Communicating the Impact of Big Ideas

The Donor Investor Imperative Part Three
Donor Investor Imperative Webconference Series

Part Three of a Four-Part Sequence

1. The Rise of the Donor Investor
   *Available on-demand at eab.com*

2. Sustainably Sourcing Big Ideas
   *Available on-demand at eab.com*

3. **Communicating the Impact of Big Ideas**

4. Perfecting the Pitch to Appeal to Today’s Donors
   *March 29*

Register for forthcoming webconference at:


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Donors Seek Transformative Impact

Affinity to Issues, Not Institutions

Donors Are Impact-Centric

62%
Want information on how the organization plans to use the gift

75%
Want information on results achieved with their gift

64%
Want stories about people who were helped

How Next Generation Donors Consider Philanthropic Investments

1) Setting Goals
First decide philanthropic goals, then search for potential recipients

2) Evaluating Organizations
Conduct research and due diligence before deciding what to support

3) Solving Problems
Fund efforts that address root causes and attempt systematic solutions

4) Analyzing Results
Prefer information on proven effectiveness or measurable impact

"Giving Preferences of Donors
Age 35-65

☑ Specific initiatives
☐ Clear case
☑ Measurable results
☑ Best to address issue

Middle-aged donors are impressed when their giving is tied to specific initiatives that produce measurable results, and when fundraisers communicate those results based on information in a compelling fashion.”

Could Newton Get Donor Funding Today?

Big Ideas RFP

Grand Ideas Process

**Principal Investigator:**
Isaac Newton

**Project Title:**
Mathematical Principles of Natural Philosophy

**I. Basic Description:**
This project will describe the mathematical laws that govern the motions of all bodies and will propose a law of universal gravitation from which can be derived the motions of the planets.

**II. Predicted Impact Over Time:**
This will revolutionize human knowledge and scientific investigation

**III. Estimated Cost:**
$5 million over five years

**IV. Other Sources of Funding**

Donors’ Comments

What kind of societal impact might this project have?

Have you lined up any corporate partners?

Do you have institutional matching funds?

Do you have collaborators from other disciplines (especially engineering, bioscience)?

What are the potential real-world applications?

What types of outreach will be involved (beyond an academic publication in Latin)?

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1) Adjusted for inflation.

Source: “State of the Union: Reclaiming Our Value,” Academic Affairs Forum, Education Advisory Board, 2015; Advancement Forum interviews and analysis.
Faculty Critical for Identifying Impact

Peer-Reviewed Journal Articles Are Not For Donors

Unique Attributes of Big Idea Faculty

**Expertise**
Specialized knowledge and training about a specific discipline or issue

**Data**
Qualitative and quantitative information about research and results

**Narratives**
Passionate, compelling stories about why the research matters

Burden of Scholarly Impact Often Impedes Easy Data Extraction

“In marketing speak, you take liberties that might not be fully substantiated. But the academic side wants to be accurate and fully explain everything.”

*Vice Chancellor, University Relations
Public Research Institution*

“Their credibility is on the line, and they worry about what other academics will say, which sometimes prevents them from telling a good story, or adds tension to the process.”

*Associate Vice President for Development
Private Research Institution*
Impact is Not Black and White

“Impact” Is a Flexible Term

No Standard Definition or Expectation

Multiple Indicators of Impact

<table>
<thead>
<tr>
<th>Issue-Specific Impact</th>
<th>Organization-Specific Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Of donors seek information about long-term benefits to society from addressing or resolving issues</td>
<td>Of donors seek information about the impact of an organization</td>
</tr>
<tr>
<td>78%</td>
<td>75%</td>
</tr>
</tbody>
</table>

Overall issue size and scope  
Specific issue subset addressed

All populations affected  
Geographic area and population served

Innovative solutions developed  
Projects to be funded through philanthropy

Helping Faculty Link Work to Societal Issues

Jump Start Outside-of-the-Lab Thinking

Appreciating Innovation Anywhere

“Anybody with significant means anywhere in the country will have a national, if not a global mindset of how they think the world is moving, and what the innovations are. They will appreciate innovation anywhere and investments for their own communities or the world to continue to thrive.”

Amir Pasic
Dean, Lilly Family School of Philanthropy
Indiana University-Purdue University
Indianapolis

From the Lab to the Global Stage

Faculty Research
Behavior, senescence, parasitology, predation, and conservation of Malagasy lemurs

Local Area Affected
Ranomafana National Park, Madagascar

Societal Issue Set
Climate change, public health, conservation

Impact to Scale
Local, regional, and global spheres of impact over time

Source: Advancement Forum interviews and analysis.
Faculty Discovery Visits

Treating Faculty Like Donors

Faculty Discovery Visits Provide More Intel on the Project

Set context and establish expertise
- Background and previous research
- Current role at institution
- Upcoming research initiatives

Describe the project and its relevance
- 30 second “elevator pitch” for initiative
- Most exciting aspects
- Distinguishing features from other programs

Communicate impact and urgency
- How institution is well-positioned for project
- Benefits to campus, region, and world
- Value of philanthropy and other funding sources

Consider potential roadblocks or delays
- Emphasis on predicted challenges, not visionary thinking
- Project plans as a “laundry list” of needs

Capture Details to Create the Proposal

Using a Storytelling Framework to Start the Conversation

Get to Know Their Passions and Help Build the Project Narrative

1. Who are you?
2. What do you do?
3. What are your passions?
4. How does it impact the campus, region, or world?
5. Why does it matter in this time and place?

Building faculty narrative and confidence

Providing information for advancement to create a compelling case for donors

Faculty Discovery Visit Logistics

- Lasts 30-45 minutes
- Occurs in their office or lab
- Conducted by a gift officer or communications staff

Framing Projects in a More Appealing Light
Helping Faculty Translate the RFP into Donor Investor Terms

Original “Program Overview”
“The program will successfully link concerns over access, diversity, and equity in the United States with a hemispheric model of internationalization. We will champion new paradigms to offer responses to this challenge that understand U.S. socio-economic and political processes within larger global and hemispheric contexts. This proposal includes new classes and research agendas, multi-lingual classrooms, a strategic cluster hire, and an endowed chair.”

Revised “Value Statement”
“We will take the lead in studying the impact of internationalization and respond to the challenges it presents on a local, regional, and global scale. We will answer questions about access, diversity, and equity through innovative teaching and research, fostering collaboration among experts and building a dialogue that is unique to our institution.

Key Language Elements
- Minimize academic jargon
- Clearly focus on short-term outcomes and long-term impact
- Highlight how this institution is uniquely positioned to have an impact

Communicating in Their Terms

<table>
<thead>
<tr>
<th>Value Category</th>
<th>Sample Terms and Phrases for Donor Investors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Innovation</strong></td>
<td>Academic and translational research leader, innovation incubator, technology pioneer, entrepreneurship center</td>
</tr>
<tr>
<td><strong>Competitive Advantage</strong></td>
<td>Attract and retain top talent, improve access to higher education, become the leader in the field, maintain a tradition of excellence</td>
</tr>
<tr>
<td><strong>Research Outcomes</strong></td>
<td>Solve global problems, answer societal questions, translate data into impact</td>
</tr>
<tr>
<td><strong>Impact</strong></td>
<td>Improvement over time, catalyst for change, local community, regional development, global shift</td>
</tr>
<tr>
<td><strong>Financial Performance</strong></td>
<td>Sustainable initiatives, efficient management, seed funding, institutional investments</td>
</tr>
<tr>
<td><strong>Recognition</strong></td>
<td>National rankings, faculty awards, public reputation, competitive research grants and fellowships</td>
</tr>
<tr>
<td><strong>Progress</strong></td>
<td>Time to reach goal, key milestones, new or additional investment, seed funding</td>
</tr>
<tr>
<td><strong>Community Value</strong></td>
<td>Impact on the local community, reach underserved populations, student engagement</td>
</tr>
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</table>
Using Impact Worksheets to Plan for Stewardship

Setting Expectations Upfront

A Tool to Set Expectations for Faculty (and Donors)

**Discovery Visit**
- Use visit to determine next steps
  - Define “success”
  - Identify crucial project milestones
  - Consider potential roadblocks

**Create Impact Reporting Worksheet**
- Sets path for stewardship with Impact Reporting Worksheet
  - Create donor engagement and reporting plan
  - Set faculty expectations for participating in stewardship
  - Determine data to be shared during project

**Implement Impact Worksheet**
- Check-in with faculty to gain data for impact reporting
  - Impact worksheet sets schedule for check-ins
  - Stewardship meets donor expectations
  - Plans in place for roadblocks or delays

Tell Them Exactly What You Need

Worksheets Simplify, Standardize Process for Big Ideas Faculty

Impact Information Worksheet

1. What is your progress on the milestones agreed upon initial receipt of funding?

2. How are you tracking towards desired project outcomes?

3. Do you have an example of an impact story from this project?

4. What could philanthropy enable you to do next?

Key Considerations

- Refer to case proposals for metrics and milestones that faculty agreed to track
- Development staff pre-populate worksheet with milestones
- Request anecdotes, photos, and charts to add color to impact communications
- Ask for information about future opportunities for reinvestment
- Provide faculty sufficient time to complete worksheets
- Share worksheet via email or in a live conversation with faculty

Forthcoming Toolkit

Show How the Funds Will Be Used

Building a Donor-Friendly Project Budget

Riva Ridge University Faculty Determine Project Details

Things have to be faculty-driven. It’s been a process of educating faculty about practical considerations of what the plan looks like. They’re the ones who are going to have to sustain it. If faculty aren’t committed to a project, there’s no way a project would be sustainable over the long-term... They have to connect all of the dots before we can have bigger strategic conversations or get donors involved.

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Executive Director of Development
Riva Ridge University

Elements of a Project Budget

**Faculty Cost Estimate**
Faculty create budgets with projected expenses for new initiatives

**Institutional Investment Projection**
Chief Financial Officer determines institutional funding for new initiatives

**Impact Over Time**
Pro forma shows long-term impact of philanthropic and institutional investments

**Showing Impact of Funding**
Project proposal includes overview of funding sources and sustainability over time

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Source: Advancement Forum interviews and analysis.
### Modeling Gift Impact

Donors Receive Individualized, Simplified Five-Year Pro Forma

#### Pro Forma Models Gift Outcomes and Investments

<table>
<thead>
<tr>
<th>Entrepreneurship Center: No Philanthropic Support</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
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<td>6</td>
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<td>Business Seed Funding</td>
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<tr>
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<td>$0</td>
<td>$0</td>
<td>$15,000</td>
<td>$15,000</td>
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Critical Components to Model Gift Outcomes
- Proposal and project budget from academic partners
- Financial data from CBO or investment manager
- Financial model to predict future costs and returns based on gift size
- Estimated project investment from the institution
- Size of potential gift from prospective donor

Shows increased impact and reduced cost to institution for largest gifts

Source: Advancement Forum interviews and analysis.
Pulling It All Together

Working with Faculty to Build Better Proposals

- Details from faculty discovery visit
- Terms translated for the donor investor
- Prewired milestones for impact reporting
- Transparent project budgets and financial estimates
- Clear case for investment

Proposal Elements Anticipate Donor Questions

**W UNIVERSITY of WASHINGTON**

**Mission and Purpose**
- What problem are you trying to solve?
- How is your unit uniquely qualified to tackle this problem?

**Goals**
- What action will you take?
- How will you measure success?

**Fundraising Plan**
- What will the gift fund?
- How will the donor’s gift shape the outcome?

**Impact**
- What will be the benefits of your action?
- Why is this now a pressing need?

Staffing for Success

Where Gift Officers Currently Struggle

- Quantifying and demonstrating gift impact
- Using background research to surface data and stories
- Crafting compelling collateral to engage donors
- Evaluating impact of specific gifts to promote stewardship

Two Alternative Staffing Models

1. **Assign to Existing Staff**
   - Existing staff upskilled to create donor-facing cases
     - Cost-effective
     - Opportunity for professional development

   Consider assigning creation to:
   - Major gift officers
   - Marketing and communications staff
   - Unit Liaisons

2. **Hire Additional Staff**
   - Staff hired to craft the case for big ideas
     - Consistent voice across collateral
     - Written communications skills already strong

Case exemplar:
- Three dedicated FTEs create all case statements and proposals
- One FTE added to support big ideas process

Source: University of California, Davis, CA; Advancement Forum interviews and analysis.
Watch Our Webconference on Case Making

Positioning Your Institution as Best to Address the Issue

On-demand webconference available now at eab.com:

Crafting a Compelling Case
High-Impact Proposals for Today’s Donor Investor

What You’ll Learn

- Using big ideas as a basis for donor proposals
- Capturing critical components to make the case for investment in your institution
- Selecting impact metrics and communicating them in donor-friendly terms
- Creating timelines for effective stewardship and impact reporting from academic partners
- Assembling concise, compelling collateral

Target Audience

Frontline fundraisers, including major gift officers and directors of principal giving

Source: Advancement Forum interviews and analysis.
Communicating the Impact of Big Ideas

Key Takeaways

• Discover faculty passions through discovery visits
• Translate big ideas into donor-friendy terms
• Prewire impact reporting by agreeing on milestones
• Show donors the impact of their gift
• Create a clear, concise case for investment

Forthcoming Resources

Ease implementation with:
• Faculty Discovery Visit Conversation Guide
• Big Idea Proposal Template
• One-Page Impact Report Template
• Pro Forma and Project Budget Excel Templates

Source: Advancement Forum interviews and analysis.
A Tool to Get You Started

Discussion/Self-Reflection and Implementation Guide

Assess how you currently identify impact with faculty members

Identify strengths and areas for improvement

Select resources to distribute

Prioritize practices to implement immediately or consider for the future

Evaluating Today’s Session

Please take a minute to complete our survey about today’s webconference.

Contact Information

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Senior Consultant
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Source: Advancement Forum interviews and analysis.