Alumni-in-Training: A Public Roadmap for Success

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Abstract

California State University (CSU) system campuses, with few exceptions, have achieved lower alumni participation rates than peer institutions. This study determined the status of alumni giving at public comprehensive institutions, examined relevant indicators of performance from alumni fundraising, and examined institutional factors associated with achieving greater alumni giving at public comprehensive institutions. Public institutions seek external support for an ever-growing share of their total budgets. Public comprehensive colleges and universities are moving to increase their involvement and effectiveness in fund-raising activities. Driving this move is a decreasing reliance on state revenue flows and a desire to lessen the perceived quality gap of students, faculty, and capital resources that favors private and more "elite"

public institutions. Of the major potential sources of support, the natural affinity group of alumni has not always been ready, willing, and able to answer the call of their public alma mater. Interviews were conducted with 36 of the 40 key individuals at the top four CSU and top four peer institutions. Evident is the rather insignificant role the alumni played in achieving fundraising success at the CSU campuses. The interviews shed light on specific key factors that contributed to greater success with alumni and support the philosophy of Alumni-in-Training.

Keywords:

alumni, public higher education, fundraising

Introduction

Fundraising has become as ubiquitous in public higher education as it has always been in the nonprofit sector in general and in private higher education. Without exception, public institutions of higher education are now and will, most assuredly, continue to be required to seek external support for an ever-growing share of their total budgets. This situation has grown rather steadily as a result of burgeoning student populations and

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cyclical fiscal crises that have found their way into the various state capitols.

While some major public Research I institutions have been successfully engaged in fundraising with alumni, the record of public comprehensives is uneven. The California State University (CSU) system, with its 23 campuses, is the largest in the United States. Not surprisingly, the need for external funds to support this behemoth is continually growing at a high rate. The CSU system set a requirement, nearly two decades ago, for each campus to annually raise at least 10 percent of its base annual state appropriations. While this seemed modest when compared with its counterparts among independent colleges and universities, it was an expectation that was harder to achieve than many thought. This study explores the possible strategies that some institutions are using to overcome these challenges, or meet them more effectively.

Data from 243 institutions were filtered down to 83 institutions, and a correlation matrix was created to analyze the relationships between the several variables. The top four CSU and top four peer institutions were selected as the eight

better performing campuses. Interviews were then conducted with 36 of the 40 key individuals from the eight better performing institutions.

If the presupposition that “happy students make happy alumni” is true, then it should follow that “happy alumni become happy alumni donors.” If we define the meaning of the term “happy” to be interchangeable with the term “satisfied,” then we can measure this satisfaction by examining institutional performance in the variable *alumni donors as a percent of record*. This is supported by the recognition that involvement of alumni is a regularly used predictor of alumni giving.

While the concept of Alumni-in-Training is not new to higher education, it has not yet been fully embraced by institutions. To understand better the impact and effectiveness of this philosophy, we need to gain a better understanding of the role of alumni as donors.

Therefore, this research assists in determining whether a philosophical approach to students which engages them as if they were already alumni, or Alumni-

Figure 1: Public vs. private alumni donors as a percentage of record

Table 1: Five and ten-year averages for alumni donors as a percentage of record

Alumni donors as a % of record	10-year avg (%)	5-year avg (%)
All private	23.4	22.2
Public Masters I Top Four	19.4	17.8
All higher ed	18.8	17.4
All public	11.5	10.6
Public Masters I Peer Group	11.1	10.0
Public Masters I w/o CSU	10.8	9.4
UC (University of California)	10.3	9.9
CSU Top Four	7.8	6.7
CSU (California State University)	6.0	5.0
CSU Study Group	5.6	4.5

in-Training, will increase the probability of those students becoming more supportive alumni.

Research Findings

The literature supports the view that alumni are more likely to give based on the relationships they had while they were students.¹ The experience that students have is critical to the development of their future intentions for “giving back” to their alma mater. Positive experiences increase the probability of giving as alumni, and negative experiences have a negative impact on giving. What, however, should be done to improve the probability that alumni will give to their institution?

What are the common, universal themes that could be applied to almost every institution? The first to emerge from the interviews was having a clear institutional vision and communicating it effectively. Vision is more than words or fancy brochures. Vision is about believing in something that is identifiable at every level of the institution. The ability of an institution to effectively communicate this vision and, hence, successfully sell the vision to the alumni and students is critical to establishing a platform upon which greater levels of alumni giving can

become possible. This theme also includes the importance of effectively communicating a validated need for support. There are two subthemes to effective communication. One relates to the need for staying connected, and doing so on a regular basis. The other is about understanding what is unique, or special, about an institution, and using that knowledge in a significant way in the communications effort.

The second major theme related to the success of the top performing schools is linking students and alumni. Of the myriad of ways to accomplish this, one of the most impressive is alumni making contact with prematriculation students (i.e., recruiting).

One method, which clearly had significant impact on the top performing institutions, was the integration of a philosophy of “family” at the institution. While the larger the enrollment becomes, the more challenging this effort becomes, successfully integrating this philosophy clearly breeds pride and loyalty in the alumni. The defining factor for the successful integration of this philosophy of “family” is having a “special” president/chancellor. Further, it is important to note that the integration of this theme is best accomplished when the

institutional leader is programmed to become this type of familial leader. Ultimately, an exceptional leader, who is admired, respected, and even loved, will be far more effective in enabling the institution to achieve greater alumni giving.

The third, and single most important theme to emerge from the interviews, was the most common response from any position-group or institution. Ultimately, it is the experiences the alumni had while they were students and the connections with faculty and staff that have the greatest impact on alumni giving. Each of the previous themes was really a piece of a greater puzzle, one about making the students feel valued and respected, showing them that the institution cares about them, and ultimately that they are a part of something that is bigger than they are.

One of the sentiments expressed by nearly every participant in this study, and particularly the top performing institutions, was the importance of treating students with the same respect that we treat alumni. The essence of the philosophy of Alumni-in-Training is predicated on the belief that institutions

of higher learning desire to provide their students with a positive, valuable, and relevant educational experience that will prepare them for their future pursuits. In return, those institutions expect their former students to support their alma mater when the need is present and valid.

It is often said by Public Masters I advancement professionals that private institution averages are the real benchmarks they are seeking to achieve and surpass. Additionally, it is generally accepted that alumni have been, and will continue to be, the single largest source of support for private and public colleges and universities. By providing the financial flows necessary to continue to improve the quality of students and the educational process, alumni philanthropy should be a primary focus for our institutions of higher education.

Alumni performance of the CSU campuses that participated in the study—the *CSU Study Group*—when compared with the alumni performance of other institutional groups was clearly below the average in nearly every category. To say the CSU system as a whole is in need of refocusing would be an understatement. Many of the campuses, in the opinion of

Figure 2: CSU study group vs. public masters I peer group (% of record)

Figure 3: CSU Top Four vs. Public Masters I Top Four (% of record)

this researcher, have arrived at their positions of mediocrity in advancement through prolonged neglect. The source of the neglect, which led to mass underperformance, was a series of blows dealt over a period of years and allowed to continue.

However, it would be wholly unfair to paint the entire system with one broad brush stroke as it relates to success in advancement with alumni. There are several campuses that are doing a very good job at what they do. The *CSU Top*

Four were able to more closely approximate the averages of the *Public Masters I Peer Group* in comparisons, and they outperformed the Public Masters I Peer Group average in the variable of alumni support per student.

Total giving as a percent of expenditures is the only category where the CSU Top Four were able to surpass their peer Top Four institutions. In fact, three of the CSU Top Four campuses were ranked as the three highest performing of the eight "Top Four" institutions in this variable.

Figure 4: Top Four CSU and Public Masters I compared with all public & private (% of record)

Table 2: CSU Top Four vs. Public Masters I Top Four (support per student)

Institution	Alumni support per student (5-year averages)
<i>Public Masters I Top Four</i>	
South Dakota State University (Brookings, SD)	\$416.80
University of Baltimore (Baltimore, MD)	\$347.40
East Carolina University (Greenville, NC)	\$266.60
Shippensburg Univ. of Pennsylvania (Shippensburg, PA)	\$199.40
<i>CSU Top Four</i>	
CSU, San Luis Obispo (San Luis Obispo, CA)	\$262.60
CSU, Fresno (Fresno, CA)	\$199.80
CSU, San Jose (San Jose, CA)	\$160.00
CSU, Long Beach (Long Beach, CA)	\$75.40

The story here seems to be about concentration on attracting nonalumni philanthropy to the campus, and consequently a lesser amount from alumni. In this variable the CSU Top Four campuses shine, which means their overall advancement efforts have been positive for the campuses. Evident is the more insignificant role the alumni play in achieving this success. When public institutions look to private higher education as a comparative group, the area in which private institutions greatly outpace the public institutions is in alumni giving. While some of the CSU campuses have been successful at

attracting nonalumni support, it has tended to be at the exclusion of efforts toward alumni.

The data suggest that there are significantly positive relationships between several of the variables used to measure advancement performance. The most meaningful variables defining these relationships are: *Alumni giving as a percentage of total giving*, *Alumni support per student*, and *Alumni donors as a percentage of record*. The data and the interviews taken together also suggest that Public Masters I institutions are more likely to be successful when they integrate the strategies used far more frequently in

Table 3: Five and ten-year averages for alumni giving as a percentage of total giving

Alumni giving as a % of total giving	10-year avg (%)	5-year avg (%)
Public Masters I Top Four	39.4	38.0
All private	29.7	31.0
Public Masters I w/o CSU	25.8	24.7
All higher ed	25.2	25.9
Public Masters I Peer Group	24.6	23.5
All public	19.8	19.8
CSU Top Four	17.1	16.8
CSU Study Group	9.8	9.4
UC	9.1	9.8
CSU	9.2	8.6

Table 4: Top Four CSU & Public Masters I comparisons by variable

Institution	Alumni giving as a % of total exp.	Total giving as a % of exp.	Alumni giving as a % of total giving	Alumni donors as % of record
Univ. of Baltimore	3.3	6.4	52.1	10.4
South Dakota St Univ.	3.1	8.5	37.0	18.3
East Carolina Univ.	2.1	7.2	28.4	17.6
Shippensburg Univ. of PA	2.0	5.8	34.5	24.9
CSU, Fresno	1.8	11.1	16.6	4.3
CSU, San Luis Obispo	1.7	12.2	13.9	11.0
CSU, San Jose	1.5	5.2	28.3	3.9
CSU, Long Beach	0.8	9.7	8.5	7.6

private higher education than in public higher education. These strategies related more specifically to the ability to engage students early on in their relationships with their institutions.

Ultimately, the data and interviews told the story about the need to ensure a positive experience for students and to get them connected to the alumni as early in the relationship as possible. Early, in the best-performing cases, meant prematriculation. It was also clear that understanding the motivations and types of affinity the alumni have to some groups or academic areas is a critical component to attracting support from these alumni. The better-performing institutions recognized that they needed

to identify the connections that the alumni had with their alma mater and to match their solicitation efforts accordingly. Most alumni of these public institutions appeared to be more connected with their department or college than with the school in general. Successful institutions appear to understand the need to get students to take “ownership” of the institution and its future. Roger Benjamin, President of the Council for Aid to Education, commented to me during his interview that he feels this is most effective when they are still students on campus. The students need to be made to feel they are “a part of the family,” and “private institutions are far better at it than public institutions.”

College and university administrators need to understand that longer-term investments in advancement, alumni affairs, and the integration of the Alumni-in-Training philosophy will significantly pay off for the institution. Particularly for the *Public Masters I* group, this has “become even more important as the state budgets are being cut.” A dramatically increasing reliance on private sources is currently at the doorstep of these institutions.

Additionally, he suggested that colleges and universities must commit financially

Table 5: Alumni support per student comparisons by group

Group	Alumni support per student (5-year averages)
All private	\$3,287.93
UC	\$555.60
Public Masters I Top Four	\$307.55
All public	\$298.91
CSU Top Four	\$174.45
Public Masters I Peer Group	\$91.26
CSU Study Group	\$76.78

to fundraising as an institutional priority. They must not address the current fiscal crisis by altering their strategic fundraising efforts to one of a more tactical nature. To shift to soliciting current, short-term dollars from donors by shortening the cultivation process can often be at the expense of significantly larger, long-term dollars that would have been possible from the more usual and more effective cultivation processes.

John Taylor, Vice President for Research and Data Services at the Council for Advancement and Support of Education (CASE), stated to me in an interview that what distinguishes successful institutions is their recognition “that they need to work with students while they are on campus.” Taylor is convinced that, “It’s too late when they have already left.” The students need to be given an orientation to philanthropy in general, starting in their freshman year, when they are getting acclimatized to the campus culture. They need to begin to learn about why alumni need to support the institution, and how they can support the institution. This effort is not to solicit from freshman, but rather to establish a foundation for their understanding of the philanthropic role of the alumni at that institution.

The probability of successful fund raising from alumni is directly related to the level of positive experiences while being a student. Taylor stated that it is “hard to get an alumnus to be charitable, if the alumnus had a bad experience while being a student.” To further validate the value of this position, CASE has been conducting student attitudinal surveys at various institutions. They are seeking to better understand how to create a positive overall experience for students. “We know the best alumni donors were happy students,” Taylor stated.

Taylor’s position on institutional resources is that there is “not nearly enough effort going into this.” However, as more institutions begin to understand and adopt the Alumni-in-Training philosophy into their institutional set of values, the greater their success with alumni giving will be.

Listening to the question responses was an opportunity to hear about the power of this philosophy in action. Through the interviews of 36 key administrators at the eight “Top Four” campuses, it can be clearly seen that these institutions have had active and ongoing efforts to engage students while on campus. In all cases this was intentional, and in some cases it was done with the clear understanding that positive student experiences could lead to greater giving as alumni. Although the respondents did not specifically use the phrase, the concept was clearly inculcated into every level at the successful institutions. Terms like “family,” “loyalty,” “respected,” and “valued” were used to describe the ways that outstanding institutions refer to their students. The recognition that one day these students will be our institution’s supporters—or not—was considered a significant component in achieving success in alumni giving. An institutional commitment to financially supporting the advancement efforts was also evident. Without the financial resources necessary to facilitate the advancement work itself, the rewards of alumni giving will never be reaped.

Implications and Policy Recommendations

Recognizing that the distinction of public versus private institution has become increasingly blurred is important as it relates to fund-raising benchmarks. Since the private institutions have generally set the mark for effective fund raising, public

advancement leaders might choose to look more to the performance characteristics of privates to establish their own goals, as well as integrating “best practices” for building loyalty and a culture of giving from alumni.

Not surprisingly, alumni and student characteristics are the most important to understand. The lessons here are generally transferable to other similar institutions. While there are many factors that have been, and will continue to be, researched, student experiences are the greatest determining factor for future support as alumni. Happy students become happy alumni; dissatisfied students become lost alumni. These truths are self-evident, and must be accepted by colleges and universities. The implementation of this philosophy of promoting positive student experiences and fostering an institutional culture of philanthropy will lead to successful alumni involvement. The specific modalities for integrating this philosophy are less obvious. It seems quite clear that gaining an understanding of the variety of institutional factors that may relate to success in alumni giving is critical to the future financial health of an institution.

Fundraising has become a major factor in the operational strategies of public higher education. The recognition by the leadership at these institutions is that they must begin to work with students as future alumni and must take an active role in the training of these students in the ways of philanthropy. These efforts will serve to increase the expectations for the advancement teams and alter the perceptions of their roles in the campus communities.

It seems clear that our institutional leaders must embrace a student service model that facilitates positive student experiences. The sooner administrators

and system leaders understand this and encourage the adoption of this philosophy, the sooner the benefits will be seen by these institutions in the form of increased alumni participation and total financial support.

The institutional leader who does not commit a sufficient amount of time and resources to advancement may put the institution at financial risk for the future. This risk will manifest itself in an inability of the institution to maintain quality faculty, students, and programs.

One clear implication for higher education is the impact of the president/chancellor on the advancement efforts. The research turned up some insightful comments on the value of a visible and caring leader who spends a significant amount of time with students and continually demonstrates to them that they are valued. There appears to be a paradox from the findings, as it relates to the president's/chancellor's role. On the one hand, it is desirable for the leader to be visible on campus to the Alumni-in-Training, and on the other hand the president must be external, when it comes to fundraising. This is precisely the type of balancing act that is required of a leader: being able to determine when to be visible on campus and when to be effective in the external role.

Understanding the constant struggle for internal versus external demands on time is important.

There is also support for the idea that the longer the term of a president or chancellor, the greater the opportunity to have an impact on future alumni giving. It appeared that the beloved presidents who had achieved significant success with alumni were those who were at the institution because it was “home.” These leaders believe in the value of the students and the need to provide them with the

best and most positive experiences possible. When the respondents referred to family, they referred to it more personally than just as a way to treat students. They internalized this concept and lived it as though they were all “kin.”

There is another facet to this implication that should be addressed, and that is the role of the leader’s qualities, traits, and skills. It seems that the presidential selection process for the CSU system has historically focused more weight on the bureaucratic talents of a candidate than on the broader leadership qualities necessary for success in most organizations. The CSU campuses have vice presidents for finance or operations to deal with the operations of the campus. There also appears to be a greater emphasis on academic legitimacy of the candidate than in the ability to attract external support, as in the independent sector of higher education. There is no question that the leader of an academic institution must understand academics and appreciate the educational process, since the leader is the principal advocate for the process. However, in the CSU system there is an academic vice president or provost on each campus wherein that responsibility should be placed. This natural delegation will provide the opportunity for the commitment of time from the campus leader.

While there have been some outstanding CSU presidents over the years who have left significant marks on their campuses and their communities, the relatively small size of philanthropic campus coffers (endowments), the limited number of named facilities on CSU campuses and even fewer endowed academic chairs, and the reality of the stark statistics generated in this study are evidence to the contrary for the system as

a whole. It should be noted that the CSU system is not alone among public institutions in regard to this underperformance.

Ultimately, the leader must lead. This should be taken as the single most important attribute for a campus leader. This extends into the concept of family that is so pervasive at better-performing institutions. This concept of family and loyalty is developed over a period of time. Since the students are on campus for a limited amount of time, the efforts made to build loyalty need to begin early and occur often. Negative experiences can easily break the fragile relationships that are being developed. Institutions that focus on ways to provide these positive experiences and strengthen the bonds will ultimately be better situated to solicit support when these students become alumni.

It appears there is a cultural problem guiding the CSU presidential selection practice. The CSU system seems to be suffering from the historic perceptions of being second-class to the University of California system. There seems also to be the residual impact resulting from the perceptions of being a “public” institution. The sense from alumni that their financial support is not needed because the CSU campuses are “supported by the state” has been used as an excuse by the campuses as a means of explaining their poor performance for too long. While only a survey of alumni perceptions could put an end to the myth of this overwhelming perception, it would also produce results that would likely state the reasons for low alumni giving to be a result of low student satisfaction and perceived ineffectual campus leadership. It should be stated emphatically that being a public institution does not mean they are less interesting to their alumni. It may not

simply be the case of setting the bar a little higher to overcome this; it may be more about selecting a different league to play in. This has been successfully accomplished by at least two of the Top Four Peer institutions, where the elite public institutions became their benchmark, not the Public Masters I group.

A final point on this issue of CSU presidential selection, or any public higher education leader, relates to the misconception of the position as being one that is intrinsically different from being the leader of a private institution. The lines of separation of public versus private institutions has blurred immensely. Leaders of both institutions meet regularly with elected officials at the local, county, state, and federal levels to ensure support. Leaders at both types of institutions need to spend an increasing proportion of their time cultivating new donor prospects. Leaders of both types also need to adopt a service philosophy toward students. In fact, there are more similarities than ever before, not to mention the usual constituent groups with which an institutional leader must work effectively, including faculty, students, local communities, business leaders, and, parents.

Another implication is the structure of the advancement teams. The research indicated that alumni were more connected to their departments or programs than to the institution in general. The more successful programs understood this affinity and had more decentralized solicitation models to develop stronger ties, with a centralized support structure mainly for efficiency of institution-wide events and data management. Structures that support the affinity-based relationships of alumni would be most effective.

The efforts that the CSU system has put into the area of affinity-based advancement could be considered reasonable, given the current political and economic climate. The issue of the overall CSU performance, as determined in this research, appears to be lacking in comparison to its Public Masters I Peer Group. While a few of the CSU campuses have performed well enough to be considered in good company with peers, it seems the CSU system has yet to adequately integrate the philosophy of Alumni-in-Training. The current, looming budget cuts and continual pressure to identify sources of funding that are outside of the state budget will eventually steer the better CSU campus leaders toward adopting this philosophy. It will, however, take some time to make the types of institutional financial commitments necessary to truly place advancement as an institutional goal, and not just another item on the “to do” list.

There is no question that public institutions are going to require significantly higher levels of private support to operate effectively in the future—and sooner rather than later. It is eminently clear that adopting an Alumni-in-Training philosophy to guide the quality of the student life experience can be a major key to successful alumni giving. As with any good idea, actual results may vary depending on the skill of the application. Therefore, the only questions that are truly facing public higher education, and specifically Public Masters I institutions in this regard, are how quickly they accept this reality, how readily they adopt this philosophy, and how passionately they embrace their relationships with their Alumni-in-Training.

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