"*I don't like asking people for money*"…

Philanthropy for Academic Leaders

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Philanthropy for Academic Leaders

You are always engaged in the philanthropic process… you just may not know it

There is a "formal" (more or less) process to philanthropy

Philanthropy is NOT About Asking People for Money

"Common" reasons faculty give for not wanting to participate in philanthropy

- Raised to "not talk about money"
- Intimidated/fearful/embarrassed
- Feels too "opportunistic" (ingratiating)
- "I don't like it when people ask me for money, so why should I ask others for money?"
- Not "trained"
- Don't have time or interest
  - "I have *real* work to get done"

Philanthropy as Academic Leader Role

- Philanthropy is not a burdensome "add on," it is an *integral part* of the leader's role
  - Skills can be learned, practiced and improved

- Philanthropy is not about *asking for a gift;* it's about offering an informed *invitation to invest*
  - Philanthropists are not "source of money"; They are accelerators of positive change
  - Implies a shared interest, a long-term commitment, and an expectation of a successful return

What Donors Need

- A significant problem
- A specific solution
- Accurate information
- A "direct line of sight" between the problem (need) and the proposed solution
- To understand why and how you arrived at the solicitation number
- To understand if a proposal is budget relieving or additive in nature
- To get to know you on a professional and personal level
- To be kept informed
  - The proposal is just the first of many formal documents
- To see impact/change

Become a Storyteller

- The most important skill you can develop for effective philanthropy is to become a good storyteller.

- Your purpose is to convey a story (not a set of facts) - an inspiring tale that allows the donor to "match" their interests/goals with your needs/goals, and "see" themselves in the story.

A well-crafted story allows the benefactor to:

- Identify as the "protagonist"
- Understand the other "characters"
- Envision their impact in the "arc" of the story
- Embrace their role in achieving a positive "ending"
- Remember the "hook" to share with others

WHAT & WHY: Categories & Purposes of Gifts

Regardless of the amount of the gift, all donors want to see impact

- Engagement (participation)
- Support Existing Fund (advance an existing initiative)
- Establish Endowment (for any number of purposes)
- Create a transformational institutional outcome

Principal Giving $1,000,000 + Capital Giving

Major Giving $50,000 + (Endowment Minimum)

Leadership Giving $5,000-$49,999

Annual Giving $1 - $4,999

NOTE: These are general categories; exact amounts vary by institution

Types of Funds

Restricted – Specifically outlined conditions for use (usually endowed funds)
Unrestricted (aka "discretionary") – Allows use at the discretion of the individual(s) with "spending authority"

Endowed – Fund invests principal, resulting in some portion of the interest being available annually to advance the purpose of the fund ("spendable net income"). Endowed funds are attractive to donors because they exist in perpetuity, are generally "named," and create a legacy
Expendable – Fund is time-limited. The gift "spends down" over the life of the fund (this may be several years). When the money is spent the fund ends. Expendable funds are attractive to donors who may want to make a larger impact immediately, and are not as concerned about creating a legacy

Planned Gift – A "pledge" to finalize the fund at a future date, often as part of an estate plan to be distributed upon the donor's passing. Usually for a specific purpose, may come from donors at any level, and may be either endowed or expendable.

Fund Agreement

- The ***Fund Agreement*** is the document (loosely "contract") in which the benefactor establishes the name, amount and type of fund. It includes the distribution model for the fund and any other parameters (e.g., conditions, timeline) for fund use, based on the specific goals of the benefactor.
- The more "general" the agreement the more latitude it allows
- Can be "negotiated" with benefactor, and may include multiple options for fund accumulation and distribution
- May identify a pledge or payment over several years to establish the fund (3-5 years for large gifts)

Modeling a Proposal

- A proposal is like a grant (persuasive), not a manuscript

- Quad chart may be an effective tool to create (or organize) a proposal

- Keep it short and simple ("beginner's" mind v. "expert" mind)

- Use statistics wisely (i.e., specifically, minimally, and to connect to your proposal)

- Identify potential impact/outcomes

INSERT Proposal Title Here
INSERT Focus Area(s) here

University Logo

PI: Insert Name of PI or Primary Contact

Problem, Hypothesis and Relevance

- State the problem to be studied, or the hypothesis to be tested or the funding proposal
- Concisely outline the rationale for the research project or proposal
- Describe relevance (relationship to selected unit/college/initiative
- Recommended *minimum* 12-point font

#1

Insert a picture or graphic here that represents the proposed research or funding proposal

#3

Proposed Solution

- Describe objectives of the proposed research project or funding proposal
- Summarize the specific aims (for research) or goals for funding proposal
- Concisely identify anticipated study or funding outcomes
- Recommended *minimum* 12-point font

#2

Timeline and Cost

Activities FY	Yr 1	Yr 2	Yr 3	Yr 4
Enter description of major activity or phase 1; insert or delete rows as needed				
Enter description of major activity or phase 2; insert or delete rows as needed				
Enter description of major activity or phase 3; insert or delete rows as needed				
Estimated Budget ($K)	XXX	XXX	XXX	XXX

#4

The "Elevator Speech"

30-45 second *simple* explanation

- Identify goal/problem/need
- Explain importance
- Communicate your (or your organization's) unique "value proposition"
- Engage listener (open ended question)
- Seek action (next step… seldom is this "closure")

- What? So What? Now What?

- Problem – Promise – Plan

- Then – Now – Imagine

Practice with someone who doesn't know anything about your work/idea and modify based on feedback

https://www.mindtools.com/aofwxxv/crafting-an-elevator-pitch

Working with Your Development Team

The Leader's Role in Moving from Transaction to Transformation

- Build interpersonal relationship with director of development
- Know the metrics by which the development director is evaluated
- Give the time to educate development director on needs/ideas with understandable and usable information
- Refer potential benefactors to director of development
- Invite open access – be available
- Treat development director as equal partner
- Create/clarify role expectations and "script" (may be for each encounter)
- Invite feedback first (then provide) after each encounter
- Avoid the temptation to be the "closer"
- Acknowledge/credit director of development
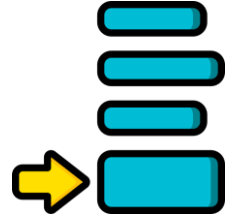- Don't blame

Your Goal: Become the person the development team WANT to work with… not the person they HAVE TO work with…

The Bottom Line: It's All about Relationships

Attributes

- Trust (respect, authenticity)
- Likeability (charisma, humor
- Believability (honesty)
- Welcoming (friendly, engaged)
- Relatability (self-disclosure)
- Appropriate ego (healthy, restrained)

Behaviors

- Listen artfully
- Be observant
- Ask engaging questions
- Leave space
- Get an invitation
- Tell a story

"Working the Room" (Tips for Introverts)

- First, understand the definition of "introvert"
- Be courageous – it's not about you; it's your job
- Scan the room; plan
  - Identify "have tos"
  - Look for "2 for 1" opportunities
  - Take advantage of your DoD to assist
- Know your goals
  - Practice your opening line
  - You can't do it all at an event… just get a next meeting
  - They'll be another opportunity
- Pay attention to names (don't be afraid to clarify)
  - Never assume someone remembers your name – help them out
  - Use memory "hacks" or write it down
  - Remember one key fact
- It's OK to interrupt
  - Just acknowledge you're doing it
- Review – reflect – improve – repeat