Differences in university fundraising: The role of university practices and organization

Schanz, Jeffrey M.

2012

This research deals with factors that explain fundraising success and what types of institutional arrangements or practices exist at four year US public universities which make them successful or unsuccessful. Investment in higher education from state government continues to decline; alumni giving participation rates are falling, and many endowments continue to lag from the Great Recession. Nowhere has this been felt more than at many U.S. public universities who consistently watch their percentage of state aid dwindle.

An analysis of twenty-two public universities was conducted examining key institutional data points with key fundraising data points from 2006-2009. Correlation tests discovered: 1) those universities with graduation rates of 70% or higher tended to have less of a decrease in the alumni giving participation rate than their peers; and 2) there was a lack of relationship between total cost of attendance and change in total annual giving or change in alumni participation rate.

Interviews with leaders of university advancement organizations at four US public universities were conducted. Two universities were deemed successful fundraisers and two were less successful based on the percentage change of total annual giving and the percentage change in alumni participation rate. Several factors existed at the successful fundraising universities such as: 1) a mature fundraising organization; 2) consistent leadership and vision; 3) strong alumni engagement; and 4) consistent marketing relative to state funding. Embedded in these four factors are several sub-factors for further research.

A set of recommendations have been offered to public universities to assist in improving their fundraising enterprise. It is recommended that these universities concentrate on 1) leadership and vision; 2) the role internal structures play relative to fundraising operations; 3) and engaging in honest dialogue about the future of state support.