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Leadership and Structure in University Fundraising

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University of New Hampshire

Leadership Integrative Capstone

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October 2023

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Acknowledgments

Making one's way through the trials and tribulations of a master's program cannot be done without the help and dedication of others. I want to thank my incredible wife Hannah for all the support she has shown me while perusing my degree the last two plus years. From the extra house chores you completed to missing out on some fun things because I was at home studying, thank you from the bottom of my heart! Also, thank you to my beloved cats Stripes and Zeus for always giving me stress reliving snuggles when school became difficult or stressful.

Also, I would be remiss if I didn't mention all of the support I receive from the wonderful Granite State College/University of New Hampshire faculty and staff. You are all amazing humans! I wanted to call out one staff member, Bette Papa in particular. She made registering for each class seamless and kept me on track taking the classes I needed to take to complete my degree program and certificate in non-profit leadership. Lastly, I have to thank my colleagues in development at the University of New Hampshire for your advice, support, and motivation through this educational journey.

Abstract

Fundraising is an essential part of the operation of any non-profit organization, especially non-profit higher education institutions. Literature shows fundraising methods in higher education have evolved over time with the need to increase fundraising success. Fundraising organizations have many levels of leadership in their complicated organizational structures. Leaders include but are not limited to the board of trustees, the president, chiefs or vice presidents of development, directors, associate directors, assistant directors, and volunteer boards. The interactions between these leaders and their followers, such as the donors in the fundraiser/donor relationship, affect fundraising success. This research project explored literature regarding the history of fundraising in higher education, organizational structure in non-profit development shops, levels of leadership in fundraising, and importance of leadership in fundraising. A mixed method methodology was used, combining qualitative literature review and a quantitative survey of higher education fundraising professionals that received 62 respondents. Literature and survey were considered to conclude that leadership style, traits, and organizational structure are critical to fundraising in higher education, but other factors can affect fundraising success such as institution type, size, culture, economy, and more.

Keywords: leadership, fundraising, higher-education, development, advancement

Chapter One: Introduction

The fundraising operation goes by many different names at many different institutions of higher education. It might be the advancement shop, development organization, the foundation, or a combo of the forementioned. The one thing they all have in common is they have become the hallmark office at many non-profit institutions of higher education in the country and around the world.

Enrollment is dropping drastically across many institutions, public and private, by as much as 10% per year (NSC Research Center, 2023). The drop in enrollment revenue is compounded in many public institutions by a drop or lack of state support, especially in states like New Hampshire and Pennsylvania, who see the lowest rates of state support of higher education per capita in the country (Heller, 2023). This puts institutions under more pressure than ever before to raise philanthropic dollars. The increased need for funding is driving institutions of higher education to increase the emphasis they put into building strong fundraising teams. This means bigger teams, more complex organizational charts, and more pressure to succeed in every member of those teams (Weinstein, 2017).

Public higher educational institutions who want to raise private funds have foundations to comply with IRS regulations. Some private, non-profit institutions who have a strong philanthropic identity have foundations as well ("Tax-exempt", 2022). Other private institutions, and some publics, also have development offices embedded in the threads of the institution. Regardless of the model that is used, higher education institutions are spending money on development. The average research or multi-campus institution in America spent over 11 million dollars on fundraising in 2018 (CASE, 2019). This varies with a school like UCLA spending

12 million per year and a school like Rowan University spending less than a million (Rhodes, 1997). These numbers were way back in 1996, so I imagine they are likely 2-3 times higher today. It is that old adage, “you need to spend money to make money” personified. The increase in money spent on development seems to be working with donation dollars to higher education at a record high in 2022, reaching 59.5 billion dollars, 12.5% more than the previous year (Spitalniak, 2023).

What else is contributing to this increased fundraising success? Could it be effective leadership within development organizations? This study aimed to find out what leadership styles are most effective in a higher education development operation and whether effective leadership leads to increased fundraising success or not. It also explored the various leader/follower relationships across development activities and how those shape fundraising results. Leader/follower relationships in university development include the board of trustees and the president, the president and the development VP, the VP with the development directors, the development directors with assistant and associate directors, and all of the above with perspective donors.

The goal of my research was to explore existing literature on the topics of non-profit and higher education fundraising, structure, and leadership and try to find a connection between certain leadership styles and successful fundraising results. In addition to the literature, a survey was administered to professionals in the higher education fundraising industry to bolster or disprove the information found in the literature. Another broad goal of this study was to highlight the growth and importance of fundraising in higher education to the fabric of any college and university in the modern day. I am hopeful that anyone who reads this study will be

able to answer the questions: What are the significances of fundraising in higher education?

How does fundraising in higher education function? And what leadership styles lead to the best fundraising results?

Chapter Two: Literature Review

History of Higher Education Fundraising in America

Institutions of higher education have been reliant on philanthropic support since the earliest days of their existence. Take Harvard University for example. It was founded by a group of Puritan colonial settlers in 1635 (Rhodes, 1997). This group included John Harvard, the college's namesake, who donated his entire 1,600 volume library and bequeathed 500 British Pounds from his estate to jumpstart the fledgling university (Rhodes, 1997).

Privately funded universities like Harvard were all that existed for a number of years until the first publicly funded colleges were chartered in 1785 and 1789 in Georgia and North Carolina respectively (Carlton, 2022). Public colleges were still small and exclusive until the Morrill Land Grant Act of 1862 where the government granted each state public land for the use of establishment or funding of state-funded educational institutions and encouraged states to create their own state education systems (Rhodes, 1997). As land grant institutions got off the ground, it became clear additional support outside of state funding was necessary. Although state funding for university in all states increased through 1900, the amount of total funding allocated toward higher education varied widely (Golden and Katz, 1998). The southern and western states funded higher education more robustly at the time than schools in the northeast (Golden and Katz, 1998). This unreliability of funding from their supporting states would drive public institutions of higher education to begin looking for money from other sources, like philanthropic giving.

The first organized alumni fund and fundraising office at an American institution of higher education was founded in 1823 at Brown University (Nadel-Hawthorne et al., 2022). The

first known fundraising foundation at a public institution of higher education was started in 1891 at the University of Kansas (Chenghua et al.,2023). This foundation was more centralized than those of today, operating under a similar model as private university fundraising offices were operating, where they were embedded as a department at the university. The idea of the modern foundation was created in 1958. This is when an agreement was reached that created separate, non-profit entities within universities for the purpose of raising money, engaging alumni, and public relations (Chenghua et al.,2023). This became the model for best practice foundation fundraising moving forward.

Higher Education Fundraising Internationally

Outside of the United States is where higher educational fundraising began. Oxford, one of the oldest universities in the world, has been fundraising for a long time. In fact, it was founded because of benefactors such as William of Durham way back in 1249. For universities outside if Europe, fundraising is still in its infancy.

In China, the number of universities has skyrocketed since the 1980's. Because of this growth, the government could no longer fund all higher education, therefore student paid tuition was introduced in the 1980's as well (Sziegat & Hong, 2020). The first fundraising foundation in China was founded in 1994 at Tsinghua University in order to build its status and programing to be the top in China and provide tuition help for students who could not afford the newly implemented student paid tuition (Sziegat & Hong, 2020). Chinese fundraising foundations quickly faced challenges and still do to this day. A lack of professionalism and leadership in fundraising organization has led to resource mismanagement which has fractured the tenuous relationship with potential donors who value trust and don't have a strong cultural

connection to philanthropy to begin with (Sziegat & Hong, 2020). To see future success, universities in China will need to hire fundraisers who can be seen as effective leaders and professionalize the field like it is in America and Europe (Sziegat & Hong, 2020). The other challenge is to continue to change the beliefs of people in China and other non-western cultures who haven't always considered philanthropy to be a priority (Einolf, n.d.).

Organizational Structure

The higher education fundraising office or foundation comes in many shapes and sizes and often correlates with the size of the attached university (Weinstein, 2017). Even with the variants, there are some common themes. Organizations tend to have a network of staff and one or more boards of directors (Weinstein, 2017). The staff is led by a foundation president or vice president of development and is further broken down hierarchically into various verticals of directors, associates, and assistants (Weinstein, 2017). Each vertical encompasses one key piece of the fundraising pie including Major Giving, Annual Giving, Planned Giving, Foundation Giving, Cooperate Giving, Donor Relations, Prospect Research, Alumni Relations, and possibly others depending on the size and complexity of an organization (Weinstein, 2017).

Centralized Structure

University of Michigan has an imbedded fundraising office rather than a foundation. The organizational chart at Michigan echoes this complex structure with a VP of Development leading ten different verticals of staff who are each employed to serve in their specific role (Michigan, n.d.). Numerous other organizations have incredibly similar structures. This model described is a Centralized model of fundraising, where all fundraising staff report up through a

central advancement team that is removed from the academic units of the university (Bonnette, 2015).

De-Centralized Structure

The other common structural model in organizations today is the De-centralized model. This model is characterized by fundraisers being based within academic units at the university and reporting up through the dean or director within the unit before the CAO or VP (Bonnette, 2015). For example, if a university had a College of Liberal Arts, College of Business, and College of Engineering, each one of those colleges would have a dedicated fundraising staff reporting up to the individual Deans of these colleges. This model creates fundraisers who are experts in the college they support but can also lead to fundraising approach inconsistency amongst a whole university (Bonnette, 2015). Because of this perceived inconsistency, many universities today use a hybrid version of both the centralized and de-centralized model.

Hybrid Structure

The University of New Hampshire is a perfect example of this. UNH has its own Foundation that houses a VP, directors, marketing staff, data staff, etc. UNH also has development officer staff stationed within the colleges. Rather than reporting to the deans of the colleges, these embedded staff still report up through the central foundation (UNH Advancement Directory, n.d)

Manager versus Leader

As we begin to dive deep into the concept of leadership broadly and leadership in fundraising more specifically, I think it's important to understand the difference between management and leadership. A manager is someone who manages the day-to-day operations of

the business while a leader is someone who builds a vision for others to follow (Emeritas, 2023). In fundraising, a manager is someone responsible for making sure funds are being raised and making sure there is a solid process in place to bring the funds in the door (Stanczykiewicz, 2021). A fundraising leader is someone who inspires others by creating a vision to strive toward achieving and letting the entire fundraising office know why the money is being raised (Stanczykiewicz, 2021). The why is what keeps fundraisers doing their jobs since fundraisers are often people who want to make a difference as a mission driven leader of an organization (Stanczykiewicz, 2021). This is why having a great leader is of the utmost importance in any development shop.

Common Leadership Theories

Before diving deep into the leadership theories and levels present in a development office, it is important to learn what leadership is and take a dive into each style and what characterizes each. Leadership is often defined as “a social influence process in which one person intends to influence others in order to perform a set of activities, including the building of interpersonal relationships in an organization” (Sivarat et al., 2021). There are many ways people influence people and these are called leadership styles.

The nine most common leadership styles are Autocratic, Bureaucratic, Charismatic, Democratic, Laissez-Faire, Servant, Situational, Transactional, and Transformational (Schooley, 2023). Autocratic leaders take complete control over decision making. Bureaucratic leaders are very strong as well but have an organizational structure around them they need to answer to. Charismatic leaders are high energy and likable. They lead with motivation and vigor. A Democratic leader will open all decision up to input from others in the organization. A Laissez-

faire leader is very hands off. They set expectations and then let employees make the decisions. A Servant leader shares power and decision making and often puts the success of their team above themselves. A Transactional leader uses reward and structure models to lead strictly. Finally, a Transformational leader uses charisma to really take the lead and bring others along with them (Schooley, 2023).

Achieving Excellence in Fundraising argues there are two different leadership models that dominate in the fundraising world, Tactical Leadership and Positional Leadership. Tactical leadership is leading everyone through a set plan and Positional leadership is defined by ones standing in the organizational chart and is someone assigned to a specific task (Tempel et al., 2010). The author suggests the importance of fundraisers expanding outside of these two silos to develop a diverse leadership approach (Tempel et al., 2010).

These leadership theories don't just exist on their own. In fact, many of the best leaders will changes leadership styles or use a combination of a few depending on the situation at hand. This is often called Full Range Theory (Anderson & Sun, 2017). Full Range Theory was first described by Burns in 1978 and then continued to adapt with the Transformational Leadership and Transactional Leadership Theories in the 1980's (Anderson & Sun, 2017). Transformational leadership was characterized by charisma, inspiration, stimulation, and individualized consideration (Anderson & Sun, 2017). Transactional leadership was characterized by reward versus management to create motivation and inspiration (Anderson & Sun, 2017). Since the 80's many, many more leadership theories have been created that combine other previously established theories such as charismatic, authentic, ethical, integrative, and spiritual just to name a few. These authors argue that this theory, and the study of leadership in general, needs

to be continuously updated and integrated since the many theories created have a lot of overlap. However, they do not determine what styles to combine, they just explain where the overlaps exist. (Anderson & Sun, 2017)

Every one of these styles, even those that overlap, has a place in the development workplace and many development leaders exhibit many of these styles combined or at the same time.

Board of Trustee Leadership

The board of trustees are the highest level of leadership at any university. The president reports up through them. They are charged to provide oversight, public accountability, and direction to non-profits, like universities (Cornforth, 2003). In fundraising, especially in the midst of fundraising campaign activity, the board is responsible for working with the president to approve the campaign goal for the entire organization to follow (Weinstein, 2017). In other words, they help establish the vision for the entire fundraising staff to embody (Cornforth, 2003). However, the effectiveness of board leadership is often limited by the other strong powers that influence them such as a government entity in the case of a public institution and the president themselves who are trying to enact their vision for the organization (Cornforth, 2003). Where the board of trustee's leadership might be used most effectively is by leveraging their board member connections and giving. Most boards of trustee have a giving minimum larger than other volunteer boards at the university and larger well- connected networks to inspire to give philanthropically as well (Weinstein, 2017).

Presidential Leadership

Every university has a president or chancellor that leads the entire operation. They also lead the fundraising operation, even in the case of a foundation. The VP of development reports to the president of the university (Hunt, 2012). Many of the most successful higher education fundraising operations in the country are led by presidents who are willing to get involved in development work rather than just leaving that work to the development office. Presidents like this have become known as “development presidents” in a lot of spheres (Hunt, 2012). These leaders are willing to meet with high level, individual donors one-on-one to communicate their visions, passions, and goals for the university to the donor. (Hunt, 2012). The ability to communicate passion is critical for a president to find fundraising success because “people give to people to help people” (Weinstein, 2017).

A study was done that interviewed university presidents and major donors from the same university to see what characteristics make that president a successful fundraiser. It was found the most important thing a president can do to be an effective fundraiser is to be an effective leader. (Nicholson, 2007). Effective fundraising and effective presidential leadership are the essential deciding factors to the overall success of a university (Nicholson, 2007). The study determined university presidents need to combine multiple styles of leadership to be successful fundraisers, with transformational and transactional being the most critical (Nicholson, 2007). Combining these leadership styles, the study suggested a new style called Transformative leadership. Transformative leadership is made up of transactional leadership to build trust amongst donors before moving forward with transformational behaviors that motivate, stimulate, and influence (Nicholson, 2007). The study concludes to say that all the

presidents surveyed used this new Transformative leadership style to make them likable and trustworthy to the donor, hence allowing the donor to see the major impact they would have with their giving and making a major gift (Nicholson, 2007).

Leadership in Fundraising

The highest level of leadership directly within a higher education fundraising operation is always the Chief Advancement Officer (CAO). The term Vice President is often used interchangeably with the term CAO. The CAO is the person considered responsible for all fundraising operations at a university and are held accountable for fundraising successes and failures (Ohs, 2020). They are responsible for aligning university fundraising priorities with the vision of the university President (Ohs, 2020). This study set out to determine what leadership styles were most effective for a CAO to see the best organizational performance and fundraising results. Top performance was determined by total dollars raised. The top five performing CAO's in the study used strict metrics and goals to guide their fundraising teams (Ohs, 2020). When asked about effective leadership styles they use that they feel lead to the greatest successes, many used words or phrases like "leading by example", "transparency", "personal accountability" (Ohs, 2020). In the end, it was determined by the researcher that the CAO uses multiple leadership styles in unison to positively influence the fundraising teams, university leadership, and donors toward desired fundraising outcomes and engagement (Ohs, 2020).

Beneath the CAO on a higher education fundraising organizational chart are the many directors, associates, and assistants that make up the boots on the ground fundraising team. Although these true fundraisers don't hold the top leadership position in the development shop, they are leaders nonetheless (Stanczykiewicz, 2021). The fundraisers who are not

necessarily in leadership roles need to act as leaders by being innovative, adaptable, open, organized, entrepreneurial, and confident (Tempel et al., 2010). Fundraisers must be able to act as leaders everyday while talking to every donor by confidently articulating the answers to questions like, “Why are we the organization we are, who do we want to become as an organization, what needs exist in the community that could be solved if only more money existed” (Tempel et al., 2010). Confident and correct answers to these questions will make a break if a gift is received or not. Essentially, fundraisers act as leaders with the organization’s donors by being able to effectively articulate the visions and goals of the person who is in the leadership role (Tempel et al., 2010). Fundraising success really hinges on various leadership themes guiding relationship between the fundraiser and donor as well as amongst fundraisers themselves (Birkholtz, Lampi, 2022).

Outside from the organization’s hired staff is often a board and additional network of volunteers who are the true leaders of any fundraising organization. When they lead by giving, others will be inspired to follow and do the same (Weinstein, 2017). This is why a donation that is small enough to be relatable to other donors and renewable each year but is large enough to make a significant impact is called a “leadership gift” (Weinstein, 2017). Leadership gifts are often categorized by dollar amounts between \$1,000 and \$25,000, but that definition varies in each organization (Labetti, 2023). Arguably, board members are your best fundraisers.

Therefore, the best professional fundraisers are those who involve every board member in fundraising activity (Walker, 2012). Board members can be leaders in fundraising by providing leadership gifts for leverage, providing oversight to all fundraising activities, and establishing a positive view of fundraising across the university community (Walker, 2012). Board members

also have a big leadership role when it comes to capital campaigns. It is essential for boards to provide a majority of foundational funding toward a campaign goal so other donors are inspired to give back (Walker, 2012). For those boards that aren't as willing to be involved in giving themselves, it is encouraged they establish a campaign committee to help create strategy toward reaching the established campaign goal (Walker, 2012).

The last leader in the fundraising process that many people forget is the donor or perspective donor themselves. Often, the fundraiser looks up to the more experienced donors they work with as leaders. The average American gives to more than four different charities per year (NPSOURCE, 2023). Because of this, these donors are experienced working with development teams at different organizations, often knowing what to expect. According to one fundraiser interviewed in a study on self-efficacy and leadership in development, that fundraiser often views these experienced donors as the surrogate leader in the leader/follower relationship because of the savvy they poses toward the fundraising process (Edington, 2013).

Negative Impacts of Lacking Leadership

Two studies were done that highlight a few impacts leadership, or in these cases lack of leadership, can have on a higher education development organization. The first study looked at how leadership style effected the self-efficacy of followers. 132 fundraisers who were direct reports to the chief fundraising officer or VP were surveyed in this study (Edington, 2013).

Another group of fundraisers who are not direct reports to leadership were surveyed as well as a control group with the goal of comparing the survey results of direct reports and employees who are not direct reports. Lastly, several fundraisers indicating different levels of experienced were interviewed for their perspective. This study concluded that the primary leadership style

used by Chief fundraisers was a transformational style and the longer the tenure the chief fundraiser had correlated with how well they embodied the transformational style (Edington, 2013). The study also concluded that leadership of the chief fundraiser has an impact on results but not necessarily an impact on the self-efficacy of a fundraiser (Edington, 2013). However, there was some signs that the chief fundraisers who excelled most at being a transformational leader had followers who thought that most highly of themselves and performed the best (Edington, 2013)

The other study on leadership impact looked at employee turnover in higher education development. The study surveyed a large group of Major Gift Officers (MGO's) to learn about reasons why they may change jobs and looking into levels of satisfaction for their current job (Kay,2022). The results showed MGO's are most likely to leave their jobs due to lack of compensation, feeling undervalued, and a working environment that lacks transparency and communication (Kay, 2022).

De-emphasis on Leadership in Fundraising Job Descriptions

At this moment countless jobs are open in the higher education fundraising sector, several of which are for upper leadership position like vice president. According to Higher Ed Jobs, a job board that focuses on higher education positions, there are 1340 job openings in the development/fundraising category today (Higher Ed Jobs, 2023). While focusing in on job descriptions for vice presidents of advancement and fundraising, it appears the focuses of these jobs de-emphasizes leadership. St. Bonaventure University is currently hiring a VP. In the job description, the word "leadership is only used one time to describe how the new VP will lead and create a strategic direction for the office. Other common themes in this job description are

about the new VP serving as the top resources for the university and board of trustees and being of a diverse background (Higher Ed Jobs, 2023). Leadership necessity, leadership theories, and leadership traits are complexly absent from this job description.

Back in 2017, University of Cincinnati was hiring and Senior VP. The word leader was only mentioned one time in this job description and the word leadership was never mentioned at all (University of Cincinnati, 2017). This job description focused on planning the fundraising strategy of the university and working with the president to create an engaged volunteer base (University of Cincinnati, 2017). It also focuses on engagement and partnership with the university community to produce successful fundraising results and requests a candidate who has demonstrated successful personal fundraising success (University of Cincinnati, 2017).

Conclusion

While reviewing the literature, it showed many sources addressing fundraising in non-profit organizations but not many directly addressing fundraising in higher education non-profit organizations. The literature review revealed the long history fundraising has across higher-education institutions. It also gave a lot of background on leadership practice and theory and how that can apply to a fundraising office setting. The structural models in higher education fundraising and how they relate to fundraising success became clear. The literature review most focused on the various leaders in a fundraising office, how they lead, and how that affects results, positively and negatively.

Chapter Three: Research Methodologies

Mixed methods of research were used to conduct this study. A literature review was used to collect qualitative data and a survey was implemented to collect quantitative data. The literature review included peer-reviewed journals, essays, books, articles, and fundraising professional development resources to explore the relationship between fundraising success, leadership, and organizational structure, both inside higher education and in other non-profit organizations. Several online libraries, physical libraries, and the internet were used to discover available literature. The purpose of the survey was to fill in the gaps left open after conducting the literature review. The literature revealed a lot about effective leadership in the non-profit sector and even in fundraising specifically, but lacked coverage in the area of fundraising for non-profit colleges and universities.

The survey was created using the online survey builder tool Typeform. It was 10 questions in length and utilized both multiple choice and short answer question styles. The first six questions were included to collect data on each respondent's organizational structure, where they fell in the structure, what type of institutions they worked in, and how large their organization is to see how those factors might shape how they view leadership and success. The next three questions asked fundraising professionals in higher education what leadership models, characteristics, and traits they felt were most critical to fundraising success. The last question asked respondents to give additional thoughts they might have on the topic in short answer form. To ensure all respondents would be as candid as possible, the survey was conducted anonymously. The survey was sent via an email list of fundraising professionals called FundList. FundList was founded in 1992 and serves as an email based fundraising discussion

forum (FundList, n.d.). Thousands of fundraising professionals from around the world currently participate in Fundlist. 62 people completed the survey after sending the link through FundList twice. The author works as a development professional at the University of New Hampshire and chose not to send the survey to any of his teammates which could have led to bias or tempered answers. Many fundraisers at the University of New Hampshire are FundList members, so there is no way of knowing whether these individuals may have completed the survey.

Once the survey data was collected, it was downloaded from Typeform into Microsoft Excel so it could be manipulated and analyzed. This allowed for sorting to look for trends that connect the type of advancement employee to the way they view leadership, the type of institution a respondent came from and how they view leadership, and maybe even how leadership connects to fundraising success or failure.

Chapter Four: Data and Analysis

The first few questions asked in the survey were identification information about each respondent. The first question was to identify the respondent's level in their organizational structure as assistant, associate, director, or leadership (AVP, VP, President). The majority of the respondents identified as being at the director level (38 out of 62 respondents). Other responses were assistant-eight, associate-10, and leadership-four. Three individuals responded that they were some other job titles like manager or coordinator. The second question was to identify the type of institution the respondent works in. 32 individuals identified as working at a private university and 25 at a public university. Six others said they work at other types of institutions like secondary schools or community colleges. The third question was to identify if a respondent's university had a foundation structure, an embedded development structure, or something else. 45 individuals said their university has an embedded development office and not a separate foundation. Only 15 people said they work in a foundation setting with three outliers saying they had other structures in their organization. The next identification question asked about the size by number of employees of the respondents development shop. The results were as follows: 0-10 employees-16, 11-30 employees-17, 31-50 employees-15, 51-100-5, and 100 or more employees-9. The next to last identification question looked at the number of direct reports each respondent had. This varied with 22 respondents having no direct reports, 16 had 1-2 direct reports, 17 had 3-5 direct reports, and eight had six or more direct reports. The last identification question was about the development reporting model and whether it was centralized within development or decentralized into the colleges at the university. 44 respondents say they have a completely centralized model, where everyone reports up the

ladder in the development office. Only three individuals had a completely decentralized office and 15 had a combination of the two structures. One respondent also said they were structured in some different way. The last three questions of the survey asked about the respondent's views on leadership theories and traits and how leadership might affect fundraising results.

The first of these questions was "How would you best describe an effective leader?" Respondents were given a choice between six leadership theories and an "other" option. The theories listed were transactional, transformational, servant, participative, authoritative, and delegative. Transformational leadership and participative leadership theories were chosen overwhelmingly as the most effective, transformational receiving 24 selections and participative receiving 22. Other results were as follows: servant with nine responses, transactional with five responses, 3 people chose not to answer, and two people said other. No one selected authoritative or delegative leaderships style. The two individuals who selected other explained that a combination of all of these styles is necessary at times depending on the situation that is presented.

The second leadership question asked what three qualities a university foundation or advancement leader should possess. Each respondent had to select three options from a list of eight qualities including communication, integrity, self-awareness, empathy, flexibility, open mindedness, confidence, resolve and an "other" option. The three selected were not waited by most important to least important. Communication and integrity overwhelmingly received the most responses with 53 and 49 respectively. The other results were as follows: empathy-18, flexibility-17, open-mindedness-16, confidence-15, self-awareness-14, and resolve-4. Other received no responses in this question.

The third leadership question asked how leadership affected fundraising results at the respondent's institutions for the past fiscal year. Respondents were given six outcomes to choose from including leadership was good and results went up, leadership was bad and results went up, leadership was good and results stayed the same, leadership was bad and results stayed the same, leadership was good and results dropped, and leadership was bad and results dropped. The primary selected result was leadership was good and results went up with 29 respondents. The other results were as follows: leadership was good and results stayed the same-nine responses, leadership was bad and dollars increased-eight response, leadership was bad and dollars decreased- seven responses, leadership was bad and dollars stayed the same-seven responses, and leadership was good and dollars raised dropped- two responses. The surveys last question was a short answer format asking respondents if they had any further input on how leadership in a university foundation/advancement shop affects the ability to raise funds. 29 respondents left additional comments, information, or insight to support their answers or add to the discussion.

Analysis and Discussion

After analyzing the literature review material and results of the survey, several interesting trends came to light. The first thing that came to light was the general lack of material previously contributed to the topic of development and fundraising in higher education, especially in recent times. Bonnette's case study on higher education fundraising structure, Edington's study on higher educational fundraising leadership, Kay's work on retention in fundraising foundations, Nicholson's work on fundraising and leadership of college presidents, and Ohs paper on chief advancement officer leadership in higher education were the only five studies that directly

related to higher educational fundraising. The other resources were more informationally based or focused on general non-profit fundraising. Also, three out of these five resources were outdated, older than 2015. The higher education fundraising space needs more literature associated with it.

The literature that did exist showed that there are many different models of fundraising organizations, using different structures and concepts such as centralized, decentralized, and even some hybrid mix of the two. Leaders within any fundraising model used different leadership traits in there day to day. A full-range theory view on leadership appears to be excepted, but others argue the dominate leadership theories are Tactical leadership and Positional leadership. Tactical leadership appears similar to transformational leadership in that the leader provides the vision and ensures the followers are in a place to execute the vision. The positional leadership concept refers to the organizational chart itself, with members of the organization higher on the leadership ladder making more of the visionary decisions.

Literature also showed that leadership in fundraising, especially in higher education, has many looks. The board of trustees, the university president, the chief advancement officer, the directors, the fundraisers, the lower volunteer units board members, and even the donors have the opportunity to be leaders in these complex organizations. Leadership looks differently across each of these groups. The board of trustees provides the oversight of the entire organization and approves the presidents fundraising vision and goals. The leadership of the board and the president creates a backbone for everyone in the development organization to work with. The stronger a vision they create, the more successful the fundraising office will be. The chief advancement officer connects the presidents vision to the fundraisers and directors and provides

guidance on how to best interpret the vision into case for support that a donor might be interested in. Then, the directors and fundraiser are the meat of the operation. They lead donors through the donor process of qualification, cultivation, solicitation, and stewardship so the donor makes a gift that has the impact they wish to make. Volunteer boards are led by fundraisers and directors. Members of these boards collaborate with fundraisers to make gifts with the goal to inspire others to join them. They lead by example. Lastly, every donor is a leader as well. Donors will often guide fundraisers to find philanthropic opportunity that meet their needs and interests. They lead by taking action through philanthropy. Each and every level of leadership in development can positively or negatively affect fundraising results and success based on how that leader leads.

In much of the existing literature, a successful chief advancement person was someone who was willing to be strong with their vision but also compassionate and willing to lead by example. Followers seemed to feel more connected to a leader that did the work right alongside them rather than just telling them what to do. These characteristics show these chief advancement professionals are embodying servant leadership and transformational leadership styles. Fundraisers of all levels under the chief advancement officer are required to be strong leaders too. They drive a donor's passions and visions toward subjects that need supporting. Without the ability to be creative and innovative with their leadership the fundraiser won't close very many gifts. Creative leadership is what differentiates a good fundraiser from one that is lackluster. No matter how good a fundraiser is at leading, they are nothing without great volunteers. These lead donors are critical to driving successful fundraising campaigns. The most

successful fundraising campaigns at many schools including UNH are those that utilize gifts from these lead donors as matching dollars.

Not only does literature allude to good leadership in fundraising leading to successful results, it also eludes to an absence of good leadership having a negative impact on results. Bad leadership causes disorganization, lack of strategy, employee turnover, and even lack of donor focus. Fundraising is all about building relationships and if a development office lacks a consistent and organized staff, fundraisers may not be able to build those necessary relationships to close gifts.

The survey corroborated some of what the literature said, but also revealed its own trends. Out of the four highest level leaders who answered the survey (AVP, VP, or President) three identified servant leadership as the most important leadership theory to lead a successful fundraising team. Respondents who supervise six or more direct reports also overwhelmingly felt servant leadership was most critical. Respondents who had no direct reports overwhelmingly identified transformational leadership as the most important. In other words, those who directly lead other staff members feel its most important to put their staff first, making sure they have all needs met to see the greatest success. Staff who do not lead anyone directly feel a leader needs to have a strong vision and needs to motivate other to achieve that vision to see success.

Traits a leader embodies are also notable. A majority of respondents, over 85%, felt communication was one of the three most important traits a leader could have. Integrity was not far behind at 78%. The fact that these two values were most important to this group of respondents doesn't shock me. A leader who communicates well is able to ensure their entire staff is on the same page working toward a shared goal. Without good communication, an

organization might not understand the vision the leader is setting out and the goal the leader feels it is going to take to achieve that vision. Lack of communication can also lead to misunderstanding which can lead to poor outcomes like excessive employee turnover and low employee morale. These employee issues inhibit relationship building with donors, thus inhibiting results. Integrity might be even more important. Every good relationship is built on trust and leader/follower relationships are no exception. Trust cannot exist without integrity. Integrity is the most important thing in the gift officer/donor relationship where the gift officer is the leader of the donor. Donors are not likely to give if the gift officer is ingenuine in any way. Self-awareness and open-mindedness got the third and fourth most respectively. This corroborates some of the literature that suggested a successful fundraising leader is someone who is intuitively aware of the strengths and weaknesses they bring to the table and are open-minded enough to accept people and ideas that are stronger at the areas they are weak in. That makes a complete team and fundraising is a collaborative effort. No one closes a gift on their own.

The way respondents viewed leadership wasn't only affected by their standing in an organization but by the type and size of the organization they came from. A majority of respondents who identified as director level in an organization and came from public institutions felt transactional leadership was the most conducive to successful fundraising while a majority of directors in private institutions felt transformational leadership would lead to the most success. The many lines of reporting that exist at public institutions and the larger average development shop size likely skew the director's mindsets where they feel they need to get things done as efficiently as possible since decisions can often take a long time to percolate through a public organization. Directors in a private organization can often have more freedom for creativity and

unique vision implementation in the often smaller and less complex structures of they operate under. According to respondents in this study, private fundraising shops have far fewer employees than public fundraising shops.

The way respondents viewed the relationship between leadership and fundraising was very interesting. 29 of the respondents or 46% said they felt their leadership was effective and their fundraising dollars raised increased. This was the most popular answer of the six options respondents were given that connected leadership and fundraising directly. No other trends came to light with this group, meaning good leadership appears to lead to good fundraising results regardless of the size of institution, type of institution, or structure of the institution. Eight respondents said their leadership was lackluster and dollars raised still went up. Four of these eight respondents clarified in the survey's additional notes section that if they would have had more effective leadership that their results would have likely been even stronger. In these cases, bad leadership was the difference between a good year and a great year. Another 16 respondents said their fundraising results remained static from last year to this year. Nine of those claimed to have good leadership and seven claimed to have bad leadership. A few individuals who had lackluster leadership also said they might have done better with more engaged an inspiring leaders.

A few outlier results came to light in the survey. Two respondents claimed that their leadership was effective, and results still went down. Two out of 63 respondents, or 3% is an insignificant number, but I had hypothesized this number might be zero. One of these respondents was a director and another was a VP. Both respondents managed at least 3 employees and were in organizations of over 51 individuals. These results brought these two

respondents self-preserving bias into play. It is plausible that these leaders felt their leadership was effective, when it might not have been. It would be enlightening to interview direct reports of these individuals to see if the followers view of the leader is different than the leaders view on the leadership.

Many of the respondents left additional notes when asked if they had any additional thoughts on how fundraising leadership affects fundraising results. Three main trends emerged on what makes a good leader in the development world. A good leader is: flexible and adaptable, visionary and motivating, and a creator of trusting teams.

Four respondents mentioned a good development leader is someone who creates plans and goals but is also willing to continue and adapt to changing circumstances throughout the year. This also means keeping open and continuous communication between the entire team so each team member can communicate what seems to be working and what isn't from their perspective. Then being open to changing strategy based on these communications is key. Seven respondents mentioned words like empower, vision, and motivation in their responses which correlates to the fact that a vast majority of respondents chose Transformational leadership as the most effective model in fundraising. Setting out a vision and motivating people to fulfill that vision are the hallmarks of transformational leadership. The part that is key here is being empowering and motivating. Any leader can create a vision they have for their organization, but few leaders are good at empowering and motivating their workforce well enough to achieve the visions and goals set forth. Another four respondents mentioned trust or the building of trusting teams as a key factor in successful fundraising leadership. Fundraising is incredibly team oriented. Everyone on various teams in development must work together to close a gift. To work together most

effectively, a team must trust each other. Trust is something that is cultivated from the top leaders of any organization and trickles down. For example, if the VP trusts the directors to do their jobs well, and then the directors trust the associate directors to do their jobs well, those relationships are likely to flourish, and those individuals are likely to work as hard as they can to see success.

Chapter Five: Conclusion

The goal of this research was to take a deep dive into leadership practices as they relate to non-profit fundraising and more specifically, higher-education non-profit fundraising. The study focused on three questions: What leadership styles are most affective in higher educational fundraising? Does organizational structure have an impact on fundraising results? Does leadership in educational fundraising affect fundraising results? The literature and the survey results suggested that quality of leadership does have an impact on fundraising success. They also came together to support transformational and participative leadership as the most effective styles since both involve a leader creating strong visions and then playing a significant role in helping the team execute those visions. Lastly, research did not show conclusively that organizational structure has much to do with fundraising results. It seems any structure can be successful with the right leadership and vision. The study's analysis of structure did show, however, that each level of an organization can and does play a leadership role at one point or another in the fundraising process, even if that person doesn't have any direct reports and might not be a "leader" in the most obvious sense of the word.

One issue that has to be acknowledged and was reflected in the research in this study is the fact that leadership is not the only variable that determines fundraising success or failure. Economic growth or decline, tuition costs, politics, culture of philanthropy, team continuity and retention, events at the university, and more can contribute to that final dollar's raised number at the end of a fiscal year (Bonnette, 2015). To get the most complete picture of what factors might have contributed to a particular organization's successful or lackluster fundraising year, all of these other factors would need to be considered along with leadership efficacy.

There is a lot of room for future study in the area of fundraising leadership at higher educational institutions and how leadership may affect fundraising results. This study looked closely at leadership styles and leadership traits, but it might be interesting to take a more anecdotal approach to studying fundraising leaderships effects on motivation level of followers and how that might change fundraising results. Interviews with fundraising professionals at different types of organizations in different parts of the country could reveal some interesting perspectives from the followers looking up the organizational chart. A deep dive study into how fundraising leaderships interacts with other advancement leaders (alumni relations, marketing , prospect research, etc) would be interesting as well. Fundraisers work with alumni relations and other advancement professionals daily as all advancement work is complimentary. It would be nice to see how leaders on all advancement teams could be most cohesive toward the ultimate goal of raising the most money possible.

I hope this study, and others like it lead to a change in how leadership in higher education development is viewed. At this moment, leaders in development are often seen as people who direct others and set goals that are unattainable and unrealistic and unmotivating. Maybe studies like this will push leaders to be intentional with how they lead, keeping in mind the need to bolster trust, motivation, and flexibility with relationships they have with their reports in order to achieve the best fundraising results possible.

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Appendix

Survey Results:

https://docs.google.com/spreadsheets/d/1vJ0BxpUtVCmMPfrEDo_CEicXGYYPV00b/edit?usp=sharing&oid=111076359691249633583&rtpof=true&sd=true