

## **Finnish Higher Education Experts USA Study Tour 2012** *Alumni Relations and Institutional Giving*

### **Discussion Themes & Questions**

#### **The Basics of Alumni Relations and Institutional Giving**

- What is the administrative structure of your alumni relations and institutional giving teams? (How do they fit into the org chart of the institution? How do the two teams work together? How many people?)
- Is the concept of alumni giving and philanthropy inherent to U.S. students and why?
- Why is alumni development important? (i.e.: How is management convinced to support alumni development?)
- How do you incorporate the institution's mission and strengths into alumni relations and institutional giving?
- What percentage of total operating budget is allocated to alumni relations and institutional giving?
- How do the following groups contribute to alumni relations and development efforts: trustees, President, professors, admissions staff, student groups/leaders, local business community, philanthropists, etc.)?

#### **Engaging Alumni and Donors**

- What strategies are most effective to engage alumni at various stages (i.e., current students, recent graduates, international alumni, 10 years post-graduation, 20+ years post-graduation, 50+ years post-graduation)?
- How many and what type of alumni and donor events take place annually? How do you manage these events?
- How do you promote involvement of alumni, donors and prospect donors in university activities?
- What role do alumni volunteers and associations play? How are they structured and monitored?
- How do you engage alumni in student recruitment?
- What are your communication tools and how are they used to engage various constituencies?
- Do you create emails for your alumni? Is this effective?
- How does your domestic fundraising operations compare to your fundraising abroad?
- How do you involve international chapters and their leaders to fundraising?
- How to start international fundraising?

#### **Giving**

- What about your university motivates donors to give?
- What gift vehicles do you offer?
- How do you identify, maintain and cultivate donor relationships? What type of prospect research do you conduct?
- What strategies are most effective to engage donors at various giving levels?
- How do you pitch unrestricted giving?
- What types of legacy gifts does your institution honor (e.g., endowment fund, buildings, scholarship funds, etc.)?
- Are there any types of gifts that you not accept? How is this managed? How often does this occur?
- Are there financial benefits for donors (e.g., tax deductions, gift annuities)?
- How do you carry out and close major gifts?
- How much donor differentiation is effective (i.e., giving levels and clubs)?

#### **Donor Recognition and Stewardship**

- How do you honor your donors?
- What kind of a stewardship programs do you offer?
- How do you handle privacy/anonymity issues?
- In what ways do you recognized donors (e.g., scholarships, buildings, etc.)?

#### **Data management**

- What data do you collect from alums and donors? How do you use it?
- Do you use a CRM system? Does the same system capture both?
- What security measures do you take to prevent misuse of data?
- How do you collect feedback from alumni and donors? How is it used?
- How is data used to conduct prospect research and potential giving?

## Capital Campaigns

- On average, how long are capital campaigns and how are they structured?
- How do you set fiscal goals for a capital campaign?
- What factors are critical for success of a capital campaign?
- How do development efforts proceed before a major fundraising campaign?
- What have been the goals and outcomes of your most recent fiscal campaign?
- How has the economic climate impacted capital campaigns?
- What are your communication methods for capital campaigns?
- How is the “pitch” for a capital campaign developed?
- How long does it take to plan a capital campaign? How is the strategy determined?

## Measuring Success

- What goals and priorities have you set for alumni relations and institutional giving?
- What indicators do you use to measure the success of alumni outreach?
- What tracking and evaluation mechanisms in place?

## Investment Management

- How is interest allocated? By what process is this decided?
- How are investments managed?
- What role do the trustees play in investment management?
- What oversight is in place (compliance)?
- How are investments allocated and priorities decided?



## Background on Alumni Relations and Institutional Giving in Finland

Finland has a binary higher education system, consisting of 16 universities and 25 polytechnics (or *universities of applied sciences*). Both confer bachelor and master degrees, but only universities can confer doctoral degrees. The emphasis of universities is on academic research and education based on research, while polytechnics concentrate on bachelor level, more professionally oriented education, and R&D aligned with local and regional actors. In 2009 the Universities Act was renewed to turn Finnish universities into legal entities and strengthen their autonomy. The government of Finland is still the main funding source of the universities, 63 % of the total in 2010. The expectation is, however, that universities themselves will engage in fundraising more and more. Work began in August 2011 to homogenize the administrative structures of polytechnics and to reorganize their funding models as well. Today, 80% of their funding is derived directly from the state or via municipalities. These recent changes in the higher education system serve as the background for the rapid growth of alumni and advancement functions in Finnish higher education institutions. The focus of this delegation is to benchmark well-established, successful practices in this area.

Alumni Relations is a relatively new function in Finnish institutions. It has long been a one-person-shop, and many universities only began to coordinate alumni relations in the late 90's. Today they have realized the vast potential of their alumni and have begun to invest more in alumni and donor relations. Nonetheless, operations are still often run with minimum budget and personnel (1-10 staff). Finnish universities only recently have launched their first institutional giving and fundraising campaigns aimed at Finnish companies, foundations and alumni. Initial fundraising campaign results ranged from several million up to 200 million euros. Building donor relations and establishing the culture of asking, in addition to the culture of annual giving, are in the early stages of development.

Capital Campaign Results for Universities Represented in the Delegation	
<i>Foundation-based universities</i>	<i>Other Universities in Finland</i>
Aalto University = 200 million euros	University of Helsinki = 18.3 million euros
	University of Jyväskylä = 5.5 million euros
	University of Oulu = 11.4 million euros

Similar fundraising campaigns are yet to be conducted by Finnish polytechnics; however, this is expected to change due to the ongoing reform of structure and funding. At Metropolia, the biggest Finnish university of applied sciences, the planning for a fundraising campaign has just begun. Only a few universities of applied sciences have allocated resources for alumni relations, and these efforts are in their infancy. Recently, however, institutions have realized the potential of alumni relations, particularly to improve and strengthen cooperation with the labor market and business sector.