Mighty Guides

INSTITUTIONAL ADVANCEMENT

Trends that Drive Engagement

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In 2016, the *New York Times* reported that of all the jobs created in the United States since 2008, 99 percent went to people who had some college experience; 72 percent went to people who had at least a bachelor's degree.

Gallup finds that 70 percent of Americans now consider a college education "very important." In 1979, that figure stood at just 36 percent.

Driving the point home, according to the Bureau of Labor Statistics, the percentage of high school graduates opting for higher education has risen in each of the past three years. Why? A Georgetown University study predicts that 3 million jobs will be left unfilled in 2018 because workers lack the requisite skills.

We are seeing these trends reflected around the world, and despite what we hear about shifting demographics, budget cuts, and the returns on investment students receive, the numbers point to an era in which student success will drive our shared prosperity like never before.

That's why we've asked thought leaders across higher education and the private sector to share their perspectives on how best to seize the opportunities ahead. Recruiting. Retention. Development. Increasing efficiency. Breaking down the information silos that impede informed decision making across the campus. These are just a few of the topics you'll find covered in the pages to follow.

From best practices to peer recommendations to personal experiences, we've tapped into the collaborative spirit of higher education to help you create a modern, connected campus that meets every student, faculty, and staff member's need. We hope this guide is helpful as you lead your institution into the exciting times ahead.

Regards,
Jeff Ray
President and CEO
Ellucian

These are exciting — and trying — times for higher education. Many institutions face smaller, tighter budgets but feel the pressure to modernize technologies to stay competitive.

Through a generous partnership with Ellucian, we've spoken with 20 institutional leaders and experts to learn more about technology challenges and trends in five key focal areas: student success, cloud computing, analytics, advancement, and talent management.

We asked four experts the following question about student advancement: What trends and strategies are you seeing in advancement today and how are those supported by technology?

During these discussions, the experts shared success stories about operational efficiency, student and staff engagement, and degree completion. They also recounted lessons learned from the challenges they faced while putting new technologies into place.

One thing they all agree on is that when implemented properly and executed well, technology is a platform on which all postsecondary learning institutions can build success. These professionals also highlighted the need for a holistic view of technology across the institution and a concrete plan for campuswide deployment as essential for success.

I trust you'll find these experts' insights and advice useful and that after reading this book, you'll come away with solid strategies to help advance the use of technology in your college or university.

All the best,
David Rogelberg
Publisher

Mighty Guides

Mighty Guides make you stronger.

These authoritative and diverse guides provide a full view of a topic. They help you explore, compare, and contrast a variety of viewpoints so that you can determine what will work best for you. Reading a Mighty Guide is kind of like having your own team of experts. Each heartfelt and sincere piece of advice in this guide sits right next to the contributor's name, biography, and links so that you can learn more about their work. This background information gives you the proper context for each expert's independent perspective.

Credible advice from top experts helps you make strong decisions. Strong decisions make you mighty.

Institutional Advancement

MARK KOENIG

Assistant Vice President for Advancement Services,
Oregon State University Foundation

Mark Koenig is assistant vice president for Advancement Services at the Oregon State University Foundation. He coordinates the foundation's fundraising efforts and oversees research, relationship management, IT services, and database management operations. Taking advantage of his 17 years of experience advancing higher education, Mark focuses on the development and use of funding best practicers.

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What do university advancement and the private sector have in common? According to Mark Koenig, more than you might think — both types of organizations revolve around sales and marketing.

Koenig, assistant vice president for advancement services for the Oregon State University Foundation, asserts that many institutions have been slow to recognize the link between fundraising and marketing. "We must bring a for-profit marketing perspective to higher education," he recommends. "Frankly, we're medieval institutions, and we can be glacial at times, but I think that we as an industry have been missing the boat here."

Instead, colleges and universities must think like multichannel marketers. "At the end of the day, the annual fund is a marketing division," Koenig says. "They do segmentation, they send out mailings and emails, they may use crowdfunding or crowdsourcing initiatives, they may use the telefund — they must manage all the different vehicles through which they run their program."

KEY LESSONS

1. **Legacy contact-management systems for higher education keep information in silos. A modern CRM system can connect to other systems and opens access to many more resources and data.**
2. **Universities can benefit from bringing a for-profit marketing perspective to higher education.**

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To accomplish their goals, institutions need the same sort of robust customer relationship management (CRM) systems that businesses do. Selecting the right solution for higher education can be challenging, Koenig concedes. "If you look at most of the major players that market a CRM solution right now, their core legacy products are 20 to 30 years old," he says. What's more, many were designed more as electronic Rolodex systems rather than the fully functioning CRM systems available today.

Koenig considers a true CRM platform to be one that handles the sales process and integrates with other tools and systems such as those for call centers, social tracking, and digital marketing campaigns. He notes that a modern CRM system needs to be adaptable and interoperate with other tools.

OSU has planned for growth by deploying Ellucian CRM Advance fundraising software. CRM Advance supports a variety of giving programs through customizable dashboards. "A CRM system lets you control the business workflows so if you're a major gift officer, you see the right things. If you're a gift processing person, you see the right things. Your business workflows make sense."

"A CRM system lets you control the business workflows."

CRM has many potential uses on campus. "What's really exciting for us are the automated marketing features and the ability to link to professional tools for digital marketing," Koenig says.

Koenig cites the example of the alumni relations department — most do a good job of producing alumni magazines. "The process breaks down in how we deliver those magazines, who gets them, and why they get them. Do alumni choose to get them? Marketing isn't always included in this equation," he explains.

Overall, Koenig looks forward to taking advantage of a modern CRM system. "It allows us to think far more strategically about our data and how we effectively market," he concludes. ■

FOSTER PERSONAL, PRODUCTIVE ALUMNI RELATIONS WITH CRM

JENNY JONES

Principal Consultant,
Ellucian

Jenny Jones joined Ellucian from the University of North Carolina Charlotte, where she served as the executive director for Alumni Affairs. From 2008 to 2012, Jenny served as director of Alumni Affairs for the Duke University School of Medicine, and from 2002 to 2008 she served as Duke Medicine's director for Special Events and Donor Relations. Jenny holds a bachelor's degree in secondary education and history and a master's degree in education administration, both from Appalachian State University.

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Before her most recent career as a management consultant to the higher education community, Jenny Jones drove alumni relations at many institutions, including the University of North Carolina Charlotte. Over the years, Jones has seen a marked shift from traditional, broad-based alumni programs such as annual giving campaigns toward greater engagement between the alumnus and the institution.

Fortunately, new technology tools facilitate better information collection, analysis, and updates for both students and for alumni. "The trend toward personalization drives alumni relations," Jones says. "Alumni want to know exactly what they're giving to; how the college or university will use these funds; and how their contribution benefits the institution, student, or faculty member."

Thankfully, colleges and universities can now deploy customer relationship management (CRM) systems designed specifically for higher education. Having the right tools makes it easier for institutions to collect meaningful data and harness it to forge personal connections. "You must figure out how much information you can collect about an individual, and then successfully match that information to his or her interests," Jones recommends.

KEY LESSONS

1. **The more personalization you can create in alumni communications through CRM software, the better the results.**

2. **Engaging alumni with projects that interest them produces more effective results.**

> *Alumni want to know exactly what they're giving to; how the college or university will use these funds; and how their contribution benefits the institution, student, or faculty member.*

Jones and her peers have discovered that the more you can relate the ongoing developments of the institution to alumni's time on campus, the better and more productive the relationship will be. "You can gather a lot of information to get a larger picture of what the students did and with whom they interacted when they were on campus," she says.

For example, what extracurricular activities did students engage in off campus, and what were their interests? "A graduate may have been an archeology major who traveled abroad and was interested in linguistics. If you know that, you may be able to fund scholarships for students who are studying archeology or linguistics," Jones explains.

Institutions need to be able to pull all those different pieces into a single CRM system, and pinpoint an endowment or scholarship on campus that's a good match for each individual. "Is there a student organization like a Habitat for Humanity chapter that's trying to raise funds? What is it we can send out that the person will open or click on?" says Jones.

Jones acknowledges that getting people to supply personal information after they graduate can be challenging, but believes that if you give something in return for the information, graduates are often receptive. As various IT systems on campus become more integrated, data become more useful and persistent across platforms.

However, many institutions are still in the early stages of their data collection initiatives. "People are so focused on technology like CRM right now because they do not have even the most basic information about their alumni," says Jones. "To get that information, you must make gathering it easy for everyone."

Armed with the right data about current and former students, institutions can more easily make connections between people and programs. This boosts engagement and increases the likelihood for giving.

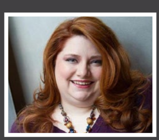
"People are so focused on technology like CRM right now because they do not have even the most basic information about their alumni."

Jones also has witnessed a shift in the channels used to communicate with prospects. For example, younger donors tend to be more receptive to social media outreach, text messaging, and email rather than direct mail or phone calls.

Technology eases the process of conducting crowdfunding and micro-funding campaigns. “For smaller institutions, technology is now affordable enough that they can start implementing effective online giving,” Jones says. She recommends providing donors with the tools to make smaller online donations and offering incentives to turn those smaller donations into recurring gifts. Noting a Pew Research Center that finds that 87 percent of crowdfunding donors value their personal connection to the projects they support, Jones adds, “The mix of personalization and technology makes online crowd funding possible.”

Jones points out that increased awareness of tools for advancement has fostered better collaboration between alumni relations, communications, marketing, and fundraising. Many institutions are integrating the role that advancement professionals play at the highest levels of administration. As advancement technologies and strategies become more sophisticated, institutions need to take advantage of them to raise capital. ■

The most important metric is donor retention. By focusing on donor retention, all other metrics rise. Retained donors give more and give for a lifetime, so rewarding loyalty is essential. If we don't retain donors, they will not grow and influence other donors.



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LYNNE WESTER

Founder, Donor Relations Guru

THOMAS CHAVES

Associate VP for Development and Alumni Relations,
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Thomas Chaves is a higher education IT leader who has more than 25 years of experience in consulting, product management, development, marketing, and management. He is adept at working with internal and external customers to drive new and existing solutions to proper use and effectiveness. Tom has presented on industry trends, market drivers, and technology-based approaches to solving challenges, and he is skilled at using systems to effectively manage the advanced information needs of a university.

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Thomas Chaves oversees a 22-person team and all the technology that supports Lehigh University's advancement operations, including prospect research, campaign management, and reporting and analysis. While Chaves appreciates the customer relationship management (CRM) tools in place to aid his goals, he looks forward to taking advantage of sentiment analysis to propel Lehigh's advancement initiatives in the future.

"We're starting to work with *sentiment analysis*, although from our perspective the technology still isn't entirely usable," Chaves says. Sentiment analysis refers to the process of computationally identifying and categorizing opinions expressed in text to determine whether the writer has a positive, negative, or neutral attitude toward a topic or product. Some people also call this *opinion mining*.

"In higher education, you can more easily get a donation from alumni when you know what they want to donate to," Chaves says. "If you can capture alumni sentiment on social media, for example, you can maximize philanthropic support to your organization. That's the real goal."

> *If you can capture alumni sentiment on social media, you can maximize philanthropic support to your organization.*

KEY LESSONS

1. **With unrestricted giving on the decline, institutions must learn more about their alumni to better target their philanthropic campaigns.**
2. **Sentiment analysis, which attempts to determine whether a post (usually on social media) is positive, negative, or neutral, can help universities hypertarget donors and improve campaign effectiveness.**

Offering himself as an example, Chaves suggests that if a charity were to figure out from social media that he's a New York Mets fan and has two grandchildren, that charity could likely create a product or offering that capitalizes on those interests. The difficulty lies in wading through all the data to flag what's relevant to that charity, he admits.

"You can get to all the data out there at some level, but you need alerts to notify you when something significant pops up or when a data point meets a threshold — whatever criteria you set," Chaves says. Sentiment analysis will prove its usefulness if it can identify specific alumni for targeted outreach.

Donors' increasing desire to tie giving to their favorite university causes or departments drives the need for more sophisticated CRM tools such as sentiment analysis. "Getting people to give without restrictions is a tough sell," says Chaves. "Our unrestricted results have been pretty flat, but restricted giving keeps climbing. We must figure out how we can tailor an appeal to maximize effectiveness."

Lehigh University has found success in personalizing campaigns through hypersegmentation. "The last couple of years, we've tailored our phoning and mailing to hone in on more specific cohorts based on their past giving and any other data points we can find." Chaves says the institution sees good results from this effort. "We measure that in LYBUNT (Last Year But Unfortunately Not This Year) retention and number of donors. Our retention is on an upward trend, from low 70 percent a few years ago to 74 to 75 percent now. Our donor growth is positive as well, growing about 2 to 3 percent per year over the last few years."

"To truly enhance our relationship with alumni, we must understand the rest of their lives."

To accomplish such granular targeting, Lehigh maintains a core system of record in its baseline CRM system. "We tap into other data and tie them to that core record to make everything accessible from the university's information management platform," Chaves explains. Integration with several other back-end systems provides a seamless user experience.

Overall, Chaves emphasizes the value of information in driving engagement. "We need to recognize that our relationship with alumni constitutes only a small piece of their lives," Chaves says. "To truly enhance our relationship with alumni, we must understand the rest of their lives." ■

GENERATIONAL CHANGES REQUIRE NEW ADVANCEMENT PRACTICES

ROBERT HENRY

Vice President, Education,
CASE

Robert Henry is vice president of education for the Council for Advancement and Support of Education (CASE), an association that serves educational institutions and advancement professionals. Before joining CASE, Henry was the director of individual giving at Yale University; assistant vice president for the University of Connecticut Foundation; and taught in Africa, Europe, Australia, and South America. He holds a bachelor's degree from Murray State University and a master's degree from Eastern Michigan University.

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With more than 15 years of experience as a development executive, Robert Henry now shares his expertise with other advancement professionals through his work with the Council for Advancement and Support of Education (CASE) association. He advises his members to embrace the latest industry trends by adopting new ways of approaching prospects and interpreting data.

Henry identifies the first trend as creating a culture of philanthropy. This trend stems from concerns about the role the millennial generation will play in future giving. "We know that in the next 8 to 10 years, millennials will make up 45 percent of the workforce," he says, pointing out the tremendous impact millennials will have on the donor base. Millennials tend to reject institutional giving in favor of crowdfunding or direct support to individuals; a cause of concern for many universities.

"How do we target Millennials?" Henry asks. "The answer: Increase engagement. We know that this group wants to have an impact." Matching the campaign to the prospect is critical for engaging millennials. "This audience won't give out of loyalty," he explains. "For our grandparents, education was a privilege, and they gave out of honor. For millennials, education is an expectation."

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KEY LESSONS

1. **The Millennial generation wants to feel a connection to a cause, making it necessary to match donors with specific programs or individuals at the institution.**

2. **As students relate more and more to nontraditional subgroups, institutions must figure out how to engage with them in ways that connect to how they self-identify.**

The second critical trend concerns diversity, which has recently increased on college campuses. These days, students and alumni identify along lines of race, orientation, religion, and other factors but with more nuance and specificity. "How do we engage these constituents and connect with them in meaningful ways?" Henry posits.

Philanthropy becomes a challenge when students no longer identify along the same lines they once did. "Students today don't put themselves in the boxes that that my generation did," Henry says. "Students see diversity as extremely complex. It's regional, it's income — it's all these pieces. Millennials check 'other'; they don't fit into neat boxes." As a result, an alumni relations program for an affinity group won't necessarily appeal to all members of that group.

Third, universities must gather and assess alumni engagement metrics. "People in the fundraising and philanthropy sphere have done a lot of work on how to track the success of their efforts," Henry says. "We don't have such metrics for alumni relations, but CASE is developing them now."

Finally, Henry likes the trend toward online giving. Although people who give online tend to give less per donation, these donors often sign up for recurring gifts. Therefore, universities must look more at lifelong giving and less at what specific campaigns raise.

"Institutions will have to figure out how to encourage online giving while still providing donors with a feeling of connection," Henry recommends. "People need to understand the power of those smaller gifts." ■

"Institutions will have to figure out how to encourage online giving while still providing donors with a feeling of connection. People need to understand the power of those smaller gifts."

The emphasis on hiring data analysts and using analytic tools has huge potential. That will help nonprofits assess what's working and what isn't, demonstrate their impacts, and focus their efforts.

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READY TO CLEAR YOUR BIGGEST HURDLES?
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Student lifecycle management
Make better decisions
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