaders have always been considered important to leadership effectiveness and have been found to have a great impact on follower trust, attitudes and motivation (Peterson et al., 2003). Because followers often evaluate organizational objectives by the credibility of the leader, reputational elements of leadership also have been found to create self-fulfilling prophesies and strengthen organizational culture as well as values (Schein, 1985). For these reasons much of the research on leadership has historically focused on reputational elements.

The relationship between leadership and personality traits has also been heavily studied and has produced volumes of research and numerous taxonomies. Wiggins (1996) developed a 5-factor model of leadership personality traits which included the following: extraversion, agreeableness, conscientiousness, emotional stability and openness to experience. Other researchers have identified sub-personality traits that are identified with successful leadership such as: self-confidence, assertiveness, humility, sense of humor, and emotional intelligence (Dubrin, 2010). Many other researchers have found strong links between these effective leadership and personality traits (Hogan & Hogan, 2002; Judge et al, 2002; Lord et al. 1986; Mann, 1959). Most studies of leadership end up with some accounting for personality traits either empirically measured or observed (Hogan & Hogan, 2002).

Leadership processes have also been studied in terms of organizational transformations, relationships, and fit. Fiedler (1967) was a pioneer in the situational leadership school and argued that successful leadership is the product of the right fit between the leader and follower relationships, position power, structure, and task. Other
theorists have also contended that a combination of many factors, including relational
variables, make up the fit between the leader and the situation and heavily influence
leadership effectiveness (Hershey & Blanchard, 1977; House, 1976; Kerr & Jermier,
1978; Yukl, 1971). For this reason, many recent leadership theorists have focused on
organizational transformational processes and related leadership behaviors (Bass, 1985;
Bennis & Nanus, 1985; Kotter, 1999; Kotter, 1995; Schein, 1985; Tichy & Devanna,
1986). The emphasis in organizational transformation literature focuses on the processes
leaders engage in to produce successful organizational outcomes and the relational
behaviors used by leaders to influence the implementation of these processes. The role of
contingent situational variables, such as relationship and fit, as well as ongoing
organizational transformational processes are often difficult to separate from the study of
the leaders in these contexts (Hogan & Kaiser, 2005). This study is no exception to that
rule.

Despite the difficulties of defining leadership in research, in this chapter the
sample institutions will be analyzed through the "lens" of leadership behaviors, styles and
actions that have created the successful fundraising environment. Leadership factors are
analyzed at various functional levels of the institutions including the trustees, presidents,
and development officers, and also in terms of behavioral practices and leadership
theories which cross different functional levels within the institutions. The leadership
themes and findings which emerged in this study and are presented in this chapter will
often cross lines of competencies, reputational elements, personality traits, and
organizational transformations, relationships, and fit. In addition, because these sample
higher education institutions have strong leaders at every level, the findings in this
chapter should not be viewed as a comprehensive discussion of the leaders at these institutions but rather as the identification of unique leadership themes that seem to produce fundraising success. In essence, in this chapter the author will present a picture of what the leadership at these institutions looks like in term of themes believed positively to drive fundraising success. Finally the author will conclude this chapter with a summary of the role of leadership in the strategy formation and implementation process discussed in Chapter six.

**The Guardians: Trustee Level Leadership**

Trustee leadership is an important factor in the fundraising success of these sample institutions, although not in the manner expected by the researcher. As noted earlier, trustee leadership and involvement are often anecdotally referenced as being important to fundraising success in higher education (McCown, 2000; Thompson, 1995; Patton, 1993). However, analysis of the information gathered during this study did not produce evidence that the members of governing boards were heavily involved in the actual fundraising process except for a few isolated individuals. The trustees at these colleges and universities do personally contribute at a significant and often sacrificial level in their own personal giving to their institutions, and these board members also discuss fundraising goals as well as campaigns; they also serve as critical information sources and networking facilitators for the development teams at their respective institutions. However, when the situation involves actual participation in the cultivation and solicitation processes, these trustees generally leave this work to the development professionals. As one president summarized, “I never wanted to be a fundraiser, and neither does our board.” He added, “We all realize fundraising is important; but if you
don’t have to do it every day. You don’t get comfortable enough to jump in the water.” A
chief development officer at another institution added, “We try to ease our board into the
cultivation process; but the closer you get to solicitation, the quicker the barriers come
up. They generally say something like ‘that is what we pay you for’ and balk.” He added,
“most of our trustees don’t even like being present at the ‘ask.’”

While the trustees may not be comfortable in the fundraising process, they are
peripherally involved, particularly in providing donor research intelligence and
networking opportunities. These trustees also have a good understanding of the
challenges and nature of the fundraising function. One development officer said, “I can
call any of our trustees at any time and ask them about potential donors, business
colleagues, or old classmates; and they will tell me everything they know because they
understand the challenge of my job.” Another respondent said, “All of our board will give
you complete access to their professional networks as long as you don’t ask them to make
the ‘ask’ or do anything beyond their comfort level.” She added, “They know what I need
to do for us to be successful; and they are very supportive, even nervous, about my job
results. . . but they don’t want to do my job.”

Despite the limitations on trustee involvement in the fundraising process, these
boards do play a critical role in the success of the sample institutions. The trustees at
these institutions act as guardians of the institutional mission, creating a backdrop of
stability for the presidents and the development officers. One president said, “I am
successful at fundraising because my board allows me to be.” Another president added,
“Stability in the leadership of College A begins with the stability of our board.” He later
added, “Our board is the ultimate steward of our institutional history, mission, and
denominational relationship; and that makes my job workable.”

While all governing boards are supposed to fulfill their fiduciary duties, the
boards at these colleges and universities go above and beyond in their commitment level.
In fact, they act as the “owners” of these sample institutions. “I have never seen any
school where the board is more engaged than at College E,” one respondent said. “Our
trustees take full ownership of our college,” added another respondent. One president
described the trustee commitment difference at his school as compared to other
institutions.

Our board is completely invested in this school and its future. After their
families and their jobs I would say we are their top priorities. . .complete
personal commitment. . .they bleed College D. . .I know this is not the
case at some other Christian schools. I know that our board thinks
strategically about this school every day. It is so much a part of their
personal identity. . .even when we have disagreements I always know that
everyone on our board wants the best for the school and would do
anything in his or her power to see it succeed. This level of board
commitment makes it much easier to do my job.

This “guardianship” or “ownership” mentality among the trustees stands out in
this study as a unique characteristic. The concept of “ownership” came up several times
among people attempting to define the uniqueness of the boards in this study. One
president said,

Our board is not a detached governing board. They are not just an advisory
or figurehead board nor do they micromanage me or the executive team.
Our board serves as partners and resources and are literally part of the
school the same way the College of Cardinals is part of the Roman
Catholic Church. This is not just a role in their life that helps to define
who they are. It is who they are. They are University C. They live, eat and
breathe this institution every day. They own the school and the school
owns them. . . .We have some strong personalities on our board, but you
would never know it in this role because any individualism among our
board would not fit the culture or be accepted by the group. The school is
always bigger than any individual. That is the culture of University C, and it starts with our board.

The trustee ownership theme in this study could best be described as an irrevocable commitment to the institution and a sense of responsibility as opposed to a “controlling” ownership concept. This distinction is best described by another president who added the following perspective on his board,

I talk to college presidents in all areas of higher education, and I know that I have a unique situation here at College D. Obviously, the board is my boss but if I tried to act like they were my superiors that is probably the one thing that would threaten my job. And if I tried to run this place like I was unilaterally in charge that would probably get me in trouble. I know many presidents who are on a short leash, spending all their time trying to guess how to satisfy their board to keep their job. And I know several other presidents who have no leash and are wondering if their boards have any interest in what is going on in the school. . . .Our board wants to be my partner and serve me and the school to the best of their ability. . . .I think of our board as the “owners” in Jesus’ parable where he described the difference between the hired hands and the owner of the sheep. The “owner” was willing to die for the sheep. Our board would die for this college.

When asked if the board should be described as “owners,” another president commented, “I think they are owners in the since that they are permanent in their role. . . .owners who will never sell the company.” He added, “They are not owners in the sense of bossing people around or taking privileges.”

The difference in the boards’ influence in these institutions when compared to a typical governing board at other higher education institutions is difficult to describe. However, the distinctiveness of these sample boards stood out in so many signal ways. Participants at all 5 of the sample institutions emphasized the selective nature of the board member’s role. “We don’t let just anybody sit on our board,” said one trustee. She added, “A new trustee would have to be on a short list for a long time, and his or her
commitment level unquestioned to be selected.” Selectiveness, longevity, peer pressure accountability, and commitment were frequently mentioned by respondents as keys to producing outstanding boards. One trustee said, “I have been on the board for 28 years, and I have only known one board member to ever miss a meeting; and he was seriously injured in an accident days before the meeting.” Another trustee added, “If you aren’t fully committed to this board, the group would call you out publically.” One chief development officer used this example to emphasize the level of trustee engagement:

We had consultants in from Panas & Company to do a strategic review of our board engagement levels based on CASE standards and benchmarks. They couldn’t believe our results. They said “we don’t even have a comparison group to measure against”. . . . They were looking at years of service, giving records, meeting attendance, involvement in other campus activities. . . . they actually thought we misunderstood the survey because our numbers seemed unbelievable.

The distinctive brand image of these sample institutions and the long-term fundraising focus described in Chapter six is directly and intentionally influenced by the leadership of the trustees. One president commented, “The best protection we have against losing our mission or secularization is our board. They are on watch for that.” Another president added “Our board is committed to making sure we do fundraising right. . . . no shortcuts.” He added, “I don’t have to worry about rushing the cultivation process as some of my peers at other institutions do. I get to focus on long-term relationship building and success.” Another respondent agreed, “Our ability to focus on long-term relationships, consistent with our mission and identity is because our board insists on that focus.” This idea was conveyed over and over by respondents in this study. While respondents acknowledge that fundraising always includes a tension between raising money now and building relationships that will yield more money in the future,
these institutions have boards who provide the support to do the latter, while also protecting the long-term mission and brand.

In conclusion, the role of the trustees at these institutions is critical in defining the mission-based strategy and creating an environment conducive to long-term fundraising success. While they are not heavily involved in the fundraising process, they are involved in framing the emergent strategy as well as brand image used to make the case for support. Summing up the trustee influence, one development officer said, “I never worry about the big direction of this school because our board serves as the guardian of our mission.”

**Superman Presidents: The Catalyst for Success**

One of the unanimous themes at all 5 sample institutions is that the presidents are the most valuable players in these organizations and the catalyst for fundraising success. Over and over respondents identified presidential leadership as the most important variable to the fundraising success at these institutions. One respondent said, “We are more successful than other schools because Superman is our president.” While Superman is a fictional character, these presidents are very real. The importance of the president to fundraising success is also real. But, how do these presidents provide leadership that fosters successful fundraising? This investigator found that these presidents exhibit high levels of both “Level 5” leadership and mission-focused leadership, while also being very adept at boundary spanning, cooption, and organizational storytelling. All of these presidential leadership variables serve as the catalyst for success in raising money at these sample institutions.
One of the interesting leadership findings in this study is that the presidents of the sample institutions all displayed a high degree of what Collins (2001a, 2001b, 2005, 2007) defined as “Level 5” leadership. “Level 5” leadership is a counterintuitive style of leadership based on a combination of extreme humility and professional will (Collins, 2001a, 2001b, 2005, 2007). The presidents of these sample institutions possessed both of these trait variables in large quantities. When asked repeatedly about the importance of their role in the fundraising process, all of the presidents repeatedly dismissed and minimized the impact of their individual contributions to the fundraising process with comments such as, “Well, I just do my small part” or “Oh, I really think my role is very basic.” But when questioning all of the other key development personnel in these institutions, the importance of the leadership style and personal characteristics of the presidents kept coming up as a critical factor for fundraising success.

Level 5 leaders possess a compelling modesty which builds trust among their followers because their ambition is all channeled into the organization and not themselves. This theme came up many times throughout the interviews with statements such as the following by a development officer at College A.

Dr. (name withheld) is the humblest man I have ever known. He always puts College A above his himself and his own needs. . . . If he thinks he will get in the way on an “ask” he will step back. . . . Even when people don't agree with him, no one ever questions that his priorities are with the school and not himself. I worked at another college where the president was all about the president and the school took second position or even lower. Dr. (name withheld) has no ego to get in the way despite how immensely talented he is. That is a breath of fresh air in this business, and it helps to raise money.

Several other comments were made about the all of presidents' humility; clearly, these leaders focus their ambition on their institutions and not themselves. Repeatedly the
overwhelming description of these presidents by their colleagues was about their personal humility and lack of ego. Comments such as, "Dr. (name withheld) always puts University C above himself" or "Dr. (name withheld) is very down to earth and approachable which makes him very attractive to donors" were continually offered by their coworkers. However, when you ask any of these men about the importance of their personal contribution to fundraising success, they will give the credit to God, or their staff members, and always downplay themselves. One respondent commenting about the personal humility of her own president who is a major scholar in his field added this comment,

President (name withheld) is so humble that he focuses all of his personal pride into the students and faculty of University B and their achievements. If you ask him about something he has done professionally he just blows it off as inconsequential. Most people who have written 50 or more books and hundreds of articles like to talk about themselves. . . maybe brag a little bit. . . but not Dr. (name withheld). If he brags about anything it will be the women's softball team or the chorus or the students in the regional chemistry competition. That is as close as you will ever come to hearing this man brag about anything.

The same president met at 7 a.m. to provide 4 hours of interview material for this study, then followed that interview session with an executive meeting at 11 a.m. and was later seen at 1:30 p.m. carrying fast food back to his office for his clerical staff and himself who had all missed lunch. His secretary said that act was very common for him. But the humility of the presidents in this study is anything but common.

Although Level 5 leaders are extremely humble, categorizing them as passive or laid-back would be a serious mistake. The presidents in this study are all driven to achieve success for their institutions. These men are what Collins (2007) called "plow
horses, not show horses" (Collins, 2007, p. 42). This attitude was also reflected in their comments about their own work style and approach to fundraising as one president said,

> On the outside fundraising looks exciting and dramatic; but in reality, it is a slow grind. You have to understand that fundraising is not about big events it is about daily consistency. And that means something close to 365 days a year. . . You get up every single day and say that we need to raise $35,000 today, and tomorrow, and the next day. There are no days off in this part of the business. You have to be doing the little things everyday and hope and pray that this leads to big results.

Another president added the following description of the "plow horse" or in his words "dairy-farmer" role of a successful fundraising president:

> When I was in the academic side of higher education I had this perception that fundraising was dynamic and flashy because you always see other presidents, dressed up, sometimes doing black-tie events, accepting some large check from a major donor. Because, as you know, from the outside it looks really high profile. So when I started, I was concerned about my ability to fill that high profile, charismatic role. . . . But then I talked to a long-time president whom I really looked up to; and he explained to me that my mental picture was all wrong. He explained to me that fundraising is more like being a dairy farmer than a movie star. You have to go out every day and feed and milk the cows, rain or shine. He said that behind every photo op with a major donor are years of phone calls, personal cards, and hours of discussions over coffee. . . . I have found the dairy-farmer job description to be much more accurate to what it takes to be successful in fundraising.

The high professional will and "plow horse" style as well as mentality of these presidents is not lost on the people around them. "I don't know anyone with Dr. (name withheld)'s work ethic," said one respondent. A development officer at another sample institution added, "It is hard to complain about your workload when our 68-year-old president is working circles around you." Repeatedly, the theme of the high professional will of the presidents kept coming up as a fundraising strength. When one chief development officer was asked about what he saw as a potential threat to their institution's fundraising viability, he said the following:
The biggest challenge we will ever face is not the external factors you are discussing. Economics and constituency changes are real challenges, but for us the biggest question will be “can we replace Dr. (name withheld) with someone equally capable and committed?” And when I say capable, I mean more than just his talent but primarily his work ethic and drive. . . . Fundraising is really hard work, and the president has to commit wholeheartedly to that work, or you have performance problems. I know many fundraising professionals who are much better at this job than I am but are less successful because they have a weak president. Our president is a workaholic who still finds time to be personable and completely committed to God . . . he is driven to see this college succeed and raise the resources we need.

Another element of "Level 5" leadership is the window and the mirror phenomenon which refers to the tendency of these leaders to accept blame for organizational failure and to distribute credit to others for organizational success. (Collins, 2001a, 2001b, 2005, 2007). The presidents in this study are known for practicing the window and the mirror. "Dr. (name withheld) always praises the development group for good fundraising results," one respondent said. She also added, "I think that is highly motivational to our department." A respondent from another sample institution said, "Our president doesn't just write personal thank-you notes to donors, he writes them to us also." A development officer from a third institution in the study said, "President (name withheld) never takes credit for anything good that happens at this school." He added, "The credit always goes to God first, the students second, and the faculty and staff third."

These presidents also handle the mirror side of this leadership practice as well. "With Dr. (name withheld) you know that the buck stops with him. No question," one respondent quipped. A trustee from another institution said, "Our president takes full responsibility for everything that goes wrong. No excuses. No blame game." He added "Dr. (name withheld) is a very strong leader in that respect." That president commenting
on his own role verified this statement when he said, "Everything that happens at College E is my responsibility. In academics people like to blame others but this job won't allow that." Another president in the study commented, "If fundraising isn't happening successfully at University C there is no one to blame but me. That is my number one responsibility."

Having a president who assumes the responsibility for failures is very motivating to the development staff at the sample institutions. One development officer added, "Dr. (name withheld) makes me want to jump through walls for him and College A." He added, "I don't want to let either one of them down." Another respondent at one of the other institutions said, "Trust is big component of this job." He added, "Things sometimes go wrong, particularly at the ‘ask’ stage, and it helps to know that your president won't blame it on you if that happens." One chief development officer explained the importance of the mirror concept in these terms:

In this business you really need to trust the people you are working with because it is so personal, and you have to go with your instinct often and throw out the script. . . . Dr. (name withheld) can be unintentionally intimidating to our young staff because of his expertise, experience, status in the church and the school, and so on. But he lowers that so much by his humility and taking the leadership responsibility in this process. If something goes wrong, he always takes the blame. . . . If someone messes up, bad timing, bad judgment, bad information, he will just gently teach them what went wrong without beating them up. This is so important in building the type of relationships among our team that is necessary for us to be successful.

Finally, “Level 5” leadership is also demonstrated by the presidents’ focus on building the organizational capacity for the future. These presidents are building the organizational and fundraising capacity for the long-term performance. One president said, “I want to raise money this year that we won’t collect until after I am dead.”
Another president added, “I want to leave this organization so strong that people will not even know that I am gone.” He added, “I hope donors and others look at the school after I retire and say ‘what did he do here anyway?’” Another respondent said, “Dr. (name withheld) always focuses on the long-term success and continuous growth of the school.” She added, “He wants everyone around him to be continually growing.” A chief development officer said, “It is easier to do fundraising right when your president is focused on a 20-year horizon and not a 20-month horizon.” He later added, “Our focus then becomes on building relationships, matching needs with donor interests, and building capacity instead of just shaking down donors.”

In addition to “Level 5” leadership, these presidents also continually displayed mission-focused leadership. As previously described, mission-focused leadership is the domain of the trustees, but the presidents at these institutions constantly demonstrated and modeled this leadership variable, both to internal and external constituencies. This researcher found that the presidents of these institutions displayed a high degree of mission focus in their day-to-day leadership activities. In fact, they visibly embodied the mission of their institutions.

I think for many people Dr. (Name Withheld) is (College A). He is the visible representation of this institution to everyone who knows us. He would be very uncomfortable with my saying that, but I think he would also understand that it is true. . . . He realizes that everything he does has a symbolic aspect. But he is not a "spinner" or someone who merely plays the role. He is who he is, and that just happens to be what we say our mission is about in the form of servant leadership. That is who he is; and if he wasn't who he is, then we might have a credibility gap that would make it harder to appeal to donors. I think that is a problem for some of our sister schools. But we don't have to worry about that with Dr. (Name Withheld) because who he appears to be on the surface is who he is at his basic core. He is totally genuine at the core, and everyone knows that. . . even if they disagree with him, they still know who he is. . . and there is no doubt that we leverage him in our fundraising efforts.
Mission-focused leadership is often discussed in literature but difficult to find in real life (Brinkerhoff, 2009). However, at these sample institutions, mission-focused leadership is the norm, particularly at the presidential level. This situation leads to a high degree of goal congruence and creates as well as reinforces the brand image discussed in Chapter six. “Credibility is the key to our president,” one respondent said. He later added, “You might find a more talented president, but you can’t find anyone who better embodies the mission and values of our school.”

The ability and commitment of these presidents to demonstrate mission focus continually is critical to these institutions’ success by helping them stay the course on the chosen strategy of niche differentiation and the operational strategy of sticking to the core competencies. Respondents often emphasized that the mission focus of the presidents prevents resources and energy from being diverted to non-mission driven activities. One respondent said, “There are all kinds of ideas killed on this campus because nobody believes it will pass Dr. (name withheld)’s mission test.” She added, “In the end that saves us time, energy, and distractions.” Another respondent added, “We don’t jump on ‘flavor of the month’ projects around here if they don’t look consistent with our mission. Our president assures that.”

While getting caught up in the chase for funds and segregating fundraising goals from operations would be easy tasks to complete, the presidents at these institutions focus on operations as a path to fundraising success. One president said, “We raise money because of our mission; we don’t have a mission because we raise money.” Another president added, “We have to stay mission-focused to raise money, and my job is to make sure that our mission is happening everyday on this campus.” He added, “That is my
primary contribution to the development and fundraising model. Keep the case valid. That raises money.”

In an era of higher education defined by new revenue-enhancing pursuits and initiatives, these presidents hold the counterintuitive belief that staying focused on the mission-at-hand makes the fundraising case easier. One president said, “Every conference I go to the topic seems to be finding new revenue streams to survive.” He added, “I don’t think most schools can handle that many activities and sub-missions successfully.” Another president said, “Mission creep is the enemy of fundraising. I don’t want to chase every revenue stream in the market at the expense of our core mission.” A third president in the sample said, “Mission management is the best fundraising strategy you can pursue. That is your case for support.”

Avoiding mission creep is not the only rationale for the presidents’ reluctance to pursue new revenue and adaptive initiatives; a concern also exists that too much innovative risk taking might damage the existing product as well as brand image and subsequently weaken fundraising capacity. One president put it this way:

Fundraising works best when it is based on organizational success and stability. If you start pursuing too much change in your product offering that is the same in donor’s eyes as a change in mission . . . . So then the question becomes “Why the change?” and often the answer donors come to is that there is something wrong with the existing mission or the stability of the school . . . . So later on donors start questioning why they are supporting a mission that needs so much change and new initiatives. I don’t want donors questioning our success or stability.

This sentiment was held by all presidents in this study. A strong belief existed that many new initiatives, viewed as potential “cash cows,” frequently carried a risk premium that could not only distort the mission but also damage the existing brand. One president said, “The problem with being entrepreneurial in higher education is that the failure rate is
often high. And failure hurts fundraising” Another president echoed the same sentiment, “Trying a lot of new revenue sources means inviting some level of failure and instability.” He added, “Tiffany’s might make some additional money selling Coney dogs and nachos. But it doesn’t seem beneficial to their core mission or brand image.”

Protecting and advancing the mission of the sample institutions is the primary focus of the presidents in this study. Mission is important and managing the mission requires leadership. The presidents of these institutions, acting consistently with the support of their boards, have made a leadership decision that focusing on mission is not only the right thing to do but is also good for fundraising. The broad strategy choice of focused differentiation and the operational-strategy choice of sticking to core competencies, both discussed in Chapter six, each require a champion to implement them. In this study, that champion is the president. These presidents provide a mission-focused approach to leadership which translates clearly to all stakeholders in the organization and also inspires donors with a strong sense of integrity, success, and stability. The mission-focused leadership of these presidents is an extremely critical variable to the fundraising success of these institutions.

While “Level 5” and mission-focused leadership describe the broad presidential leadership styles found at these sample institutions, some interesting presidential leadership behaviors seemed to magnify the fundraising success. For example, the presidents in this study are all very adept at engaging in boundary-spanning and cooption behaviors vital to accelerating the fundraising process.

Pfeffer and Salancik (2003) have defined organizations as coalitions of interests as well as markets in which influence and control are exchanged (p. 259). Non-profit
organizations, therefore, often exchange control and influence through the fundraising process. The presidents in these sample institutions understand that the boundaries between the institution and other stakeholder organizations as well as interest groups, particularly the host denomination, are both significantly porous and overlapped. As one president said,

I think to successfully lead a denominationally affiliated school you must have the ability to maneuver fluidly across many different constituencies, understand their needs, and address their concerns . . . . Being able to connect people and interests is critical both to operational success and fundraising. I try to be very aware of our constituents, particularly across the denominational and geographic spectrum . . . . Different groups have competing interests . . . you must see those potential conflicts coming and reframe them to avoid fundraising damage.

Another president described the role of president as a connector of various interest groups and a defender of the organizational role. “I have to continually survey our environment and make sure that well-meaning, but often incorrect, aspirations of our school don’t get us hijacked,” he said.

This role of boundary spanning by the president was continually mentioned as a critical success factor by many respondents. “I think our president has the ability to link various people together in a way that increases collaboration and decreases conflict,” one development officer mentioned. She added, “In the world of denominational politics that is harder than it sounds.” Another respondent added, “In this business you have forces in the church wanting to control the school and forces in the school wanting to control the church.” He added, “Our president can carefully walk those two lines and make them both feel appreciated and both feel like he is in their camp.”

When asked about the tensions of control between the church and the university, the presidents of these institutions often conveyed a sense of joint responsibility. “I do
represent (denominational name withheld) everywhere I go,” one president said. Another
president said, “Separating the (denominational name withheld) from (University C)
would be like separating the hydrogen and oxygen in this water.” He added, “There
would be nothing recognizable left of either one if you could separate them.” A third
president commented, “The church and the school overlap a lot but both are transactional
in their relationship. We provide them with legitimacy, and they provide us with power
and resources.” He later added “I hope we both remember that we are mutually
dependent. I have to make that case every day to raise money.”

Boundary-spanning behaviors are not limited to the relationship with the host
denomination but extend to corporate and community relations as well. One respondent
put it this way, “There hasn’t been a mayor in this town for 30 years who hasn’t closely
networked with Dr. (name withheld) and vice versa.” One president added, “I must
constantly work to keep us connected to the community and different institutions that are
critical to our work.” He later clarified those groups as being “Corporations, hospitals,
government agencies, and people who provide us [with] resources and who employ our
graduates.”

To be good at boundary spanning a leader must have strong networking ability
and a sense of where power lies within an interest group. Respondents in this study
suggested that their presidents are experts in this area. “I think Dr. (name withheld) is the
best leader I have ever known for understanding who the power players are in any
situation,” one respondent claimed. He added, “Whether it is a donor or a person
potentially causing trouble in the church. He always knows the source.” Other
respondents mentioned similar statements. “Our president is good at knowing who the
decision-makers are and where their influence lies,” commented one respondent. A trustee at another sample institution said, “The president at a school like this has to be able to reconcile a lot of different interest groups, understand their priorities, and balance the school’s response to those interests.” He added, “Our president is very skilled at that process.”

The boundary-spanning skill of the president produces many positive outcomes for fundraising. First, and probably most obviously significant, the presidents continually expand the institution’s sphere of influence and base of potential donors through their networking activities. One development officer said this, “In terms of major donors, our president is our most direct source of new contacts.” Another donor said, “We send out Dr. (name withheld), and he comes back with a list of potential new contacts and usually a strategy to make a second step in cultivation.” He added, “We leverage Dr. (name withheld)’s growing rolodex to expand our potential donor base.” Another development officer added, “Our president is our scout and bait. We send him out into the community, and we see what he attracts.” He added, “After he makes the connection, we figure out a strategy to cultivate the new contact. But we couldn’t do that without Dr. (name withheld) first bringing the prospect into our network.”

Another use of the boundary-spanning skills of the presidents is the acquisition of donor information. “Our primary donor research method is to ask our president for information,” one respondent claimed. She added, “He taps his network and tells us what we usually need to know. And often that information can only be retrieved through his network.” This dynamic is not lost on the presidents themselves as they commented on their own role in the fundraising process. “I think my primary job is to gather information
for our development staff. I get access to circles they can’t reach,” one president commented. Another president added, “I think to be a successful fundraising president you have to do more than network. You have to network with the intent to gather relevant information.” He later added, “You have to have your antennae up and be prepared to continually debrief your development staff.” A third president in the study added, “People will tell the president things they will not tell other development people. So you have to play close attention to what is said in your presence.”

The boundary-spanning skill of the president also helps in conflict resolution. As mentioned previously, the presidents have to be able to move successfully between many different interest groups. Often, as these presidents engage in their continual networking activities, they can see signs of coming conflicts. Conflict management literature often refers to an initial process stage known as potential opposition or incompatibility which precedes a second stage of cognition and personalization (Dubrin, 2010). Leaders who can identify this early pre-cognition state of conflict can often intervene successfully and unobtrusively (Robbins & Judge, 2011). These presidents seem to intervene frequently to prevent conflict between interest groups in a way that only a strong boundary spanner could do successfully. “Unfortunately, churches and denominations are ripe with conflict and conflict kills fundraising,” one development officer commented. He added, “Our president nips a lot of conflict before it materializes.” Another respondent commented, “Dr. (name withheld) should be a diplomat in the Middle East because he understands conflict and knows how to manage it before it produces fundraising damage.” A third respondent commented, “Our president prevents conflict so we don’t have to resolve it. He is so plugged into our stakeholders that he knows when conflict is about to happen,
and he intervenes preventively.” She added, “That helps us function without the stress conflict puts on fundraising.”

The presidents themselves echoed this theme. “Church conflict affects fundraising significantly. I try to anticipate conflict and prevent it before it contaminates our school,” one president noted. Another president added, “You can see and anticipate conflicts that can impact your donor base if you are observant.” He added, “If you aren’t observant you will get blind-sided and have no ability to react until it is too late.” A third president in the study added, “I think managing conflict is a critical presidential role, and it is best done on the preventive side if you want to avoid fundraising damage.” He also noted, “I think you have to be able to assess which conflicts are going to stick and become damaging and which will blow away or not directly affect the school.”

One of the skills closely related to boundary spanning that these president do well is cooption. Cooption usually involves bringing within the boundaries of the organization people who may then choose to view themselves more as insiders than outsiders and subsequently become more supportive of the organization (Pfeffer & Salancik, 2003). The presidents at these colleges engage in cooption frequently. The primary purpose of this leadership practice is to increase linkage and connectivity of potential donors which expands the donor base and brings in “new friends” to the institution. One president put it this way:

Colleges are in constant need of outside expertise that is often both expensive and specialized. I try to expand our network to find as many people as I can who share our interests and values and also can help us . . . . Over time as they work with us either in a paid or advisory role their connection to the school grows; and we have a critical supporter who can help us in many ways . . . and that includes with donations and word-of-mouth . . . . I think the use of volunteer advisory boards is one of the best ways to create a win-win situation for the school. You get fresh, creative
ideas and you can build a relationship from the inside where the individuals can see your mission first hand . . . . If I can get influential people exposed to what we do here, then that is half of the battle in fundraising. Seeing is believing in this business, and you can only truly see from the inside . . . . To raise money you must convert outsiders into insiders. Then the money will come after the commitment.

Other presidents made similar comments. “My job is to reach outside of our college, find compatible people, and link them and their networks to our cause” one president commented. Another president said, “I am not so much about fundraising. Our staff does that. I link outside networks to the college, so we have a place to fundraise.” He added, “I am basically a connector in this role.”

Connector is a word that frequently arose when others were describing the work of these presidents. Malcom Gladwell (2000), author of the popular book, *The Tipping Point*, would probably agree that these presidents are what he called “connectors.” Connectors are people with a special skill for bringing the world together and making many acquaintances (Gladwell, 2000, p. 38). According to Gladwell (2000), the social power of these connectors is “their ability to span many different worlds” which is “a function of something intrinsic to their personality, some combination of curiosity, self-confidence, sociability, and energy” (p. 49). These presidents obviously do boundary spanning well, but they complete the cycle when they eventually coopt key individuals from their outer circles of influence and bring them into their institutional mission. One respondent made this point, “This president continually brings new people into our cause. And usually their money soon follows.” Another respondent added, “The president is a donor recruiter. He connects our prospects to the school and his judgment on how to best do that is usually ‘spot’ on.” One chief development officer described his president’s focus in this way. “I spend most of my time thinking about managing our existing donors,
especially major donors. He spends most of his time thinking about prospects he thinks should be major donors.” He added, “In his mind it is only a matter of finding the right way to connect these prospects to the mission.” These presidents are definitely connectors.

Of course, cooption also serves another purpose for these presidents. In addition to building a network to grow the donor base and increase the linkage of interested parties, these presidents engage in cooption to control difficult people who may be potentially damaging to the institutions. “There are many stakeholders who may have an agenda if left to their own devices. Dr. (name withheld) often finds something for them to do to keep them busy,” one development officer said. According to another respondent, “One of the ways our president controls conflict is by putting troublemakers to work in some capacity that makes it hard to cause trouble.” She added, “I know we have a least a dozen advisory board members who were chosen to convert from outside critics to inside workers. Dr. (name withheld) is very shrewd in that way.” Another respondent added, “We have a very crude, unchristian saying that it is better to have someone in the tent peeing out than outside peeing in.” He added, “Our president is a master at bringing critics into the tent.”

The presidents themselves acknowledge that cooption is a form of controlling potentially damaging individuals, and they are unapologetic about the leadership practice. One president described his philosophy of cooption as a proactive approach to dealing with potentially difficult stakeholders.

A Christian college has to maintain a certain brand image and there are always a few outside critics, parents or alumni, who often on religious issues want to rebrand you or cause a problem. You can either ignore them, engage them in a mudslinging contest, or you can put them to work
inside your organization which takes the rock out of their hands and gives them a hammer . . . . I want to try to turn them into builders as opposed to destroyers. I feel our culture of accountability is stronger from the inside than the outside. It is risky. And it doesn’t always work. But the alternatives of ignoring or fighting rarely work.

Other presidents held the same philosophy and also acknowledged their use of cooption as a defensive leadership tool. “I learned a long time ago as a department chair that the best way to deal with critics is to put them in charge of something” one president said. He added, “It is hard to be so critical when you are responsible for something. It is very disarming.” Another president added, “Most troublesome or critical people want to have more influence over things. So I say, ‘here you go,’ ‘have at it,’ and generally that shuts them up.” He added, “It is even possible to turn critics into champions if you pick the right individuals.” Clearly, these presidents know how to successfully advance their organizations through effective boundary spanning and opportune cooption.

Finally, a critical presidential leadership behavior leading to fundraising success that emerged in this study is the use of organizational storytelling as a tool for advancing the institution. The presidents at these sample institutions are masterful communicators who use organizational storytelling as a primary tool to shape the brand image and to motivate donors to action. Author and organizational theorist Stephen Denning (2001, 2004, 2005, 2007) described organizational storytelling as a powerful tool for energizing and empowering complex organizations to push past existing performance levels and continually expand their potential. The theme of storytelling was certainly not anticipated by the researcher in this study, but again and again respondents described their presidents as master storytellers who energize their organizations and donors through narrative. These stories take many forms that Denning (2001, 2004, 2005, 2007) and others
(Fulford, 1999; Polkinghorne, 1998; Weick, 1995) would identify as catalysts for action, which is particularly important in motivating donors and calling all organizational constituencies to higher levels of commitment. The storytelling tool, accompanied by the credibility of “Level 5” and mission-focused leadership style, may be the most important behavioral leadership finding regarding the success of these presidents in creating a growing fundraising capacity at these sample institutions.

The theme of the president as chief organizational story-teller kept surfacing when participants were asked how these presidents are so good at connecting with people and raising money. “Dr. (name withheld) has a story for every situation. He often speaks in parables, but everyone gets his point,” one respondent said. A trustee at one of the sample institutions said, “Our president is a gifted communicator, but not in the way you might suspect. He tells little stories, and they are powerful stories.” He added, “His stories always have a purpose.” Another respondent commented, “Our president leads by example and by storytelling. That is true whether you are a college freshman or a major donor.”

That these presidents are good storytellers is not hard to believe as many of them come from academic and religious backgrounds that emphasize narrative expression; but the skill and discretion with which they carry out this practice clearly have an impact on their organizations. One development officer said, “Many people in this business tell “preacher” stories. You know stories that make little sense or seem overly contrived.” He said, “That is not the case with Dr. (name withheld). He knows exactly when a story is appropriate and when it is isn’t.” Many respondents emphasized the skill and timing of the use of stories by the presidents. “Our president tells stories in a very effective and
genuine way. He isn’t some blowhard who thinks he has a captive audience. He has great
timing."

The stories these presidents tell always have a purpose and accomplish many
leadership objectives. One of those objectives is to translate organizational values to
donors and members of other constituencies. One of the respondents described his
president’s storytelling ability in these terms.

If you are donor who really wants to understand what College A is all
about, what we do, and what we value and why we need your investment,
then Dr. (name withheld) will convey that to you in stories . . . . Many of
the development staff sometimes know how to deliver our case in talking
points, but Dr. (name withheld) always chooses to use a story approach . .
. . Not everyone could do what he does with his stories . . . . I can’t for
sure. But that is how he conveys our values and connects our values with
the donors’ values.

Other respondents at all of the sample institutions echoed this same sentiment. “Our
president uses stories to explain who we are and what we value,” one respondent
commented. She added, “He always tells us that a picture is worth a 1,000 words but that
he has to use words to paint his picture.” Another development officer said, “We would
have a hard time closing the deal with some of our donors if President (name withheld)
didn’t throw in a few timely value-added stories.” He concluded, “The value added is the
values of our school and mission. And nobody can convey that better than our president
in one of his stories.”

The development teams certainly understand the significance of the presidents’
storytelling ability and know they need to leverage and emulate it. But they also realize
storytelling is an art and not as simple as it sounds. “Our president can be gregarious for
sure, but his strength is the integrity of his storytelling and not the flash” one respondent
commented. Another development officer said, “The greatness of our president’s
storytelling is in the integrity of the messenger. You never doubt the validity of the message.” He added, “I know a lot of people who tell very entertaining stories and can hold people’s attention, but that is not the same thing as translating a mission through story.” Another respondent commenting about his president’s stories revealed, “Dr. (name withheld) doesn’t tell ‘preacher’s stories.’ His stories have validity not like some urban legend.” He added, “We have all discussed how we would like to learn to do what he does, but it is not that easy to pull off if you are not him.”

Another purpose of the president’s stories is to motivate and empower people to action, particularly donors. “Our president uses storytelling to light a fire under people who are questioning what to do. That includes students, faculty, staff, and most of all waffling donors,” said one development officer. Another development officer made this comment.

I think there have been many times during my 15 years with Dr. (name withheld) where he closed the deal with an indecisive donor by telling a motivating story . . . . He doesn’t manipulate people, at least not aggressively, but he does know how to move a conversation from the analytical to the emotional--from a business decision to a values decision and that is critical to fundraising . . . . He also has excellent timing. Nothing about his stories seemed contrived. They come across as a natural expression and motivating . . . and that is really important in the “ask” environment.

Another respondent added this comment, “I think a lot of donors need reassurance that they are doing the right thing. Dr. (name withheld) reassures them with his gentle storytelling style.”

The storytelling value of the presidents is not just utilized to close the deal on an “ask,” these presidents also use stories to cultivate relationships and to maintain relationships with major donors. Denning (2005) said that strong leaders use stories about
themselves to reveal their personal character strengths and vulnerabilities which serves to build trust among people they are attempting to lead. “I have watched Dr. (name withheld) relate little stories about himself to donors over the years,” one respondent commented. He added, “It helps in building relationships with donors if they know who you are and where you come from. Another respondent commented, “Our president often uses stories to convey his life experience and to relate to the donors at a personal level.”

One chief development officer put it this way.

Fundraising is about leadership, not about asking for money. You are leading donors to take personal action. To do that, you must have a president who can lead at an interpersonal level. That requires transparency in all aspects of your life. Our president understands this, and he can do it . . . that is the purpose of his stories. To build relationships and trust, and to say to donors this is what I have been called to do with your help. Those stories are convincing.

The storytelling theme is something the presidents are admittedly aware of, although they try to downplay the impact and describe the practice as a function of the job. “Yes, I tell a lot of stories to make my point; but that is only important because of the symbolic nature of this job,” replied one president. He added, “As president you often have a short window of interaction with people where stories best convey your point.”

Another president described his storytelling as an obvious tool for someone in his role.

In fundraising as a president you often deal with major donors at a non-technical level. They understand that you don’t understand all the tax implications of their gift, especially in planned gifts . . . . You have not been laying the groundwork of the logistics and detailed specifics of their gift. That work falls on the development team, and donors understand that. Donors expect that you are running the college, not just raising money. Actually, I think most donors would be concerned if they knew how much time I spend fundraising . . . . Smaller donors usually only get communicated to by the president in mass at alumni gatherings, homecoming and other events and they expect that the president is running the college not just fundraising . . . . So in this role the most obvious way to communicate is through stories that reassure people that you are
running the college successfully and that the college is having a positive impact on people’s lives . . . your role as president dictates the storytelling method.

Another president said, “I tell stories because that is what our donors need to hear to reassure them that they are making the right decision about partnering with us in our work.” He added, “I am not particularly good at storytelling, but it is the most appropriate way to convey what we do to our donors.” His staff members strongly disagrees that he “is not particularly good at storytelling.” They consider him a master storyteller who makes the fundraising cycle complete. One respondent concluded, “We wouldn’t be as successful raising money if he wasn’t so good at telling stories.”

According to Denning (2001, 2004, 2005, 2007), for organizational storytelling to be effective and powerful, some key elements must be included in the stories. First, effective organizational stories must get people’s attention while offering a solution to the attention-getting problem (Denning, 2007). This element is usually provided through the use of a negative story followed by a positive story presenting a different outcome. The presidents in this sample use stories to draw donors’ attention to problems in the world around them while offering the experience of their own institutions as an alternative to those problems. One respondent said, “One version of Dr. (name withheld)’s story is the world is falling apart, but at College D we are producing leaders who can save the world.” He added, “Many of our donors are already convinced that the world is falling apart, but Dr. (name withheld) gives them an alternative vision.”

Another important element to successful organizational storytelling is that the stories need to be true and delivered in the leader’s own style (Denning, 2007). The integrity of these presidents is unquestioned, partially because they only tell true stories.
“All of Dr. (name withheld)’s stories are completely true. He may not reveal names if it is not appropriate. But he doesn’t fabricate, and I think that is important to his effect,” one respondent added. Another respondent said, “I think the president’s stories are effective because they are all personal and true, and everyone knows that.” The credibility of the presidents is an important factor in the success of the storytelling discipline.

Great organizational storytellers must know their audience, and these presidents as skilled boundary spanners know where their stories work and where they will not work. Denning (2007) suggested that leaders must become audience monitors if they are to be successful in using narrative leadership storytelling. “Our president alters his stories to reflect the crowd he is engaging,” one development officer commented. Another respondent said,

We were having an out-of-state alumni event for a capital campaign and the president had been framing his comments around a particular story at the previous events; but he changed it at this event. So I asked him why? And he said, “It won’t work here.” The group was mostly elderly alumni, and he said they wouldn’t understand the context of the story . . . He frequently modifies his communications to fit the audience. He just knows what to say and when—what the audience values—and how they best relate to the mission of College A.

Effective organizational storytelling must have a defined purpose. Denning, (2007) suggested that many leadership story types exist including sharing knowledge, transmitting values, and revealing who a leader is personally. As noted earlier, these presidents always have a purpose behind their stories including these common narrative types and objectives. Denning (2007) also described a narrative type that focuses on communicating the organizational brand, and this model usually focuses on the promise of the product, good, or service. The presidents seem to focus most of their stories in this category. One president described his focus on the brand in the following comments.
I talk in my stories about what we do at University B. I don’t have any profound stories other than that. When you run a Christian college in the (denomination name withheld) world, you are making certain assertions . . . . I tell stories to reinforce to potential students, parents, and donors that we do what we say we do— that if you give us your money, or your son or daughter, that we will teach and mentor students in a life changing way that is quality academically, spiritually, and holistically. That is our institutional promise, and we have to live that first and continually tell it to our potential stakeholders . . . . I use stories to remind those of us who work here about that promise as well.

In Chapter Six, the importance of the brand strategy was discussed. But maintaining a successful brand requires communication and the presidents often use stories to achieve that objective. One president said this, “Our donors have expectations of who we are. I have often used stories to remind them of their own expectations.” Another respondent speaking of the same president added, “He always tells stories about student outcomes and transformations that remind our donors of what we do.” He added, “That is very important to continually reinforce in the donor’s mind our brand.”

Of course, for a brand image to remind strong, the brand promise must be consistently delivered to the customer (Denning, 2005). One of the purposes of the presidents’ brand narratives is to sell the faculty and staff members about the promise of the brand. “Our president tells stories that make it clear to the faculty and staff what the expectations of our donors are.” She added, “He usually wraps those stories up in a theme of Christian service, but he makes it clear that our fundraising success is only possible if we deliver on our mission.” The presidents themselves acknowledge this point. One said, “I need our campus community to understand that our donors have expectations of what we do in terms of service and commitment to (denominational name withheld).” He added, “I tell stories to remind everyone of that perspective.” Another president commented, “Our brand is that we are a (denominational name withheld) school and that
we change student’s lives so they can change others’ lives.” He added, “That is what I tell stories about. How we do that and how we will continue to do that.”

To communicate a brand image successfully, leadership stories must be capable of replication by the “customers” themselves to reinforce that brand. The presidents understand this concept well. “My stories are University C stories because that is what I want people talking about when they mention us,” one president commented. He added, “I want to frame the narrative of what we are doing here before someone else does.” Apparently that tactic is working. One development officer said, “I often hear donors tell stories to other donors about College E that they heard from the president. His stories have legs.” Another respondent commented, “I still remember stories that our president told when I was a student here in the 1980s. So I know his stories reinforce a brand image especially among alumni.” The enduring impression of the presidents’ organizational storytelling reinforces the brand images of these colleges and universities.

Finally, for a brand story to be effective, consistency must exist between the internal narrative and the external narrative (Denning, 2007). The storytelling of these presidents helps to reconcile those two narratives. Internal brand narratives often are used to form organizational culture (Denning, 2005). External brand narratives are designed to invite prospective stakeholders into the organizational brand story (Denning, 2005). The ability of these presidents to boundary span so effectively is enhanced by their proficiency in storytelling. One development officer commented, “Dr. (name withheld) tells stories to the students about donors and other outsiders and the value they see in our campus.” She added, “He also tells our donors about what we are doing in our campus culture which helps reinforce our image to both sides.” Another respondent said, “Our
president uses stories to create expectations and self-fulfilling prophesies among all interested parties at College D.” This type of consistency in communication serves to strengthen and validate the brand image.

In summary, the presidents at these sample institutions are the sparks that light the fundraising fire. They are the catalysts in growing the fundraising capacity and moving donors to action. Their job is highly symbolic; yet, they are in the trenches daily executing the demanding requirements of their job. These men are not figureheads or detached executives. They are very “hands on” while at the same time empowering to those around them. The personal leadership styles of these presidents are critical to the successes of the fundraising function as well as the overall leadership of the institutions. These presidents all come from very different academic and life backgrounds but they all displayed “Level 5” and mission-focused leadership to the maximum level which helped to create a high degree of trust and commitment among all institutional constituencies, including donors. They are highly skilled at boundary spanning, cooption and organizational storytelling which seemed to be their behavioral leadership tools of choice for successfully navigating through a very complex maze of interdependent relationships that make up the donor base and ultimately keeps the necessary funds flowing into these sample colleges and universities. Even as an outside observer, it seems difficult to imagine these institutions functioning without their presidents. In fact, when someone thinks of these institutions, the first mental image is of the president. Yet, these presidents are completely focused on the institutional mission and not on themselves; this theme is not lost on anyone. These presidents are the symbolic embodiment of the colleges and
universities they represent, and that fact clearly enhances fundraising credibility and success.

The Implementers: Development Team Leadership

Focusing only on the leadership of the presidents and trustees in this study would certainly be problematic. Clearly, a great deal of the leadership success at these sample institutions resides within the talented group of development professionals who are charged with implementing fundraising strategy. These professional fundraisers are both talented and highly committed to their institutions. Many of them are alumni of their institutions, and many have long tenures or service. While most of them did not begin their careers intending to become professional fundraisers, they appear to enjoy their job and have developed substantial expertise in fundraising. One respondent described her experience in fundraising in the following terms.

I can’t imagine doing anything else. I love my job. I am so blessed to work with the people I work with and I love this college . . . . I think you have to be a unique person to do this type of work. You have to be very committed to the mission to be successful. If you aren’t committed, this job would be hard . . . when you are committed it is sometimes hard but you understand the importance. I think it is knowing that what you do makes such a difference in so many people’s lives . . . . I am sure this is God’s work, and I am just blessed to be a small part of it.

This sentiment of extreme job satisfaction continually exuded out of the development professionals and the sincerity of these claims was undeniable. Ironically, almost every development officer commented on how unlikely their ultimate career path into fundraising seemed. One development officer commented, “I don’t think anyone in 2nd grade ever says ‘when I grow up I want to be a fundraiser.’” He added, “I think you really have to be called into this profession.”
Despite the diverse and seemingly unlikely paths that brought these professionals into the fundraising life, clearly, they have invested themselves into developing expertise on-the-job and the sample institutions have made their professional development a priority. “I think the one thing I appreciate is that we all have had the opportunity to receive significant professional development opportunities,” one respondent said. Another respondent added to that theme.

I think one of the things that I appreciate most is that the school has invested in our professional development. I started in fundraising over 35 years ago at a sister school, and in those days there were few opportunities for training. You had to learn everything by trial and error . . . . In my time here we have all had opportunities to go to CASE conferences and take classes at The Fundraising School . . . . I remember one of my first training opportunities, sitting there thinking I wish I had learned this stuff 20 years ago . . . . Professional training makes a huge difference.

During the interviewing sessions the researcher noted that the development staff members were well versed in the latest trends and philosophies of fundraising. One chief development officer conceded that the level of training was a source of competitive advantage. “I think fundraising has reached a level of sophistication where training is critical to success. You can’t afford not to invest there,” he commented. He later added, “I am sure professional development is one of the areas where we have a major advantage against other Christian schools.” As a result of this institutional commitment, these development teams are well trained fundraising experts who all possess a high level of both organizational commitment and job satisfaction.

Another leadership finding in this study is that the chief development officers in this study all could be characterized as presenting strong traits of a strategic leader. Strategic leadership is usually defined by systems thinking, high-level cognitive activity,
and gathering of multiple inputs for analysis (Dubrin, 2010). One president described his chief development officer in these terms.

I have the best VP of Development in the business. He sees the big picture. He knows how to develop our staff. He is always thinking about fundraising as a process in a systematic way . . . . I have known other development professionals who are one man shows. They know how to wine and dine donors but they don’t know how to plan and organize and conceptualize. (Name withheld) is not a salesman . . . . He is a strategic leader, and that is what we need most. He sets others, including me, up for success.

Other respondents described each of the other chief development officers in similar terms. One development officer said, “My boss is very systems oriented, and I think that is why we are successful.” Another respondent described the top development officer at College E in this manner.

He orchestrates all of our activities. We sometimes call him the puppet master. He pulls all the strings . . . . His focus is always on the fundraising system not on today’s ‘ask.’ I think before he came, we were good at fundraising; but he and (president’s name withheld) have changed the focus from just fundraising to fundraising infrastructure and capacity. He is very comprehensive in how he approaches our work. He is very big on coordination, communication, and documentation. And he does this in a very participative manner . . . . As a result of his focus, I think all of us think much more long-term than we used to.

The systems approach or systems-thinking approach is often counterintuitive with the pressure to raise money right now and with traditional role expectations, but these chief development officers recognize that success in this business is more a product of a comprehensive system than just indiscriminately chasing donations. One chief development officer said, “My job is to put the system in place that covers all our donor markets with minimal redundancy and as much channel appropriateness as possible.” He added, “That requires a person who monitors the big picture. It is like running a war room if you do it right. That is what I try to do.” Another chief development officer made
similar comparisons when he said, “I think the biggest trap to avoid in this job is to not be a fundraiser. This job requires a coordinator.” He added, “You have the gift officers and the president to do fundraising. In this job you need to tee the ball up for them to hit and be prepared to monitor where the ball goes.”

The chief development officers are also heavily responsible for creating the culture of a learning organization. One respondent commented, “We communicate heavily in this department and that is definitely driven by (name withheld)’s emphasis on learning and capturing all relevant information.” He added, “It seems like a lot of work but it has increased our effectiveness and efficiency.” One chief development officer described his approach as being a safeguard against failure. “It is too easy in this business to get too busy and forget something important like follow-up calls”. He added, “You need systems to ensure donors don’t fall through the cracks.”

Team learning among the development team was a key strategic finding discussed in Chapter six. The development teams at these institutions are very team-oriented in their approach to fundraising. One development officer described the unique nature of the team approach to fundraising.

We all have different roles here; but we do work as a team, and that is one of the reasons we are so effective. I talk to other fundraisers who find it hard to believe that we are all so close here because they take a more competitive approach to fundraising. We are not here to compete with each other. We are here to help this school succeed . . . . We are very collaborative, and I think that works well for us . . . . I have worked in fundraising in another setting where we all worked as individuals. This model is much better.

Other respondents also reinforced the value of the team environment. “We are very collaborative in our approach to fundraising, and that is a strength of our fundraising approach,” one respondent commented. Another development officer added, “I always
appreciate that I am not in this alone. We are a team.” The team approach to fundraising is obvious when observing the interaction among these professionals. They exhibit all the characteristics of closely knit work teams. When asked how the team model emerged the responses often implied that it was just the result of commitment to a common mission and a common shared faith connection. However, others admitted that it also was part of using a more systemic approach to fundraising. “I think as we have become more strategic over the past 10 to 15 years the value of a team approach has become obvious to everyone,” one respondent commented. She added, “This job is challenging, and it helps to know you have a lot of support among your colleagues.”

One of the practices to which these development teams seem highly committed is defining donor motivation. They begin by identifying the donor location on their 3-tiered market segmentation model discussed in Chapter six, and then they look for psychographic and demographic type markers which they hope will help them understand the donor’s motivations. One major gifts officer described the process in this manner.

We all try to listen first for clues regarding the donors thought processes and motivations . . . . What year did they graduate if they are alumni? Where do they go to church? Who are their closest friends? What are their primary interests now? . . . . I think what we do better in our fundraising process at College A than other schools is that we profile donor motivations more accurately. This leads to a better match between gift opportunities and the donor’s interests which makes giving a much more rewarding experience for the donor and reinforces the character and mission of our school . . . . I think a lot of schools ask for money first and then try to understand donors later if the request didn’t work the first time. That immediately creates a tension among donors who often feel that they have communicated their interests to you, and you didn’t hear them.

Other development officers indicated the same theme of identifying donor motivations. “The skill that has helped me the most is learning to listen and understand what donors are motivated by,” one respondent commented. Another development officer added, “We
have been taught to listen and profile—not just ask people for money.” She added, “That has made me more comfortable asking for money because I feel like I know the outcome already because I know the donor’s motivations.” Another respondent added, “If you listen carefully to what the donors tell you about their relationship with the college you will discover what their specific interests are. That is how you match needs to donors.”

These development officers keep notes on donor conversations and communications to search for motivational links to potential projects that need funding. “I think what we do differently here is when we have a project that needs funding we already have a list of people profiled who will find that project attractive,” said one respondent. He added, “That is very different than going out to search for interest from scratch.” The development teams also use their team approach to validate their assessment of donor profiles. One respondent described this process in the following comments.

I have always profiled donors even before I came to College D. But here I get to test my perceptions of the donor against others on the team which will either validate my beliefs or cause me to do more analysis . . . . In this business you are often making quick judgments about individuals based on very short interactions, and you can often be wrong. Here we test our donor profiles against others’ perceptions, including the president; and that makes our donor profiles much more accurate.

The skill of assessing donor motivations is a particularly relevant tool in fundraising as described in Chapter three, and these development teams are both committed to understanding their donors and prospective donors in way that is both professionally responsible and personally uplifting. As one chief development officer said, “Yes, we profile our donors because we want to be effective. But we also want to convey that we value the individual. Not just his or her money.”
Another defining practice of these development teams is a commitment to “after the “gift” service. One major donor said, “I spent all day yesterday talking to donors who have already given us financially all they ever can and will through planned giving tools.” He added, “Some people would say that is a waste of time. But we think making sure that donors are satisfied with their gifts is vitally important.” This theme was unanticipated and very strong among these sample institutions. One chief development officer commented, “One thing we strongly believe in is making sure our donors are satisfied after they make the gift.” He added, “If they are not. You will damage your ability to raise money in the future.” Another chief development officer said, “What I have learned in almost 40 years as a fundraiser is that what you do after you receive a gift is often more important that the ‘ask.’”

The theme of the importance of maintaining donor satisfaction was a major point reinforced by the respondents in this study. “In business if I sell you a bad car, that is a business problem. But many fundraisers think once I get your check I don’t need to worry about you anymore,” one respondent commented. Another respondent said, “Existing donor satisfaction is more important to fundraising success than attracting new donors.” He added, “If your current and past donors aren’t happy, you can forget about attracting new donors.” One chief development officer said, “Donor retention is directly related to how satisfied they were with the last donation. And donor retention is the most important thing in fundraising.” These development teams are highly committed to ensuring that their existing donors have positive experiences; such upbeat practices are vital to the success of their fundraising efforts and communicate the values of their institutions as one development officer concluded in the following comment.
Even if it wasn’t important to stay involved with donors after they made their gifts—it is still the Christian response. We don’t ever want to say give us your money and then we will forget you. That is morally reprehensible and not what we stand for. These donors are our family and our partners in our mission. If we don’t stand by them we don’t deserve their money or their respect. Too many fundraisers view donors as a means to an end. A Christian institution can never do that. You build your reputation on the character of how you treat donors and that is especially true after the gift has been made. That is when donors make conclusions about your character both as a fundraiser and as an institution at the time when you don’t have to stand by them. We always stand by our donors.

In conclusion, the fundraising success these institutions have achieved could not have occurred without the leadership extant on these development teams. The complex network of relationships and continual communication in which they must engage on a daily basis is mindboggling. They are highly trained professionals who understand how fundraising works. Their in-depth understanding of the relationship of their institution’s mission, denominational heritage, and academic as well as religious culture help them to attract the resources necessary to sustain the organization. They are consumed with a deep sense of purpose that is both convincing and motivating to outsiders. They understand donor motivation and are very skilled at gathering psychographic donor information and reinforcing the importance of the donor’s contribution. The teamwork these development officers demonstrate is exceptional because they understand that execution of the fundraising process requires all parties to represent the institution seamlessly. Overall, these development staff members do an excellent job of implementing the fundraising strategy.

Summary

The leadership styles and behaviors displayed by the key players at these sample institutions are a major part of the success of these institutions overall, and specifically in
the fundraising area. Successful strategy does not occur without strong leadership, and these sample institutions have strong leadership at all levels. The trustees serve as guardians of the institutional mission and denominational heritage by providing a backdrop of stability for employees, students, and alumni; they also serve as a check-and-balance against any movement toward secularization. The presidents serve the institutions as the visible catalysts for all activities and are committed to growing the fundraising capacity in a mission-focused manner. Finally, the development teams implement and execute the fundraising strategy with remarkable precision as well as collaboration in a highly complex environment. The three levels of leadership analyzed in this Chapter are all exceptional and all critical to the fundraising success of the institution. The leaders of these institutions fully understand the environmental context described in Chapter Five and are also involved in both the formulation and implementation of the strategy found in Chapter Six. This relationship between strategy and leadership is mostly intentional but also at times emergent based on the context under which these schools operate. The result of this symbiotic relationship between the leadership and strategy has been to reinforce a distinct brand image that has proven successful in creating competencies and attracting resources, including donations.
CHAPTER EIGHT: SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The art of simplicity is a puzzle of complexity. --*Douglas Horton*, (cited in St. Peter, 2010, p. 568)

**Introduction**

The results of this study have illustrated that fundraising success is both a simple and a complex process. A review of the literature led the researcher to the conclusion that colleges and universities at all levels are struggling to find needed financial resources and to build their fundraising capacity. Church-affiliated colleges and universities are among the most vulnerable in attracting financial resources because these institutions do not receive direct state support and often are constrained in market reach by their small size and denominational affiliation. In addition, as illustrated by the institutions in this study, church-affiliated colleges and universities often lack in sufficient endowment resources, making the margin for error on tuition revenue a treacherous one. The reality of this fiscal fragility makes building fundraising capacity critical to the success of the mission of institutions in this segment of higher education.

This research began with an overview of the background, purpose, and significance of this study in Chapter One. In Chapters Two and Three an overview of the historical context of Christian higher education and a review of the literature on fundraising were discussed. The research methodology of qualitative grounded theory used in this study was described in Chapter Four. The findings of the study were presented beginning with the contextual themes in Chapter Five, followed by a discussion of the strategic and leadership findings in Chapters Six and Seven, respectively. In this final chapter, Chapter Eight, a summary of the dissertation will be presented as will a
review of the thematic findings of the study conceptually linked by a graphical model. In addition, this chapter will also contain the pivotal conclusions developed from the information collected throughout the study as well as recommendations for future research and recommendations for action; the chapter will end with some personal reflections about the study.

**Summary**

Fundraising is a difficult and comprehensive organizational challenge for all higher education institutions, but it is particularly challenging for church-related colleges and universities. Most church related institutions have denominational affiliations which can serve as both conduits and barriers to fundraising markets. In addition, the history of Christian higher education in America is primarily a history of gradual secularization of the organizational mission, governance and church affiliation, as these institutions grow and mature and often leave their denominational roots behind in the pursuit of financial stability and academic prestige. In addition, the field of fundraising has evolved and developed from modest philanthropic beginnings to a sophisticated professional discipline. The problem of simultaneously attracting resources, while protecting the Christian mission, governance, and denominational affiliation is a major challenge educational leaders in the church-related higher education segment must confront in every generation.

The purpose of this study was to examine how successful church-related colleges and universities managed to build fundraising capacity and achieve fundraising results. In order to investigate this serious contemporary challenge in the church-related segment of higher education the research questions which have guided this study were developed.
Those research questions were previously presented in Chapter One, and are restated here:

1. What specific strategies do educational leaders in leading church-related institutions use to create and sustain an environment of successful development and fundraising while protecting the Christian mission, governance, and denominational ties of the institutions?

2. What specific leadership behaviors within these leading church-related institutions contribute to the creation and continuation of an environment of successful development and fundraising, while protecting the Christian mission, governance, and denominational ties of the institutions?

The methodology used in this study was a qualitative, grounded theory approach blended with some elements of a comparative case study approach. There were five sample institutions selected based on a purposeful sampling strategy utilizing the criteria of fundraising success, avoidance of secularization, denominational affiliation, geographical diversity, and accessibility. The primary data collection method was in-depth, semi-structured interviews of key leaders affiliated with the sample institutions, supported by observation and document analysis. All of the participant institutions and individuals were provided anonymity and provided with informed consent to participate in the study. The data were analyzed and interpreted utilizing principles of grounded theory to identify thick descriptions of the context and coding of emergent themes which were saturated in the data.
Conclusions

This study has produced several major conclusions about the organizational context, strategy actions, and leadership behaviors found at the successful church-related colleges and universities in this study. Those conclusions are presented below.

1. The primary prerequisite for successful fundraising programs at a church-related colleges and universities is organizational mission fulfillment and the subsequent creation of a brand image based on that achievement.

2. Fundraising success at a church-related colleges and universities is best achieved by pursuing a focused differentiation strategy utilizing high academic quality, strong Christian culture, and denominational affiliation as points of differentiation.

3. Successful church-related colleges and universities segment their donor markets in a 3-tiered, concentric model based on denominational affiliation first, the larger Christian community second, and a values-based segment last.

4. Successful church-related colleges and universities succeed in fundraising by supporting their focused differentiation strategy with an operational strategy of sticking to the core competencies of teaching, mentoring and developing undergraduate students.

5. The communications strategy of these successful institutions are focused on branding principles and integrated marketing concepts delivering a consistent image of the organization to all constituents, including donors.

6. Successful fundraising at church-related colleges and universities requires a highly committed, engaged, mission-focused governing board.
7. Fundraising success for church-related colleges and universities requires highly effective presidential leadership capable of visibly embodying the mission, values and brand image of the institution. The president should possess a leadership style which inspires high levels of institutional commitment and be skilled in other leadership behaviors such as; boundary-spanning, cooption, and organizational storytelling.

8. Fundraising success at a church-related college or university requires a highly engaged and professionally trained development staff that functions with a team-oriented approach, utilizing learning organization principles, guided by a strong strategic leader as chief development officer.

9. A general institutional context that includes a pervasively Christian culture, residential community atmosphere, strong academic culture, and sense of institutional history accelerates fundraising success and should be leveraged strategically by institutions in the church-related higher education market segment.

10. Leaders at successful church-related colleges and universities consistently defend through leadership behaviors and strategic actions against a threat of secularization as they develop strong fundraising capacity.

The conclusions developed by this researcher are best represented by the theoretical model displayed in the Appendix R entitled “Conceptual Model of Successful Fundraising at Sample Christian Colleges and Universities.” In this graphic representation, the interaction between the leadership findings (identified in Chapter
Seven) and the organizational strategy findings (discussed in Chapter Six) are displayed in association with the general contextual findings (acknowledged in Chapter Five) from the sample institutions. As the graph illustrates, these institutions and their leaders understand that the context in which they operate is both unique and complex; they react strategically both responsively and proactively in a manner that reinforces many of the variables within the context. Fundraising at these institutions is successful because college and university leaders understand the context of their external environment as well as their own internal capabilities. Then they react to, and leverage, those variables into a defendable strategy and market position. Their effective strategy is both formulated and implemented by a strong team of leaders at multiple levels of the institution and, subsequently, leads to a strong brand image to which all of the necessary constituent groups, including donors, positively respond. Put in simpler terms, these institutions operate successful fundraising programs because they are have strong leaders and effective strategy, which strengthens their the ability to fulfill their brand promise on a continuous and consistent basis. Fundraising success comes easier for these institutional leaders because their first priority is to be effective at operating their college or university and fulfilling its mission.

Appendix R illustrates a conceptual model of the process that leads to successful fundraising at the sample institutions. This process begins when the leaders of these institutions analyze the external and internal environments of their organizational context. This analysis provides the strategic inputs the leaders need to use in formulating their strategy. The leaders in this study recognize that the contextual tensions of low endowments, potential secularization, and conflicts over the campus spiritual culture,
which were each discussed in Chapter Five, are all significant threats that must be addressed strategically. In addition, the leaders at these colleges and universities also understand that the general contextual findings of the strong Christian culture, residential community, academic culture, and institutional history which characterize these establishments are intangible resources that must be strategically leveraged and sustained. Therefore, as illustrated in the conceptual model, the contextual findings from Chapter Five are continually being analyzed and used as strategic inputs by the leaders to inform as well as guide the strategic-formation process.

The result of the continual interaction between the context, leaders, and organizational strategy is to produce a realized strategy that supports a unique brand image leading to successful fundraising. This strategy begins with a comprehensive understanding of the higher education market and a commitment to a broad strategy of focused differentiation based on the Christian commitment, academic quality, and denominational affiliation. The strategy also is framed by segmenting constituencies into a 3-tiered, concentric, market-segment model based on the denominational affiliation, the larger Christian community, and a values-based segment. Such segmentation helps institutional leaders understand better how to communicate their brand message to multiple market segments. In addition to brand communication, leaders of these institutions have made a clear strategic commitment to an operations strategy of sticking to their core competencies which, in turn, strengthens the authenticity of the brand image. Finally, the fundraising strategy is focused on using learning-organization practices to create an environment where day-to-day tactical adjustments are continually used to grow the fundraising capacity.
The successful strategy at these institutions has been built by years of strategic analysis and careful formulation by the leaders at these schools. The trustees, in particular, have made mission commitment a high priority and set the tone with their high levels of involvement. Consequently, many areas such as sticking to core competencies and maintaining a high Christian commitment become non-negotiable aspects of the strategy and provide a backdrop of clarity for the presidents and other key leaders.

For any strategy to be successful, competitive advantage must be achieved. Competitive advantage typically comes from a unique bundling of several resources (Hitt, Ireland, & Hoskisson, 2010). In this study, the presidents, in particular, have focused on developing a unique set of resources that support the historical mission of their institutions while also creating contemporary value in the modern higher education market. The presidents at these schools must monitor all variables to continually ensure that their institutions are creating value through the specific combinations of unique factors that the educational experience at their campus produces. Often, the strongest resources for creating competitive advantage are intangible and invisible; therefore, such assets are usually more valuable and quite difficult to imitate (Hitt, Ireland, & Hoskisson, 2010). This study is a clear example of that principle. The strategies the leaders at these colleges and universities have formulated and successfully realized are nearly impossible to copy or substitute in other settings because they are primarily cultural, intangible, and leveraged against the unique histories of the institutions in this study. The result is that these organizations have produced a strong differentiated brand image and a clearly distinct market position.
Strategy formulation is important but cannot produce results without the strong leadership necessary to ensure successful implementation. As the conceptual model illustrates, strategy implementation is the result of leadership actions which are constantly being influenced by the ongoing strategy formation process. To implement the strategy at these institutions, the leaders continually engage in actions and behaviors that reinforce the intended strategy. Such reinforcement includes the highly committed board members acting as guardians of the institutional history, mission, and denominational affiliation. The presidents have a major role in implementing the strategy through the credibility of their “Level 5” (Collins, 2007) and mission-focused leadership style and behaviors as well as the continual connecting and reinforcing of the brand image through their boundary spanning, cooption, and storytelling behaviors. Finally, the fundraising staff members are highly committed professionals who work hard in a team-oriented model to cultivate relationships, understand donor motivations, and reinforce donor satisfaction after the gift. Their continuous efforts in managing donor relations are the final step in successfully implementing the institutional strategy linking the brand image to the donors in an effort to raise support.

Finally, the resulting brand image and successful fundraising results at these colleges and universities complete a feedback loop which allows for reinforcement of the strengths found in the general context. The additional resources accumulated through the strong fundraising capacity allow for additional investment in the strong Christian culture, residential atmosphere, and academic culture which also continues to build on the greatness of the institutional history. The continued success of building on these general contextual strengths also helps to defend these schools against the threats which the
tensions in the context present. Therefore, the better these institutions become at creating and presenting their successful brand image the less those threat areas endanger their immediate future, completing a cycle of success in every aspect of the institutional mission. The continued success produced by this strategic reinforcement loop allows the fundraising capacity to continue to expand, creating an ever more unique and defendable strategic position. As the conceptual model illustrates, fundraising success is the result of strong leadership and well-defined as well as implemented institutional strategy which is not an end unto itself. Ultimately, the macro conclusion of this study is that fundraising success is the result of institutional success.

**Recommendations for Further Research**

This study has opened the door to the vast needs for further research on the topic of fundraising within the Christian-college market segment of higher education. While church-affiliated colleges share many common characteristics with the broader higher education market, this segment has far too many unique features to rely on the broad category of educational fundraising research which is, by many scholars’ estimations, also seriously underdeveloped. As I progressed through this research I found myself reflecting on many questions that were left unanswered. Therefore, the following is a brief list of recommendations for future research in this market segment.

This study focused on the practices of successful Christian colleges, but not all Christian colleges are successful. In fact, many intuitions are currently struggling to survive, which typically makes fundraising efforts more focused on survival and less concerned about mission fulfillment. A study of failing church-related schools would probably provide equally as much insight into what is not working as this study sheds on
successful practices. Specifically, autopsy case studies of recently discontinued colleges could be used to compare and contrast with the findings of this study. Quantitative studies of the financial progressions of discontinued and struggling colleges could shed light on critical turning points in the process of failure leading to new benchmarks and other tools which could be used to take corrective action.

Only a few studies have been conducted and minimal models of donor motivations in fundraising have been developed in the non-profit sector as a whole, and even fewer on fundraising in the church and higher-education segments specifically. No studies have been completed on the motivations of the unique group of donors who contribute to church-related colleges and universities. Respondents in this study seemed to believe that these donors possess some motivational characteristics of traditional-church donors and some characteristics of higher-education donors and therefore assume both lines of motivation in the cultivation process. But it would be valuable to all leaders in the church-related segment of higher education to know more about the unique donor motivations in this sector which could be acquired through a variety of research methods to produce at least exploratory findings. Understanding donors’ motivations is important in all fundraising settings; but this segment, with its unique blend of institutions and denominational affiliations, could use specific research as well as subsequent development of donor motivation models.

Patterns of giving related to denominational affiliation have been studied for a long time in philanthropy research. However, no one has ever studied the relationship between denominational giving patterns and denominationally-affiliated institutions. Different Christian traditions have different views of the role of higher education, and
these views most likely influence giving patterns to their institutions. In addition, different denominations also place different levels of emphasis on giving as a spiritual discipline. These varying religious teachings likely influence support for church-related colleges and universities, depending on their denominational heritage. A study linking denominational giving patterns and institutional support would be challenging to construct but very useful to leaders in church-related colleges and universities.

A consistent theme among all of the presidents and development professionals throughout this study was that none of these individuals ever desired or intended to become fundraisers. Yet, now they are very established and successful in this profession. While this study was structured to examine fundraising success at the institutional level, another area of potential study would be to research successful individual fundraisers, particularly in this church-related segment of higher education. Despite the seemingly random paths that brought each of these individuals to this occupation, collectively they seemed to possess some common personality traits that could be measured using a variety of instruments as well as more qualitative interviewing techniques exploring the development process of successful fundraisers. Presidents could also be studied as a separate cohort group to determine if certain patterns emerge that might help in both the selection and development of individuals interested in this key leadership position.

Finally, the broad institutional strategy of focused differentiation emerged from this study as a driver of the fundraising success. I believe a study examining institutions both with strong fundraising results and those with poor results, identified in relation to broad strategy selection could be very insightful. In addition, a related research approach could be to look at the strength of any recognizable broad strategy and the related
fundraising results to understand better the linkage between broad organizational strategy and fundraising results. Institutions lacking a clear strategy would be unlikely to produce high levels of fundraising, but a quantitative study could examine this issue on a more in-depth basis. More research on the linkage between the broad institutional strategy and fundraising result is needed in all segments of higher education but is particularly necessary for church-related colleges and universities.

**Recommendations for Action**

The findings of this study support many prescriptive actions which should be taken by college leaders in this unique market segment. The themes which emerged within this study provide some valuable templates for developing a strong and successful church-affiliated college or university. The following is a brief summary of some of these prescriptive actions which institutional leaders in this segment should pursue.

Careful selection, stability, and development of the trustees are defining factors of the successful institutions in this study. The trustees are highly engaged in the life of these institutions. This high level of engagement has not occurred by accident. The selection process for these self-perpetuating boards is extremely rigorous and something that is not taken lightly by the institutional officials or the people who are chosen to serve on their boards. Many institutions choose trustees in an attempt to broaden their influence in particular areas or to attract a particular resource. Undoubtedly, the trustees at the institutions in this study are selected with much consideration given to their circles of influence, expertise, and access to resources; but the primary criterion for selection at these sample institutions is an unwavering commitment to the success of the institution and its students. Fewer than 10% percent of the trustees at these colleges and universities
are non-alumni, and those who are in the non-alumni category typically have other long-term relationships with the institutions. The expectation of new trustees is that they make an irrevocable and selfless commitment to the collective board which is usually validated by years of prior volunteer service in smaller roles at the institutions. At many other church-related colleges and universities, trustee selection is often a difficult process; but at these institutions, a short list is always available of potential candidates being groomed in the pipeline who are fully aware of the required commitment should they be selected. This is a critical factor for success for all of these institutions. Developing a culture of commitment and stability through board selection and development should be an important area of emphasis for leaders at any institution interested in building their fundraising capacity.

In addition to developing strong and stable boards, the selection and stability of the presidents in this study were clearly critical to institutional viability as well as long-term fundraising success. In addition, the president must consistently visibly embody and articulate the institutional mission. Selecting a president with the leadership qualities discussed in Chapter Seven is extremely important; but, it is equally important that the president must remain committed to the institution as well as the job, maintain the steadfast, overt, support of board members and other important college stakeholders in order to remain in the role for many years. Short-term presidents will not have the time, no matter how individually talented, to engage in the relationship building necessary to grow the fundraising capacity; and presidential instability is disruptive to the fundraising process, leaving a cloud of failure in the donor’s perceptions. Stability and longevity of presidential tenure is decreasing at a time when they are needed most for institutional
success, particularly in the fundraising role. I recommend that institutional leaders
consider more carefully the long-term potential of their presidential candidates than the
immediate payback of prior outside experience, because success in fundraising is more
about the experience with particular donors in the current institutional context than about
previous work in some other setting. This is also a strong argument for internal
presidential candidates who have substantial histories within the institution. Finally, the
presidential selection process should focus on identifying individuals who understand that
fundraising is the primary role of the presidency. My personal experience, particularly in
this segment of higher education, has led me to believe that committing to being a
fundraiser is not something all presidents are willing to do. The president has to be the
leader in this area to be successful, and anything less than a full commitment to the role
will lead to failure.

The institutions in this study have heavily invested in the professional
development of fundraising staff, and I strongly recommend that leaders at other
institutions follow this model. While most of the fundraising professionals interviewed
were “home-grown” development officers, they have been significantly trained to fulfill
their responsibilities. Many other institutions, particularly in the church-related market
segment, also typically choose “home-grown,” outgoing, personable alumni to serve in
the development function but usually provide little or no training. Obviously, training
increases job proficiency; however, training also requires an upfront investment to which
many cash-strapped institutional leaders are unwilling to commit. In addition, many long-
time successful development officers “grew-up” during an era in which they themselves
never received any training and often fail to see the return-on-investment. Fundraising is
more than merely sales and marketing. Fundraising is a very sophisticated discipline in its own right, and having professionals with training on the staff will produce better results. The turnover within the fundraising staffs of these institutions is extremely low, and that is most likely a product of the investment in the staff members and the resulting professionalism as well as self-efficacy. Institutional leaders most definitely need to invest heavily in training and development of their fundraising staff if the institution is to become effective in the process of raising funds as well as friends.

Leaders at church-related institutions must understand and define their broad-strategic position in the marketplace of higher education. Leaders at these successful colleges and universities understand that they are focused differentiators using academic quality, Christian commitment, and denominational affiliation as their strategic points of differentiation. These differentiators allow for the creation of a unique brand image which is non-substitutable. This “big-picture” strategic position provides clarity for these institutional leaders. The institutional priorities are academic quality, Christian commitment, and denominational affiliation. None of these variables is enough individually to create a unique brand position; but bundled together they create a unique brand and also define where resources should be allocated. The goal of any strategy is to create a unique, defendable market position and provide internal focus on strategic priorities. Leaders at church-related institutions must develop durable strategic positions to survive.

In addition to defining the broad organizational strategy, institutional leaders also must focus on mission congruence in operations. I think the one point that has resonated with me personally in this study is the need to be who you say you are. Leaders at these
institutions live out their mission daily which produces significant credibility for their brand image and their case for support. The focus on sticking to core competencies not only produces efficiency of resource utilization but also reinforces the congruence of the mission. The focus of these colleges and universities is on undergraduate, residential, whole-person, liberal-arts education. While at many other institutions, leaders would say that they are doing these things as well, a quick survey of their budget priorities would suggest that they are not. These institutional leaders understand their mission and that congruence of mission resonates back to the fundraising process. I personally did not anticipate that operational priorities would be so closely linked to fundraising success, but the small size of these institutions makes such a linkage an imperative. Consequently, I recommend that colleges and universities in this market segment get their mission priorities set in operational focus.

One of those specific operational priorities for attaining mission success at these institutions is academic quality. I recommend that colleges in this segment work hard to focus on academic quality as a means of increasing fundraising success. Donors in this market segment want to know that these Christian schools are not just faith incubators but are also strong, quality academic institutions. This focus is best pursued by providing high quality instruction and committing to the back-end student outcomes of job placement and graduate school admission. In public relations materials, every college proclaims to support as well as provide academic quality, but members of the general public do not believe such claims. Large state universities have mostly abandoned undergraduate education, and many church-related colleges have underdeveloped academic programs. The linkage between student outcomes and fundraising success discussed in Chapter Six is vital. Institutions in this market segment charge higher tuition and must provide a higher quality outcome to complete the value equation for their constituencies, including donors. I was particularly amazed at how much time the development staff members at these institutions spent on building relationships leading to employment pipelines for their graduates rather than on just monetary donations, an example of the comprehensive approach to development that is necessary to build fundraising capacity as well as the importance of the link between student outcomes and fundraising. The success of their graduates is the case used by these institutional officials to raise money and this goal can only be reached if the academic quality of the institution is high.
Finally, these colleges and universities are Christian institutions; and their leaders have spent a great deal of time defining and managing the religious culture as well as the identity of their schools. Therefore, all institutions in this segment should make a clear commitment to their religious identity and culture. Ambiguity in religious identity is a disaster to fundraising for church-affiliated schools; this issue cannot be avoided. Denominational parties will push for clarity and be suspicious of any perceived change in commitment or practices. The larger Christian market, including both prospective students and donors, will want to know and understand the Christian culture of the campus before committing their resources. This situation provides many strategic difficulties in an era often described as post-denominational. The five schools in this study represent denominational affiliations that range from very large and powerful to dying and almost extinct. Yet, all five institutions have made the difficult and at times criticized commitment to be distinctively Christian and ecumenically hospitable in campus culture, while also remaining irrevocably tied to their host denomination. To use Benne’s (2000) terminology, these institutions have chosen to be “anchored and open.” While this position receives some criticism from denominational insiders who desire a more “anchored” orthodoxy and from some outsiders who desire more institutional “openness,” the position is firm and resolute. I will not attempt to judge the motives of the leaders who have defined this position, but I will suggest that strategically it is a highly effective position for attracting resources from multiple constituencies while also serving as a strong defense against secularization. While many church-related institutions are continually struggling with their religious identity, this matter is mostly resolved at these sample institutions, which provides clarity and reduces friction in the fundraising
process. Defining the religious culture is critical to building a brand image and having a case to raise money, so church-related colleges and universities must reach clarity on this issue.

**Research Postscript: Personal Reflections**

The planning, literature review, field research, analysis, and writing of this study have spanned many years and many unique experiences for me personally. In the fall of 1999, I left the corporate world and began my work as a faculty member in a small, fiscally challenged, church-affiliated college. With high aspirations for fulfilling both my own personal mission and the mission of my institution, I was immediately confronted by the harsh realities of limited organizational resources as well as unlimited needs and aspirations. I began to look at other church-related institutions and realized the dramatic differences in resource levels that varied from extremely successful, thriving institutions to many that were struggling to survive. In the context of this recognition of the vast distinctions between institutions in this segment of higher education, I began to wonder about the role of fundraising in creating these differences.

Following some brief analysis of the financial statements of various colleges, I began to realize that most of the resource differences came from the fundraising capacity; from this conclusion my fascination with how successful organizations raise money began to grow. Throughout my life I had been involved as a volunteer leader in many non-profit organizations; and I believed I already knew quite a bit about fundraising, but I was incorrect. Like many people, particularly people of faith, I still believed successful fundraising was a function of just explaining as well as demonstrating a need; and the funds would ultimately follow. On this assumption, I could not have been more incorrect.
Because I held this common belief that charitable giving is about responding to needs, especially desperate needs, I fell into many common patterns of thought that often exist among people at struggling intuitions. For instance, I believed that most wealthy donors would choose to give more money to a struggling institution because they needed the money more than organizations with more ample resources. If you believe this line of thinking, the obvious point of emphasis in your fundraising approach would be to explain the dire level of need extant in your organization and expect to receive more funds. This pattern of thinking also often leads people at struggling organizations to become jealous of staff members at those organizations that are more successful at raising money and to develop something of a victim mentality. Unfortunately, when you start to see your fundraising failure from a victim’s perspective, you start to lose perspective about donors and their motivations. You may even lose respect for the philanthropic investment decisions which they have made. Because after all, if these donors really understood how desperate your institutional needs were, they would surely reallocate their donations to your struggling institution away from the more prosperous colleges and universities. This pattern of thinking leads to poor strategic decisions and overestimating your own fundraising capacity.

The successes of the high performing organizations in this study have stood in stark contrast to my own institutional experience in this sector of higher education. As I have wrestled with the implications of data I collected, I have worked against a backdrop of struggles at my own institution. While the institutions in this study were leery of pursuing adaptive initiatives, my institution continued to chase the “cash cow” of adult education while failing to address core deficiencies in the traditional, residential,
undergraduate educational environment. As the institutions in this study all made serious commitments to define clearly the campus religious identity, including the relationship with their host denomination, my institution choose to try to “straddle the fence” and avoid taking any definitive stances, leaving all constituencies confused and disillusioned. During my interviews, I listened to the presidents and other leaders at these sample institutions discuss the importance of sticking to the core competencies of teaching and developing undergraduate students as well as focusing on doing a few things very well. Meanwhile, I watched my own institution desperately try numerous gimmicks, dramatically growing administrative overhead in non-instructional areas, and ultimately digging deeper fiscal deficits while diminishing the academic quality along with the core mission of the organization. While the colleges and universities in this study managed successfully to navigate through the extremely difficult economic conditions of the past decade, my institution and more than 100 others, mostly small church-affiliated colleges, found themselves on the U.S. Department of Education’s failing college watch list. Some of these of these institutions have recently discontinued operations, and many others will do so in the near future.

The preceding descriptions of the two extremes I presented are not intended to bash failing schools and make heroes of the institutions which are succeeding. The amazing point is that a very fine line exists between the most successful and failing institutions in this segment of higher education. Both sets of colleges and universities have very talented, dedicated, self-sacrificing, educators who work in these organizations as an act of personal faith. Both sets of institutions have alumni who care deeply about their alma maters, and have hard-working, well-intentioned leaders who are pouring their
hearts as well as souls into helping their organizations succeed. The primary difference between these two sets of institutions is choice of leadership actions and strategy. The schools in this study, and others like them, that are succeeding are doing so because they have committed to being distinctively Christian schools with strong academics; and their institutional leaders have remained focused on that mission exclusively as a defendable position in the complex marketplace of higher education. The colleges and universities that are failing are focused on doing anything they can to remain fiscally viable and often unintentionally choose to pursue un-defendable market positions. In the end, the defendable strategic choice also leads to the ability of achieving fundraising success because ultimately only mission success can raise money.

This conclusion has, in many ways, been a very difficult finding for me to accept as I have conducted this study. I had hoped to identify some secret formula to raising money, but this study did not produce such a finding. In addition, this study was not conducted by a dispassionate researcher because I really wanted to know what it took to do what these successful schools have accomplished. I wanted to know how to find the resources necessary to give my long-suffering colleagues who have gone many years without pay raises and continually declining working conditions new hope. I wanted to say that I had found the answer to how so many of these great institutions that have educated generations of students and are now struggling for survival could raise more money to fulfill their institutional missions better. As a graduate of an excellent Christian college, which fortunately falls on the successful side of this equation, I wanted to give back something to the professors, coaches, and administrators who had invested so much of their lives into my academic, spiritual, and personal development as a young adult. I
wanted to ensure that future generations of students had the same opportunity to receive the same quality of Christian education that I had received. I desperately wanted to know the answers to the research questions in this study.

Ironically, I think my desire to know these answers and my personal experiences at a failing institution added an extra degree of validity to this study. As I found answers in the research of these successful institutions which I did not want to find, I also had the added reality of comparison with my own institution which reaffirmed for me that what these leaders were telling me was true. And so, despite producing a very different set of findings than I had anticipated, I do believe that the findings of this study are extremely valuable. I hope that leaders who are questioning their strategic path, as those of us in struggling institutions often do, can reflect on the results of this study and hopefully find the courage to follow their missions more closely. I hope this study will encourage others in this segment of higher education to have the strength of character to say that success may be found in doing fewer things better in order to achieve more results and ultimately attract more resources.

Finally, I want to conclude by suggesting that many church-affiliated colleges and universities have done a great deal to serve the educational needs of many students throughout the history of this country often with very limited resources. I strongly believe that this segment of higher education needs to be preserved. I also believe that churches of all denominations need to reevaluate and reinvest in their own higher-education institutions before it is too late. As the world in which we live becomes increasingly complex through globalization and other factors the need for an educational worldview big enough to encompass all disciplines and create a truly educated person
seems to be growing while the offerings seem to be diminishing. I believe Christian higher education can fill this need, and I only hope in some small way the results of this study can help to strengthen these church-related colleges and universities.
REFERENCES


Appendix A: Dillon’s Model

Scope of Advancement, Development, and Fundraising

ADVANCEMENT

Fundraising

Public Relations

Communications

DEVELOPMENT

Fundraising

Public Relations

FUNDRAISING

All activities directly seeking gifts from private sources

Admissions

Alumni
## Appendix B: Benne’s Model

### Types of Church-Related Colleges

<table>
<thead>
<tr>
<th>Major divide:</th>
<th>Orthodox</th>
<th>Critical-Mass</th>
<th>Intentionally Pluralist</th>
<th>Accidentally Pluralist</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>the Christian vision as the organizing paradigm</td>
<td>versus</td>
<td>secular sources as the organizing paradigm</td>
<td></td>
</tr>
<tr>
<td>Public relevance of Christian vision:</td>
<td>Pervasive from a shared point of view</td>
<td>Privileged voice in an ongoing conversation</td>
<td>Assured voice in an ongoing conversation</td>
<td>Random or absent in an ongoing conversation</td>
</tr>
<tr>
<td>Public rhetoric:</td>
<td>Unabashed invitation for fellow believers to an intentionally Christian enterprise</td>
<td>Straightforward presentation as a Christian school but inclusive of others</td>
<td>Presentation as a liberal arts school with a Christian heritage</td>
<td>Presentation as a secular school with little or no allusion to Christian heritage</td>
</tr>
<tr>
<td>Membership requirements:</td>
<td>Near 100%, with orthodoxy tests</td>
<td>Critical mass in all facets</td>
<td>Intentional representation</td>
<td>Haphazard sprinkling</td>
</tr>
<tr>
<td>Religion/theology department:</td>
<td>Large, with theology privileged</td>
<td>Large, with theology as flagship</td>
<td>Small, mixed department, some theology, but mostly religious studies</td>
<td>Small, exclusively religious studies</td>
</tr>
<tr>
<td>Religion/theology required courses:</td>
<td>All courses affected by shared religious perspective</td>
<td>Two or three, with dialogical effort in many other courses</td>
<td>One course in general education</td>
<td>Choice in distribution or an elective</td>
</tr>
<tr>
<td>Chapel:</td>
<td>Required in large church at a protected time daily</td>
<td>Voluntary at high quality services in large nave at protected time daily</td>
<td>Voluntary at unprotected times, with low attendance</td>
<td>For few, on special occasions</td>
</tr>
<tr>
<td>Ethos:</td>
<td>Overt piety of sponsoring tradition</td>
<td>Dominant atmosphere of sponsoring tradition — rituals and habits</td>
<td>Open minority from sponsoring tradition finding private niche</td>
<td>Reclusive and unorganized minority from sponsoring tradition</td>
</tr>
<tr>
<td>(Dominantly secular atmosphere)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support by church:</td>
<td>Indispensable financial support and majority of students from sponsoring tradition</td>
<td>Important direct and crucial indirect financial support; at least 50% of students</td>
<td>Important focused, indirect support; small minority of students</td>
<td>Token indirect support; student numbers no longer recorded</td>
</tr>
<tr>
<td>Governance:</td>
<td>Owned and governed by church or its official representatives</td>
<td>Majority of board from tradition, some official representatives</td>
<td>Minority of board from tradition by unofficial agreement</td>
<td>Token membership from tradition</td>
</tr>
<tr>
<td>(College or university is autonomously owned and governed)</td>
<td></td>
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</tbody>
</table>
Appendix C: Grace’s Model

Interrelationship of Values-Based Philanthropy, Development, and Fund Raising

Philanthropy

Based in values

Development

Uncovers shared values

Fund Raising

Enables people to act on their values
Appendix D: Exchange of Values Model (TFRS)
Appendix E: US Charitable Giving

2003 CONTRIBUTIONS: $240.72 BILLION
BY SOURCE OF CONTRIBUTIONS

- Corporations
  - $13.46
  - 5.6%
- Foundations
  - $26.30
  - 10.9%
- Bequests
  - $21.60
  - 9.0%
- Individuals
  - $179.36
  - 74.5%

Source: Giving USA Foundation™ – AAFRC Trust for Philanthropy/Giving USA 2004
Appendix F: US Charitable Giving by Recipient Organization

![Pie chart showing contributions by type of recipient organization in 2003. Religion received 35.9% of contributions, followed by education (13.1%), health (8.7%), and human services (7.8%). Unallocated giving was 10.0% of total contributions.](source: Giving USA Foundation™ – AAFRC Trust for Philanthropy/Giving USA 2004)
Appendix G: Rosso’s Model

THE FUND RAISING CYCLE

Start with awareness of marketing principles

Examine case

Define objectives

Renew the gift

Solicit the gift

Prepare needs statement

Prepare communications plan

Analyze market requirements

Expand volunteer corps

Involve volunteers

Prepare fund raising plan

Validate needs statement

Identify potential giving sources

Evaluate gift markets

Select fund raising vehicle
Appendix H: Cultivation Model (TFRS)

THE DEVELOPMENT PROCESS

Linkage

Involvement

Advocacy

Planned gift

Big gift

Major gift

Special gift

Upgraded donor

Repeat donor

Donor

Prospect

Suspect

Linkage

Ability

Interest
Appendix J: Inverse Donor Pyramid (TFRS)

PROFILE OF THE ANNUAL FUND

Indiana University Center on Philanthropy

The Fund Raising School

PROFILE OF THE ANNUAL FUND (2)

Upgraded Gifts
20% of Donors

Base
70% of Donors

Major Gifts
10% of Donors

60% of $
Appendix K: Constituency Model (TFRS)
INSTITUTIONAL CHARACTERISTICS

Presidential leadership
Trustees’ participation
Institution’s commitment to fund raising
   — Resource allocation
   — Acceptance of need for fund raising
   — Institutional niche and image defined and communicated
   — Institutional fund-raising priorities and policies

FUND-RAISING PROGRAM CHARACTERISTICS

Chief development officer’s leadership
Organization of fund-raising function
Fund-raising history
Entrepreneurial fund raising
Volunteers’ roles in fund raising
Emphasis on management of fund-raising function
   — Information and communication systems
   — Planning, goal-setting, and evaluation
   — Staff development, training, and evaluation
Staff commitment to institution
Emphasis on constituent relations
Appendix M: Willmer’s Theoretical Model for Institutional Advancement

I. Institutional Commitment
   a. Articulation of goals, objectives, and long-range plans
      i. Institutions should have a long-range plan that includes projected program changes and a long-range budget.
      ii. An institution’s objectives should be in writing clearly known to the advancement officer.
      iii. The advancement officer should have written annual goals and objectives.
   b. Budget Allocation
      i. Five to nine percent of the total expenditures and general budget should be used for advancement.
      ii. A dollar should be raised for every 25 to 40 cents spent for the advancement process.
   c. Staffing Commitment
      i. Five to nine professional advancement personnel should be employed.
      ii. Three to seven supporting (clerical/secretarial) staff should be employed.

II. Authority and Organizational Structure
   a. Advancement Management Structure
      i. The chief advancement officer should report to the president.
      ii. The chief advancement officer should have a position in the top executive officer's group.
   b. Advancement Function Centralization and Organization
      i. The institutional advancement function should be centrally managed.
      ii. The organizational model should foster centralization.

III. Personnel Resources
   a. Professional Staff
      i. The advancement manager should be experienced in advancement, knowledgeable of the institution, educated with preferably a doctorate, and assigned a title carrying authority.
      ii. The president should be an active fund raiser and promoter of advancement activities; he or she should make more than 20 percent of the $1,000-plus calls and average more than eight calls per month.
b. Volunteers
   i. Trustees and other volunteers should be involved in advancement activities.
   ii. The college should have an active, working trustee committee and a public relations advisory group comprised of people outside the institution.

IV. Advancement Activities and Functions
a. Fund-Raising Activities
   i. Fund-raising programs should include efforts to raise annual unrestricted support, capital giving needs, and deferred gifts
   ii. Gift solicitations should be made by the trustees, president, staff and volunteers; gift acknowledgement should be made within one to three days; and the mailing list should be large as possible.

b. Full-Fledged Advanced Programs
   i. At least two to four voluntary government relations activities should be conducted each year.
   ii. Small colleges should have regional alumni chapters, fund the alumni organization, and have a special alumni program for recent graduates.
   iii. Between 1.4 and 2.0 professional staff fulltime equivalents should be allocated to institutional relations.
   iv. The publications program should include a centralized publication and mailing of a principal publication at least quarterly.

V. Evaluation
   a. Institutional Goals and Advancement Practice: Advancement programs should contribute to the major public relations goals of attracting prospective students, raising funds, and building and holding good will for the institution.
   b. Evaluation Tools: The advancement process should include a readership poll of publication recipients and market analysis of the donor constituency and communication program.
Appendix N: Sample Interview Questions

How would you describe the fundraising process or cycle at your institution?

Does your Christian mission influence your fundraising process or strategy? If so, how?

To what extent does your denominational affiliation influence your fundraising process? Do your denominational ties influence your communication strategies, choice of fundraising vehicles, etc.?

To what degree does fundraising and development strategy influence operational policy in other functional areas? (i.e. academics, enrollment management, athletics, etc.) Do denominational concerns also play into this process?

Do you ever experience conflict between different donor constituencies, including your supporting denomination? If so, how do you resolve these conflicts?

Can you explain the different roles that individual representatives of your institution play in your fundraising process? Are these roles predetermined or do they evolve situationally during the process?

How does your institution identify, cultivate, communicate with, and attract new prospective donors? What role does your denominational affiliation play in this process?

Is it difficult to stay connected with your supporting denomination and still reach out to other new sources of revenue?

What factors do you consider to be key to your institution’s success in fundraising? Are these factors transferable or are they unique to your institutional environment?

What role does strategic planning play in your fundraising process?

Does your strategic planning process include consideration of denominational concerns and positions on issues? How do you react or position your institution on matters of controversy within your denomination?
Appendix O: Institutional Consent Form

Institutional Consent Form

**Sample University** agrees to participate in a study about fundraising strategies and leadership behaviors in church-related colleges and universities to be conducted by Jeff Cohu as part of his dissertation research for the Ed.D. degree at Eastern Michigan University. **Sample University** understands that selected representatives of the administration, staff, faculty, etc. will be asked questions about effective fundraising strategies and leadership behaviors in church-related colleges and universities. We further understand that we may choose not to answer certain questions if we do not wish to do so.

By agreeing to participate in the study, we understand that our confidentiality will be protected at all times and that we may choose to withdraw from the study at any time if we wish to do so. In addition, we understand that the actual name of **Sample University** will not be used in any written or oral reports and that a code number will be assigned to the institution.

If I have any further questions, I may contact Jeff Cohu at the following address:

Jeff Cohu  
Rochester College  
800 Avon Road  
Rochester Hills, MI 48307  
Tel: 248-218-2000

or I may contact the interviewer's dissertation chair about the project. Her address and telephone number are:

Dr. Martha W. Tack  
202 Welch Hall  
Eastern Michigan University  
Ypsilanti, MI 48197  
Tel: 734-487-2211

Interviewer: Date:

President: Date:
Appendix P: Individual Consent Form

Individual Consent Form

I agree to participate in one or more interviews in which I will be asked questions about effective fundraising strategies and leadership behaviors in church-related colleges and universities. I understand that the interviewer, Jeff Cohu, is conducting the interview(s) as part of his dissertation research for the Ed.D. degree at Eastern Michigan University. I further understand that I may choose not to answer certain questions if I do not wish to do so.

By agreeing to participate in the interview(s), I understand that my confidentiality will be protected at all times and that I may choose to withdraw from the interview(s) at any time I wish to do so. In addition, I understand that I may request a copy of my taped interview and/or a transcription of the interview and that I may request that portions be deleted if I find that necessary. I have also been informed that that audio will be kept in locked file cabinet in a locked office and later in a code protected computer file accessible only to the researcher and will be destroyed within three months of the interview. I understand that my actual name will not be used in any written or oral reports and that a fictitious name will be assigned to me.

If I have any further questions, I may contact Jeff Cohu at the following address:

Jeff Cohu  
Rochester College  
800 Avon Road  
Rochester Hills, MI 48307  
Tel: 248-218-2000

or I may contact the interviewer's dissertation chair about the project. Her address and telephone number are:

Dr. Martha W. Tack  
202 Welch Hall  
Eastern Michigan University  
Ypsilanti, MI 48197  
Tel: 734-487-2211

Interviewer:     Date:

Respondent:     Date:
3-Tiered Market Segmentation Model

- Values-Centered Constituents
- Larger Christian Community
- Denominational Constituents
Appendix R: Conceptual Model of Successful Fundraising at Sample Christian Colleges & Universities

**Contextual Findings of Sample Group**

**General Context**
- Pervasively Christian Culture
- Residential Community Atmosphere
- Serious Academic Culture
- Sense of Institutional History

**Specific Tensions**
- Low Endowment-High Tuition Trap
- Threat of Secularization
- Campus Spiritual Culture vs. Denominational Heritage

**Leadership Findings**

The Guardians: Trustee Leadership
- Mission-focused Leadership

Superman Presidents: The Catalysts for Success
- Level “5” Leadership
- Strategic Leadership
- Boundary Spanning/Cooption
- Storytelling

The Implementers: The Development Staff
- Highly Engaged & Professionally Developed Staff
- Strategic Chief Development Officer
- Team Oriented Approach

**Strategic Findings**

- External Analysis
- Internal Analysis
- Broad Strategy Selection: Focused Differentiation
- 3 Tiered Market Segmentation
- Operations Strategy: Core Competency
- Communications Strategy: Branding Principles
- Fundraising Strategy: Learning Organization

**Fundraising Success & Effectiveness**

Successful Mission Fulfillment & Brand Image

**Strategy Implementation**

Reinforce Contextual Strengths & Defend Against Tension Threats