

# Building for the future

The 2012 National Fundraising and  
Development Survey in UK Schools



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This 2012 National Fundraising and Development Survey is the first survey of its size to look at the issues surrounding fundraising in UK schools.

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Crowe Clark Whitehill is a leading audit, tax and advisory firm providing specialist accountancy and consultancy advice to the independent and maintained schools' sectors.

This 2012 National Fundraising and Development Survey has been carried out in conjunction with the Institute of Development Professionals in Education (IDPE) and is the first survey of its size to look at the issues surrounding fundraising in UK schools. It has been compiled from 181 questionnaire returns and its purpose is to help development directors, heads, bursars and governors understand development issues in UK schools better and so make informed investment decisions. The survey also draws on high-level fundraising information contained in our National Independent Schools' Benchmarking Survey 2012.

This inaugural survey covers the key themes of financial return, the size and skill base of development offices and how development offices spend their time and money. It looks at the effect on financial return of different fundraising focuses and school types as well as examining connected areas such as links with the alumni association, internal relationships and the physical location of the development office. Finally it looks at how schools get their development message across through the quality of their databases, the events they hold and the way in which they communicate with potential donors.

#### Confidentiality

All individual replies received are confidential. No reference is made in this survey to any individual school, nor will any information be provided in this connection if requested.

#### Further information

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# Executive Summary

Development has a mixed reputation in UK schools. Some schools have long-established development departments, highly successful alumni programmes and a history of raising many millions. Others have flirted with development, hiring a development team and investing substantial sums in databases only to close again a year or two later when financial results did not meet short-term expectations. Others have shunned development as a long-term strategy, relying instead on occasional fundraising for capital projects. This survey seeks to separate fact from fiction and establish a number of pointers to help development's success in the long-term.

In the UK around £100m per annum is raised by UK schools. Of this around £20m comes from legacies and £10m from external trusts and organisations, leaving around £70m raised from individual donors. Of this £70m around £40m is donated by alumni, £25m by parents and former parents and £5m by others. Approximately 35% of monies raised are for capital projects, 40% are to provide bursaries and 25% is unrestricted.

Boarding schools are much more successful at raising the larger sums than day schools, such that the fundraising results of even a smaller boarding school are often stronger than a larger day school. This may be because of the stronger and longer emotional attachment of alumni to boarding schools. Maintained sector schools raise a much

greater proportion of their income from external organisations and trusts and girls' schools raise more from parents than they do from alumni – in this they are different from almost every other type of school.

## What brings success?

This is of course the elusive question. However, looking across the whole survey the following would appear to be key success factors

1. The attitude and commitment of the head teacher. This is not in simply attending development events but in understanding development, being proactive, meeting with the senior development professional regularly and placing the development team at the heart of school life
2. The commitment of the chairman of governors. In this case the issue appears to be not so much training as it is personal involvement and proactivity
3. Getting the relationship with the alumni society right. The main issue is the extent of time diversion onto alumni relations and events; although there is also a need to agree upon the way that senior development professionals approach alumni using society records. We suggest that schools put in place a simple memorandum of understanding with their alumni societies covering both these areas

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4. Schools keeping alumni and parental contact data as up to date as academic or financial data. This data appears to be often ignored when development staff change or leave. Training on consistent clerical input of contact data is essential as the evidence suggests that most development teams find using their databases more difficult than they should
5. Realising that a commitment to development cannot be short-term. The evidence strongly suggests that, from start-up, it will take most teams 3 to 5 years to move from the research and database phases, through a phase of events and activities to direct asks and major campaigns. In this area it appears that hiring an experienced senior development professional may well help as they tend to move between the phases quicker
6. The length of time the senior development professional has been at the school. This appears to be more important than their overall development experience, the amount of access they have to the SMT, or even their pay. Connected to the point made above, an investment of at least 3 years is needed for a senior development professional to attune themselves with the development process and the culture of the school they are working in. Schools which chop and change their senior development professionals are adding to their problems.
7. Resourcing the development team properly from day 1. The evidence suggests that this is even more important in day schools where the opportunities to ask for money may be more time-sensitive than in boarding schools. The key in these schools appears to be the seniority of development director appointment and the need for greater day 1 clerical resources. This allows day schools to move through the three phases of development more quickly.



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May 2012

# The Benchmarking Team

## The Authors



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### Rhiannon Cutler

Rhiannon is an Independent Schools Consultant in our Not for Profit unit. Rhiannon specialises in advisory work in the schools' sector and was joint author with Tim Baines of the Teacher Salary and Benefits Survey. Rhiannon is lead author of the Fundraising and Development Survey and is also a certificate member of the Institute of Risk Management, advising schools on risk management and in using our firm's bespoke risk management software, Schools Magique.

### Further Information

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# Introduction to the survey

## The 2012 National Fundraising and Development Survey in UK Schools

Welcome to the inaugural Crowe Clark Whitehill /IDPE Fundraising and Development Survey, conducted in January 2012 amongst independent and maintained schools throughout Great Britain. Overall the survey had a total of 181 participants, 163 of which were members of IDPE and 18 of which were not.

Of the 181 returns 139 were full questionnaires and 42 were abridged questionnaires. The full questionnaire was designed for schools with development offices and the abridged one for those without or just starting up. This survey analyses the 139 full returns in detail with the abridged returns providing additional information on start-up offices. The 139 full return responses were received from 130 independent and 9 maintained sector schools. Of these, 45 were senior only schools, 87 were senior/junior and 7 were junior only schools. There were 19 full boarding schools (with more than 80% boarding) 44 day/boarding schools (with 20% to 80% boarding) and 76 day schools.

22 returns were from girls' schools, 25 were from boys' schools and 92 were from co-educational schools. Returns were spread fairly evenly across the UK. The survey also draws on information contained in our National Independent Schools' Benchmarking Survey, issued in May 2012 and which was participated in by 660 UK schools. Many of these do not have development offices but the overall data has been used to inform this detailed survey.

The returns broadly relate to the 2010/2011 academic year, although in some cases we have asked for information dating back further, to enable us to track trend information where we deem this useful.

### This survey has two aims:

- ▶ To assist school development directors, heads, bursars and governors in understanding the performance of their development operation compared with the sector as a whole, and with similar development departments in other schools
- ▶ To provide not only statistical information but analysis and comment on the wide number of areas which could contribute to the success or failure of development in any particular school

The questionnaire was prepared following extensive research in summer 2011 including meetings with over 50 schools. These meetings identified the need for a detailed survey, covering not just factual areas such as numbers of contacts, the experience and size of the development office and financial incomes and costs, but 'soft' areas such as working relationships, the physical location of the development office and the other demands placed on the office which fell outside of the core development activity. It also identified the importance of the fundraising focus and the fact that development departments in otherwise similar schools, if they were fundraising for different objectives (say for a capital project or for bursaries), might look very different and may need measuring very differently.

We are well aware that although development is well established in some UK schools, for most it is not and indeed some schools have had mixed experiences with development, with false starts and unrealistic expectations on both sides. This survey is therefore also designed to establish some of the key facts, to dispel some of the false presumptions and help establish development as a key part of most schools' core activity.

We know that many schools are interested in obtaining bespoke reports, comparing their own development operation with other similar schools. Information about this service can be obtained from [rhiannon.cutler@crowecw.co.uk](mailto:rhiannon.cutler@crowecw.co.uk)

We would like to thank IDPE and the Independent Schools Bursars' Association (ISBA) for their support, all members who assisted in our research and everyone who took the time to join in. Our intention at present is to repeat this survey at regular intervals. As with our other surveys we are always open to ideas for improvements or additions and if you have such ideas do contact us.

# Fundraising by UK schools

## – putting this survey in perspective

This fundraising and development survey is based on returns from 181 schools including 139 detailed and 42 high-level returns. The 139 schools together raised £51.7m in 2011 and £61.4m in 2010. The Independent Schools Financial Benchmarking Survey covers 660 independent schools in total, representing around 90% of fundraising income in UK schools. Using data obtained from the financial survey, we are able to ascertain what percentage of fundraised income is covered in this fundraising survey.

Data from the financial benchmarking survey shows that, during the academic year 2010/11 £92.9m was raised by schools completing a return, up from £89.3m in 2009/10 and £77.0m in 2008/09. We can therefore be fairly sure that total UK independent school fundraising was around £100m in 2010/11. This fundraising survey therefore covers schools raising around 60% of all funds raised.

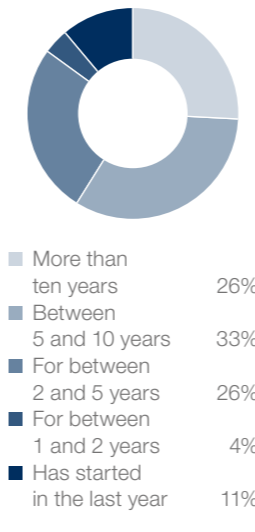
The key fundraising points arising from the 2012 Financial Benchmarking Survey are:

1. The mean level of fundraising surplus (fundraised income less costs as a percentage of school fee income) in schools employing dedicated development staff was 2.6% compared with 0.7% in schools not employing such staff
2. The fundraising surplus figures are however heavily distorted by some large amounts raised by a few schools and the median level of surplus is much lower
3. Employing a professional development team is much the best way to achieve fundraising success. Very few schools raise significant sums without such an investment
4. Boarding and day/boarding schools raise much more money and achieve higher surpluses than day schools.
5. Very few boarding schools lose money on fundraising activity but many day schools do. Smaller boarding schools are often more profitable than large day schools

All of these themes are explored further in this report.

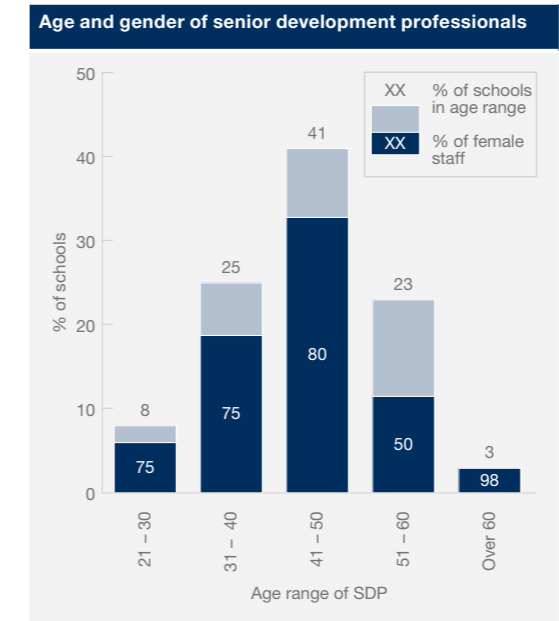
# Who works in development and how much are they paid?

Development experience of senior development professional



### The senior development professional

The graph below shows the age and gender of the senior development professional in our 139 full-participant schools. We use the term 'senior development professional' in this survey as not all schools have director level development posts and it is useful to identify the age and experience of the person directly responsible for the development activity.



It can be seen that the ages of senior development professionals are centred around the 41-50 bracket and that approximately 75% of them are female. The chart left then shows the number of years of experience in development of the senior development professionals in our surveyed schools.

Overall, the average number of years of total development experience of the senior development professional was 7.9, with an average of 6.1 years of educational development experience. The average length of time a development professional has been at their school was only 3.5 years. Although we are not aware of the equivalent data for heads, bursars and other senior school roles, an average tenure of only 3.5 years in such a senior role is very short, certainly in a job where a clear impact is expected. Only 25% of senior development professionals had been in their role for more than 5 years and only 8% had been in the role for 10 or more years. Less than a quarter of senior development professionals had any prior contact with their school before appointment. Of those who had, 40% were current or former parents and 60% were alumni.



## Data suggests that financial success increases the longer the senior development professional is at the school.



There is clear evidence to suggest that time a senior development professional has had in their role at a school can have an impact on the profit made by the development office as a whole. This may to some degree be self-fulfilling, as less successful staff will leave, but it is interesting to note that the median level of profit per pupil is £500 per annum for senior development professionals who have been at their school for 5 years or more. This profit drops to £120 per pupil for those in role between 2 and 5 years and to £36 for those in role for less than 2 years. It is also interesting to note that this correlation based on time at a school appears far more important than educational development or total development experience – the data suggests that financial success increases the longer the senior development professional is at the school. This should be a cautionary note for schools which constantly chop and change development staff thus not allowing them sufficient time to get to know the school. The key is to recruit in a more diligent way such that regular staff changes are not necessary.

### Pay levels of development staff

In our questionnaire we asked for the salaries of staff on four employment levels, those being director, manager, clerical and graduate levels. We are also aware that many schools 'employ' volunteers but their number and roles are outside the scope of this survey. We intend to explore this area further in the future. Below is a table showing the average pay by role level by UK region and the pay differential between role levels.

Average pay by role by UK region					
Region	Director level	Director to Manager differential	Manager level	Manager to Clerical differential	Clerical level
	£	%	£	%	£
Central	54,440	43	31,183	13	27,140
East	55,500	52	27,057	21	21,468
London	63,875	39	38,621	30	26,993
North	49,944	29	35,816	39	22,022
South East	58,513	46	31,827	26	23,765
South West	59,729	49	30,341	11	27,119
Scotland	54,892	42	32,066	39	19,800
<b>All</b>	<b>56,710</b>	<b>41</b>	<b>33,062</b>	<b>25</b>	<b>24,996</b>

### Pay levels by region

The average salary paid to a development director in the UK is £56,710. The South West, South East and London regions pay salaries above the national average and the North region pays the lowest average salary. Overall the data suggests that director salaries seem to fall as we move further away from the south of the UK. The average salary in Scotland is however higher and is more closely attuned to the other UK regions than it is to the North of England. Unlike directors, the lowest average salary paid to development managers is in the East region and the highest (with the exception of London) is in the North region. This could suggest that the North are using managers as their senior development professionals and paying them more than an average manager rate. Average salaries paid to clerical staff are highest in the Central and South West regions. Both regions pay an average of around 0.5% more to their clerical staff than their colleagues in London. Although this appears unexpected at first, many schools in these regions were involved in campaigns and they may be paying more to their clerical staff as part of these initiatives.

### Salary differentials

Most schools see the difference in pay between a director and a manager to be larger than the difference in pay between a manager and a clerical staff member. This suggests that the role of a manager in the development office is usually seen to be more about managing clerical staff and activities, and less about supporting director level responsibilities, such as internal meetings with senior management, external meetings with prospective donors and overall development strategy.

### Establishment of development office

Another way of looking at salaries is the length of time that the development office has been open for, as it is important to establish whether there is a relationship between the average salaries paid and the establishment of the offices they work in. The table below provides average salary information for staff members by establishment of development office.

Average pay by age of development office			
Length of time development office has been open	Average Salary Director level	Average Salary Manager level	Average Salary Clerical level
More than 10 years	£66,994	£36,633	£21,884
Between 7 and 10 years	£56,983	£34,860	£25,893
Between 4 and 7 years	£53,950	£31,067	£25,628
Between 2 and 4 years	£50,856	£27,159	£23,916
Between 1 and 2 years	£49,533	£30,000	£24,811
Less than 1 year	£49,100	£32,055	£33,611
<b>UK average</b>	<b>£56,710</b>	<b>£33,062</b>	<b>£24,996</b>

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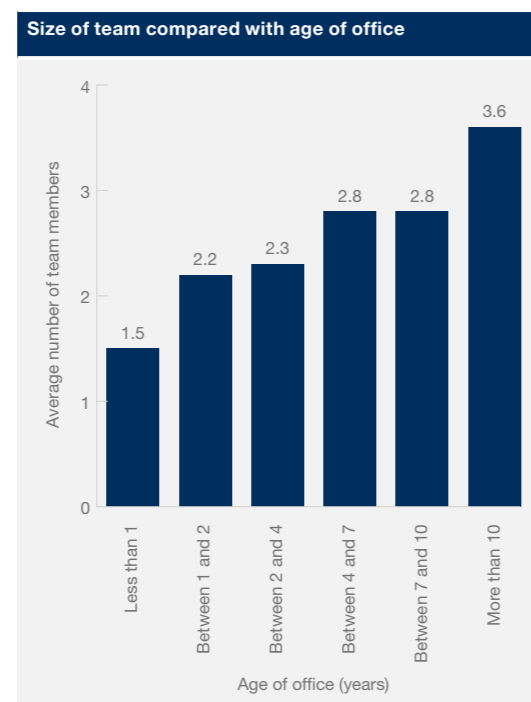
We would like to provide development teams just starting out in smaller schools with some reassurance.

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Looking at the previous table, the steady increase in the average salary of a development director and its alignment with the establishment of a development office is clear. Looking at managerial staff, the average salary increase is less consistent. One figure to look at is the average salary paid to development managers by development offices which are in their set up year. At £32,055, this average salary is above that given to development managers in offices which have been running for up to 7 years. This figure could indicate a feeling by new development offices that more money should be invested in set up. The average salary paid to a member of clerical staff in a development office which has been established for over 10 years is £21,884, compared to £33,611 paid to a clerk working in a new development office. This suggests that once a development office has been established for over ten years, schools tend to have their databases and systems in order and a clerical role in these offices is maybe less demanding than it is in newer offices. It also suggests that start-up schools often do not have their staff roles entirely clear in their first year

#### Size of development teams

It is also important to look at the size of development teams. Below is a table that reflects how team sizes change as development offices develop.



The average number of team members rises consistently as the establishment of office grows this is probably to be expected. However, this pattern of growth does highlight a real problem for newer development offices. With an average number of team members at only 1.5 for offices which are in their first year, it is clear that set-up is a huge task for only 1.5 full time equivalent staff, and it may actually be for this main reason that salaries in the earlier table are higher in the first year of office. What is ironic is that, where the more established offices have larger teams and need them to keep on top of bigger projects, the newer development offices could probably do with the same size teams just to get the ball rolling! We have also examined salaries by size of school. The data suggests that development director salaries increase a little with the size of school but that the salaries of managerial and clerical staff do not rise as the size of school increases.

#### Team Sizes

Below is a table which shows the average sizes of development teams in schools of different sizes.

Average team sizes in different size schools	
Size of school (total pupils)	Average team size
1,500+	3.1
1,200 – 1,500	3.3
800 – 1,200	2.85
500 – 800	2.6
-500	1.9
<b>UK Overall</b>	<b>2.71</b>

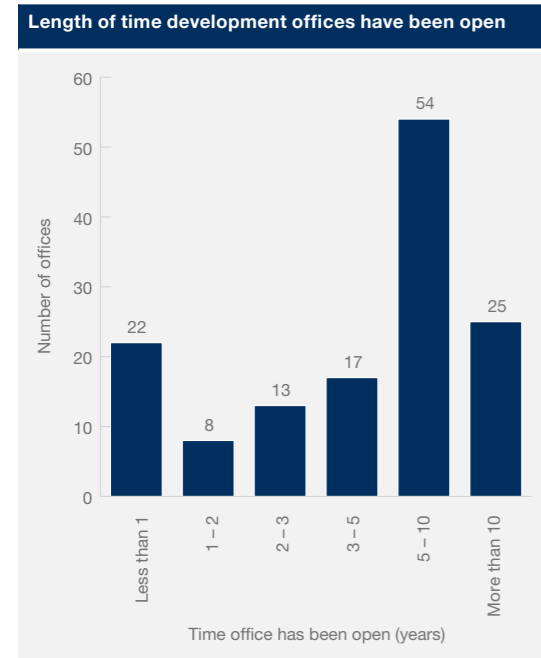
As illustrated in the table above, team sizes grow consistently with the size of a school. We would like to use this data and the data provided earlier (team size by office establishment) to provide development teams just starting out in smaller schools with some reassurance. Although the average team size in a new development office is a mere 1.5 FTE staff members, development offices in schools with less than 500 pupils are only slightly bigger on average at 1.9, regardless of their establishment. However, for those teams starting up in schools with over 1,200 pupils, we would encourage the senior development professional to speak with the budget manager about increasing the development budget for more staff, as the data shows that teams in the larger schools have 3 FTE staff on average, almost double the people resource of that in the smaller schools.



# What does it cost to set up and run a development department?

## Length of time office open

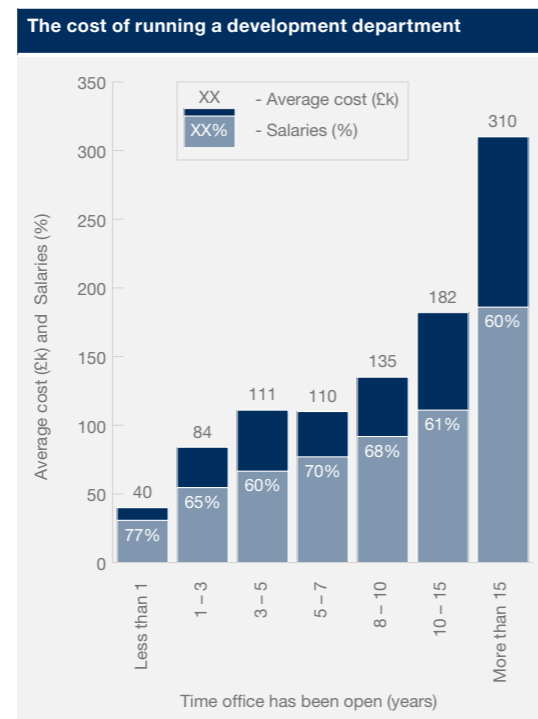
The graph below indicates how long the participant schools have had their development offices open.



Although 56% of schools have had development offices open for more than 5 years, over 30% of schools have had their offices open for less than 3 years and 15% have only opened their office in the last year. This reinforces the fact that development is still in its very early stages in UK schools.

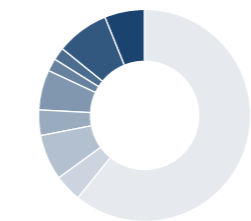
## The cost of running a development department

The graph below indicates the average cost of running development departments and shows how this varies with the length of time that a development department has been established. The coloured areas in each bar then show the proportion of total cost which is represented by salaries.



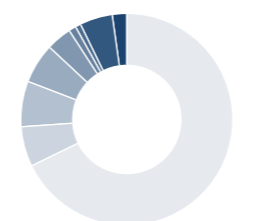
What development departments spend their money on

Over 10 years



What development departments spend their money on

Less than 3 years



The key feature to note is that it costs approximately £40k to set up a development operation, with nearly 80% of this constituting salaries. The cost of development is then likely to increase for the next few years until it reaches an initial plateau of around £111k at the 5 year point. At that time salary costs represent approximately 60% of the total cost and the staffing might be expected to include a development director plus one or two managerial or clerical staff.

Once this plateau has been reached, a decision then needs to be made about whether to extend the development operation further. Costs then increase significantly such that those schools which have had their development operations running for more than 15 years have running costs of over £300k on average. The salaries proportion however falls over this period as more is spent on events, overseas travel, better databases and development marketing.

The other question concerning costs is what development departments spend their money on. The pie charts left compare schools with development departments in their first 3 years with those which have been in operation for over 10 years.

Comparing the two pie charts a number of points become apparent. As already noted, development departments in their early years spend a greater proportion of their total costs on salaries. However, this extends to the database where start-up departments spend a greater percentage of their resources than established ones. This suggests that the database is the most crucial area of work for newly-established departments. More established operations then spend proportionately less on salaries and more on events, donor meetings and travel. There is no evidence to suggest that these approximate ratios change by type or size of school, or by UK region or fundraising focus.

## Lights, Camera, Action

### – the development activity model



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In order to analyse time better, we have split the fundraising journey into four sections which we have called Off-stage, Lights, Camera and Action.

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The way money is spent on activities is of course important but the way in which time is spent is maybe even more important. In our survey we asked participants to tell us how many staff members were in their development team and what each person spent their time doing. We provided a list of activities including database management, research, events, direct fundraising meetings, overseas travel, internal meetings, projects, fundraising/friend-raising, marketing for development, administration, alumni relations and non-development activities.

#### The fundraising journey

Most schools operate a fundraising journey for their contacts. Research takes place into a contact which leads to information being found on them and entered onto the database. This data is then used for targeting with marketing or campaign material or an invite for an event. This may end up with a donor meeting, campaign letter or annual fund call and hopefully a donation.

#### Breaking the journey down into stages

In order to analyse time better, we have split the fundraising journey into four sections which we have called Off-stage, Lights, Camera and Action. 'Off stage' covers non-development activities, alumni relations and school marketing – all tasks which development staff may have to carry out but which are not really part of the fundraising journey. 'Lights' activities include

back-stage activities such as database management, research, internal meetings and administration. 'Camera' activities include events, friend and fundraising and development marketing and 'Action' activities include travel, direct fundraising meetings or asks and donor-facing projects such as capital campaigns or annual funds. We have named the four sections in this way as we see the Lights and Camera sections building up to an activity in the Action section i.e. actually asking for a donation. Whilst the sub-division of activity into each category is not always black and white, it does give a very useful overview of how development departments spend their time.

#### Lights Camera Action data

Across our 139 fully participating schools, an average of 21% of time was spent on 'off stage' activities such as alumni relations and all-school marketing. 34% was spent on 'Lights' activities such as database management, research, internal meetings and administration, 30% of time was spent on 'Camera' activities such as events, development marketing and friend/fundraising and the remaining 15% of time was spent on 'Action' activities including direct fundraising meetings, overseas travel and asks. This tells us that overall, the majority of time spent by development teams is invested in 'Lights' activities i.e. back-stage. But does this change when we look at the data in different ways?

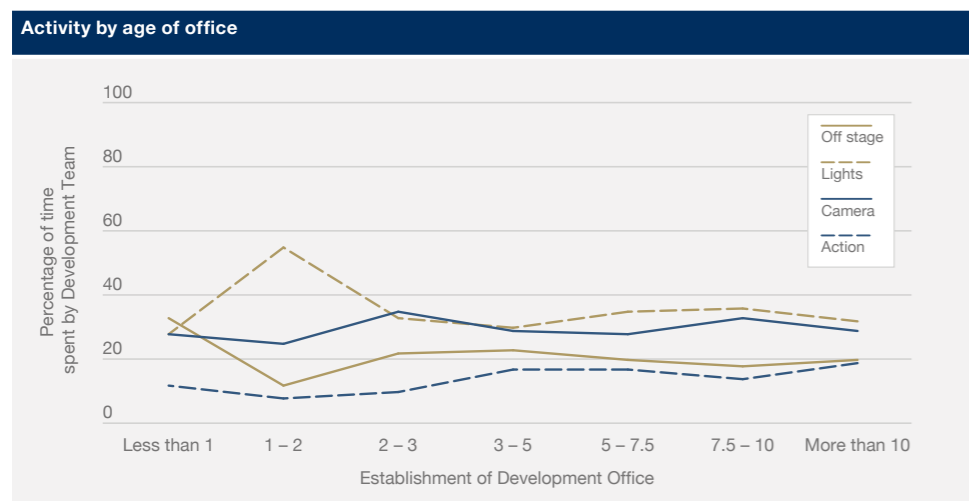
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**An average of around 32% of time is being spent by development offices on research and databases, however established they are.**

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### The establishment of a development office

The table below shows the average percentage of time spent on our different categories of activities by development teams which have been established for different lengths of time.



### ‘Off Stage’ activities

Looking at the table above, it is clear that development offices open for less than 1 year spend the majority of their time on ‘off stage’ activities. This constitutes activities which often have little to do with development and are more related to the marketing of the school and other non-development tasks. This data suggests that in the first year of starting up a development office, directors and other development staff are still very much tied to previous non-development roles, and it is this first year which is used to move away from those responsibilities and towards those more directly attuned to development. There is a sharp drop in the percentage of time spent on ‘off stage’ activities when we look at development offices which have been established for between 1 and 2 years, and this marks success in moving away from old responsibilities and investing far more time into development activities. The time spent on non-development activities rises slightly after 2 years of establishment to 21% and then settles there for a number of years, telling us that on average a maximum of around 21% of time by the team is spent on non-development activities by most schools.

### ‘Lights’ activities

In the first year of establishment the average percentage of time being spent on ‘lights’ activities is low, at 28%. However, an office which has been open for between 1 and 2 years spends almost 55% of their time on ‘Lights’ activities. This figure suggests that it takes no more than a year for an office to move its focus from non-development activities to those

more concentrated on fundraising. It is of no surprise that time spent on ‘lights’ activities by offices open for between 1 and 2 years is the highest of all. These teams need to invest time into thorough research on contacts and the proper setting up of databases in order to build warmer relationships with prospective donors. After 2 years of establishment, the average percentage of time spent on ‘lights’ activities drops and settles at around 32%, suggesting that an average of around 32% of time should be spent by any development office on research and the maintenance and cleansing of databases, however established development offices are.

### ‘Camera’ activities

The average percentage of time spent by all our participants’ development teams on ‘camera’ activities is 27%, and, looking at the table, this figure is broadly in line with the percentage of time spent by all offices regardless of their establishments, with the exception of those offices which have been running for between 2 and 3 years. The table shows that development offices established for between 2 and 3 years spend the highest average percentage of their time on events, development marketing and friend/fundraising at 35%. This figure suggests that development offices in this stage of establishment are beginning to get their ‘ducks in order’ in terms of setting up their database and conducting research on their contacts, enough to be in a position to start inviting prospective donors to interesting events and targeting them with relevant development material. We can also see in the table that time previously invested in ‘lights’ activities is being replaced with ‘camera’ activities as offices as a whole become more established and are running more efficiently.

### ‘Action’ activities

Aside from easy wins, i.e. donations made by contacts who have always given to the school or who have already arranged to donate a sum, ‘action’ activities such as asks and direct fundraising meetings are deemed to be the final hurdle of the process and are usually the result of earlier ‘lights’ and ‘camera’ activities.

Looking at the data in the table, those offices which have been running for less than a year spend an average of 11.6% of their time on ‘action’ activities. This is a fairly high percentage considering how tied up these offices are with non-development activities and how hard they are working in this first year to set up their databases and start research. It may be that these are year-one ‘easy-wins’. This figure then drops to 7.5% for offices established for between 1 and 2 years, who are focusing a huge amount of time on ‘lights’ activities. Offices established for between 3 and 7.5 years spend an average of 15% of time on asks and direct fundraising, suggesting that this part of a development office’s life is key in terms of having ‘got the ball rolling’, as this average figure is broadly maintained until offices have been established for more than 10 years, at which point ‘action’ activities have their highest percentage of time invested in them at an average of 18.5%, representing one fifth of total time available to development teams.



## Generally between a quarter and a third of staff in development teams are clerical.



### Structure of development teams

Whilst the age of the development office is important, the other key variable is the amount of people resource available in development teams to invest in development activities. This cannot simply be measured in full-time equivalents as a development director and a clerk should not bear equal weighting and it cannot be measured by salaries as these vary regionally. We have therefore devised a simple resource measure based on 100 being the resource score for a full-time member of staff. Then, if the staff member concerned is at director level we have scored this as a multiple of 3, a manager level would have a multiple of 2, a clerk a multiple of 1 and a graduate a multiple of 0.5. So a school with a director and clerk would have a resource score of  $300 + 100 = 400$  and so on.

Right is a table which shows the total resource rating available to school development offices which have been established for different lengths of time and the percentage of each resource rating which comes from clerical staff.

Resources by age of development office		
Establishment of development office	Average resource rating	Average clerical % of total resource
Less than 1 year	240	23
1 – 2 years	268	32
2 – 5 years	352	27
5 – 7.5 years	446	34
7.5 – 10 years	436	29
Over 10 years	531	27

As the table above demonstrates, the total resources available to development offices increases steadily as offices become more established. The table also shows that generally between a quarter and a third of total available people resources are clerical, with the exception of development offices who have either been running for less than 1 year or for between 7.5 and 10 years. In year 1 most offices are working on 'off stage' or easy-win 'action' activities and these tend to be the responsibility of a development director. After year 5 clerical work falls as more time goes into direct asks, detailed research etc.

### Type of campaign

Certain types of campaigns require a higher level of attention paid to different parts of the development process, due to the greater need for asks or more direct fundraising required. The table below shows how the average percentage of time by activity varies depending on the fundraising focus.

Time by activity by fundraising focus				
Fundraising Focus	Off Stage	Lights	Camera	Action
	%	%	%	%
Capital Campaign	17.8	33.5	28.8	20
Bursaries	22.4	34.1	31.4	12
Annual Fund	18.7	34.9	30.8	15.6
Legacy	21.2	42.6	28.9	7.4

Looking at the table, it is clear that whatever the fundraising focus is, the majority of time spent is on 'lights' activities i.e. research, cleansing of databases and internal administration and meetings. This is particularly true of those development offices which are seeking to raise income in legacy donations, and this is probably down to the amount of research needed to retrieve information on potential donors in this field. In terms of 'camera' activities, development teams tend to spend a broadly similar percentage of their time on development marketing material and events, whatever they happen to be fundraising for.

However, there is a marked difference in the percentage of time spent on 'action' activities by development offices with different fundraising focuses. Those which are in the middle of a capital campaign spent the most time on asks and direct fundraising at 20%, and this can be expected as, inevitably, time pressures on completing capital projects pushes teams to adopt a slightly more aggressive approach to the campaigns funding those projects. Schools focusing time on their annual fund invest the second largest percentage of time on asks, and this may be because schools view the annual fund as being the most reliable and consistent fundraising vehicle, as it is kept running by a large number of small donations all year round.

Development offices concentrating on bursary and legacy campaigns spend the smallest percentage of their time on asks or other 'action' activities, but spend a higher amount of time than offices engaging in other campaigns on 'off stage', 'lights' and 'camera' activities, suggesting that a less aggressive or direct approach to contacts is viewed as more beneficial for these types of campaign.

## How much was raised in 2010 and 2011 and what was it raised for?

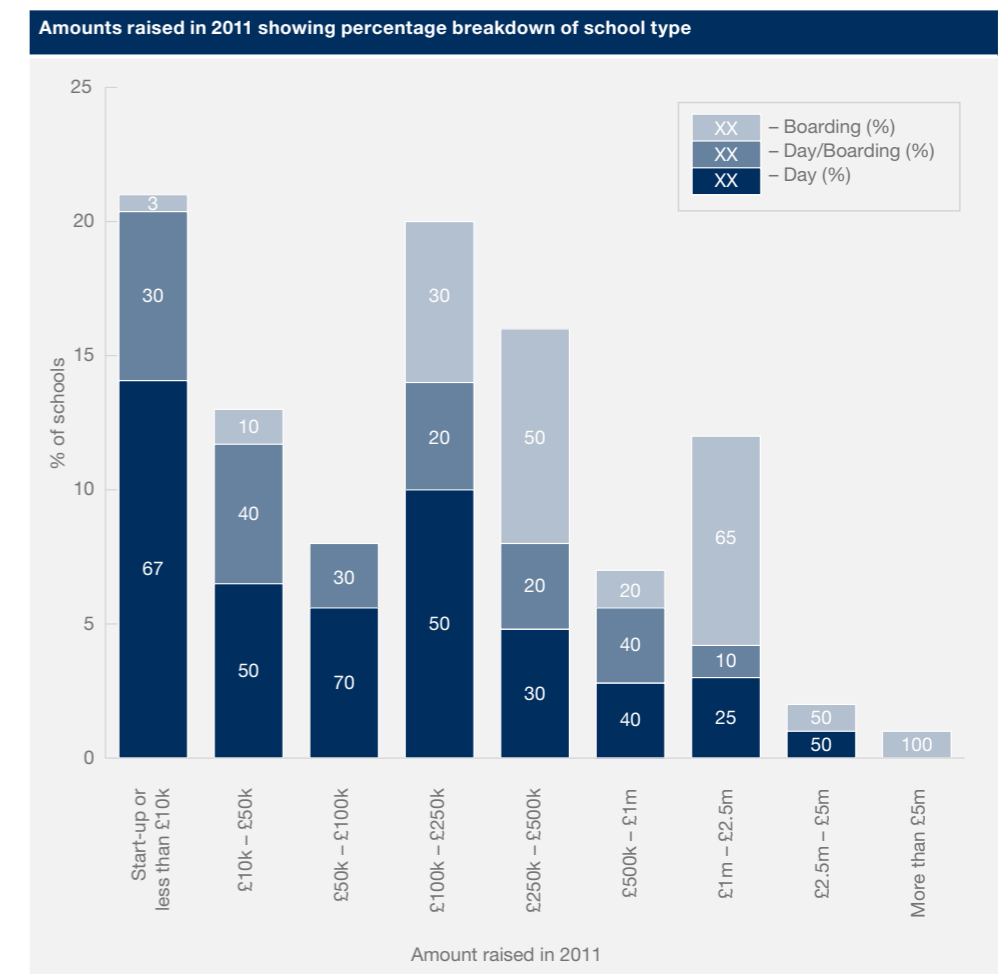


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It is important when analysing sums raised to look at the median rather than mean levels, as they represent a far more realistic view of standard school incomes.

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The survey asked all participating schools for an analysis of the sums they had raised over the last two years. In total £57.4m was raised in 2011 and £61.7m was raised in 2010. The mean amounts raised per school were £503k and £545k respectively. However, these average results are very misleading. It is important therefore to look at the median levels which represent a far more realistic view of standard school incomes, which in this case are £129k and £199k respectively. A graph showing the spread of the amounts raised by school is shown below.





Although the mean level of funds raised was £545k, the vast majority of schools raised less than £250k and 34% of schools raised less than £50k.



It can be seen that, although the mean level of funds raised was £545k, the vast majority of schools raised less than £250k and 34% of schools raised less than £50k. Since the schools in this survey represent only those with established or starting-up development operations it is evident that development in the vast proportion of UK schools is still in its infancy. Further, of those schools which raised more than £250k, a high proportion of them were boarding schools and, of the schools which were starting up or had raised very little, none were boarding schools. It is clear that development is either much more effective in boarding schools or just further advanced. This subject is explored later on in this report.

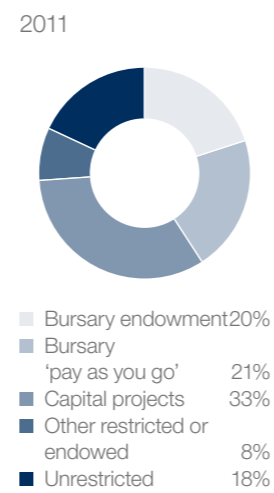
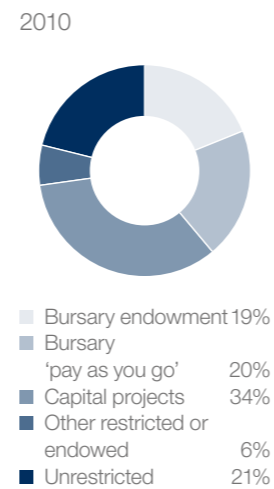
Although anecdotal evidence might suggest that girls' schools were less successful in raising the larger sums of money, there is no evidence to suggest that this is the case. 12% of girls' schools raised more than £250k and this is no more or less than the figure for other gender types. However, who they raise money from does differ quite significantly, as noted later in the section titled 'Who gives'?

One might assume that there would be significant regional variations in the proportions of schools raising the larger sums of money. However, there is no real evidence for this. For example, London and the South East accounted for 30% of schools in the participating population and exactly 30% of the schools raising more than £250k. Schools in the Central region accounted for 21% of the whole population but 30% of the schools raising more than £250k. However, it should be noted that there are a greater proportion of boarding schools in the Central region. The only regions where there is some indication of a regional perspective on fundraising are the North region and in Scotland which together had 30% of participating schools but only 15% of schools raising more than £250k. Since the day and boarding split in these regions was close to the national average, this could indicate that schools in these regions find it more difficult to raise the larger sums of money which schools in other parts of the UK are able to do.

#### Monies raised by use of funds

The other way of looking at funds raised is what the funds have been used for. The pie charts right indicate the proportions in which the sums raised above are being used.

Uses of funds raised in 2010 and 2011



There are very few differences between the uses of funds as between 2010 and 2011. Overall, the pie charts left suggest that in UK schools around 33% of funds raised are for capital projects, 40% are for bursaries and 27% are for other or unrestricted uses. It is interesting comparing this figure for capital projects (33%) with the focus schools said they gave to it. 26% of the fundraising focus in 2011 was on capital but it raised 33% of the funds. 24% of the focus in 2010 was on capital and it raised 34% of the funds. Fundraising for capital therefore appears to be an area where one can raise slightly more per £ of effort invested than say bursaries.

#### Uses of funds by type of school

There are however differences in the uses of funds by type of school. Day schools use 45% of their funds for bursaries and only 26% for capital. In contrast day/boarding schools use 35% of their funds for bursaries and 28% for capital projects and boarding schools use 32% for bursaries and 45% for capital projects. This is an important point to note. Boarding schools are concentrating more on raising money for capital projects and these are a slightly more efficient form of fundraising on a time to income basis. This is part of the reason for the better fundraising performance in boarding schools.

There are no obvious regional factors at work here. London and South East schools use 40% for bursaries and 35% for capital, in line with the overall averages. Scotland and the North use 35% for both and slightly more for unrestricted or endowment but the differences are not significant. Other regions follow national average trends.

#### Focus on maintained sector schools

Nine maintained schools joined in our survey. Although a small population these were mostly large day schools and the different approaches and fundraising focuses were very interesting. Clearly, as schools which do not charge fees no money was raised for bursaries and in their case 54% was raised for capital projects and 28% for annual funds.

Interestingly the profit per pupil raised by maintained schools was remarkably good and compared very well with equivalent sized independent day schools. None of the schools in the survey made a fundraising loss and the median level of profit per pupil was £217 in 2010 and £220 in 2011. They hold only 4 years' worth of alumni data and one year's worth of parental data on average. However they concentrate very hard on parental gifts with 42% of donations being from parents and only 11% from alumni. It may well be that maintained schools have established better strategies in approaching the parental community for funds, although of course their parents, not being fee-payers, may also have more available money to give. We hope to encourage many more maintained schools to join in future surveys.

## Who gives?

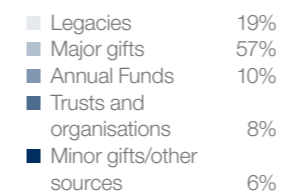
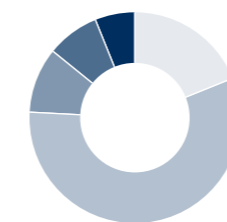


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Focusing the main fundraising energies of the senior development professional on the area of major gifts is the one most likely to pay off.

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Donation routes  
2010 and 2011



We consider this subject in two ways, firstly the route through which donations are made and then the connection the donor has with the school.

### Donation routes

The two pie charts show the route through which donations were made in 2010 and 2011.

### Focus on legacies

Legacies account for nearly 20% of total giving. The survey asked about the amount of the largest legacy gift in each year. 22% of schools said that they had received a legacy gift of more than £100k in 2011 and 12% had in 2010. Together the largest legacy gifts accounted for most of the total legacy sums raised above, which suggests that the number of legacies left to the sector is small, but the amounts, representing nearly 20% of total annual fundraised income are quite significant. Schools are putting more effort into their legacy societies. 65% of schools in the survey had a legacy society. When asked about fundraising focus the average level of effort/focus put into legacies in 2011 was 15%. With legacies accounting for nearly 20% of giving, this level of focus appears to be about right. There is no obvious linkage between type of school or regional perspective and legacy giving. As many of

the largest legacy charities have found, the number, sources and amounts of legacies is very hard to predict and by their very nature are likely to be long-term projects for a school.

### Focus on major gifts

One school's major gift could easily be another school's routine gift and there is no simple way of categorising this area. However we retained the principle of 'major gift' in our survey as it enables schools to see the proportions raised by major gifts compared with say minor gifts and other sources. What is interesting is that such a high proportion of total giving is via major gifts. This suggests that focusing the main fundraising energies of the senior development professional on the area of major gifts is the one most likely to pay off. The other members of the development team can then be best used to carry out the wider communication needed to solicit smaller gifts e.g. via an annual fund, development mailing or fundraising event.

### Focus on other connected charities and organisations

The survey asked about links with other connected charities and organisations. This is because some schools have links with livery companies, charities or other philanthropic trusts which give occasional support to them. However, when they do, the sums can be very large and so need to be excluded from the rest of the analysis in this report as they can otherwise distort the data significantly. Six schools reported that they had received over £100k of funds from such organisations over the last three years but in total these only accounted for £225k of the £5.4m received from trusts in 2011 and £423k of the £6.0m received from them in 2010. The amount raised in the last two years from this income source was therefore modest.

### What's the connection?

The table right shows what the connection with the school was for those who gave donations in 2011. This is then analysed by type of school. Overall, the most important source of donations for the sector is alumni, followed by current and former parents. However, it is very instructive to see how these proportions change by type of school

Donor connection by type of school				
	Overall	Day	Day/ Boarding	Boarding
	%	%	%	%
Governors	6	7	2	9
Alumni	46	45	56	42
Parents	33	33	29	35
Staff	2	2	1	2
Trusts	9	9	6	9
Other	4	4	6	3
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

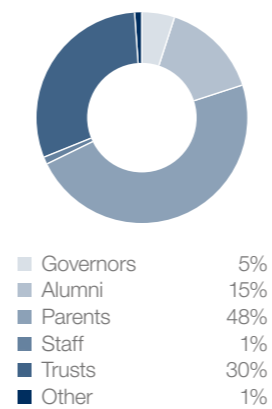
Across all three types of school, alumni represent the most important source of income. However, the greater extent of this in day/boarding schools is interesting. This suggests that the costs for parents of paying fees for their child at a day/boarding school (whether boarding or not) are substantial and therefore the amounts available to give further are limited. However, in both day and fully boarding schools parents play a very important part in giving. In this context it is therefore surprising that, on average, schools have less than a year's worth of parental (and former parent) data on their database. This area is explored in the section below on databases. With parents presumably feeling most supportive of the school when their children are actually there, we wonder whether the sector is 'missing a trick'.

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Clearly development offices in girls' schools need to adopt radically different approaches to giving than those in boys' schools.

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Donor connections in maintained sector schools 2011



### Focus on gender

The table below gives the split of donations between different school connections, for boys' schools (less than 25% girls), co-educational schools (between 25% and 75% girls) and girls' schools (more than 75% girls). The results are quite remarkable.

Donor connection by gender of pupils			
	Boys	Coed	Girls
	%	%	%
Governors	5	6	10
Alumni	48	51	23
Parents	33	29	52
Staff	2	2	2
Trusts	9	7	11
Other	3	5	2
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

As can be seen in the table above, boys' schools follow the national trend, with alumni and parental gifts in the same proportions. In co-educational schools' alumni gifts are more important, but only slightly. However the position in girls' schools is radically different. It has long been argued that men tend to give to their old school more than women, and the evidence seems to bear this out. Whether this reflects the family balance between men and

women on financial decision-making it is hard to be sure, but clearly development offices in girls' schools need to adopt radically different approaches to giving than those in boys' schools. So, for example, if parents are a much more fruitful source of donations in girls' schools, the nature of the appeal may need to be different.

### Focus on maintained sector schools

It is interesting to contrast the above proportions with those of schools in the maintained sector. The pie chart left shows the split of donations in maintained sector schools and as can be seen it is quite different from the split in the independent sector. In the case of the maintained sector the key donors are parents and trusts, with alumni representing a much smaller proportion. This again has implications for the nature of the appeal and maybe the training needs of development professionals in maintained sector schools.



# Is development making a profit?

The table below shows the percentage of schools which made certain levels of profit. There are huge differences between the mean and median data with the mean profit in 2010 and 2011 sitting at £483k and £369k respectively but the medians being £72k and £86k. The spread of profits achieved are set out in the table below.

Levels of fundraising profit in 2010 and 2011		
Level of profit	% of schools 2010	% of schools 2011
More than £100k loss	3	3
£50k to £100k loss	9	6
£0k to £50k loss	18	18
£0k to £50k profit	16	16
£50k to £100k profit	6	9
£100k to £250k profit	12	13
£250k to £500k profit	13	13
£500k to £1m profit	9	10
More than £1m profit	14	12

Looking at the amount of profit made by schools may be of passing interest but, knowing that a larger school made more profit than a smaller school is not really very helpful as a performance indicator. What is needed is a measure which works across schools of different sizes and types and this survey uses the principle of profit per pupil, averaged over the years 2010 and 2011. The mean level of average profit per pupil was £496 per annum and the median level was £141 per annum. It is instructive to see how these figures vary by type of school, size of school, location and fundraising focus

## Profit by type of school

Looking at the average profit per pupil by type of school throws up some important differences. Boarding schools achieved a mean level of profit per pupil of £1,231 and a median level of £625. Only 4 boarding schools recorded an average loss per pupil and 75% of boarding schools achieved more than the overall median level of profit of £141 per pupil. It might be supposed that this success is being in some way weighted by the larger boarding schools but this is not the case. Looking at the data just for boarding schools with less than 400 pupils the median level of average profit per pupil was £520, only a little less than for the boarding group as a whole.

On the day/boarding side, the mean average profit per pupil was £188 and the median was £45. Looking in more detail, day/boarding schools with between 25% and 50% boarding achieved mean and median results of £247 and £151 respectively but those schools with between 5% and 25% of boarding only achieved £132 and £10. Finally, day schools as a whole performed relatively poorly, with day schools achieving a mean profit of £194 but a median of only £32. It might be supposed that this low result is being affected by start-up or smaller day schools but that is not really the case. Looking at the sub-group of day schools with more than 750 pupils the results are a mean profit of £183 and a median profit of £62. Further, looking at day schools which have had development departments in operation for more than 5 years the figures are only £238 and £77 respectively. In large day schools operating for more than 5 years the figures are again a disappointing £173 and £30.

These are very important numbers. The fact that the median level of profit for a large day school which has had a development department in operation for more than 5 years is only £30 per pupil (equivalent to a £30,000 profit in a 1,000 pupil day school) is dispiriting. However, by way of contrast, a small boarding school with less than 400 pupils is making a median profit of £520, equivalent to £208,000 per annum. When the average small boarding school achieves more in profit terms than a large day school it is hard to avoid the conclusion that day schools may need to review their approaches to fundraising.

## How can day schools make it work?

Due to the importance of this area we have examined in more detail the smaller group of day schools which are achieving greater than the median level of profits per pupil, to seek to identify which factors are driving this success. The table right shows areas which appear to be key factors and others which do not. In our view the key seems to be to fully resource the department quicker, both at director level and throughout the team and then to spend less time on databases and preparation and more time on direct asks. It is worth noting that the successful day schools examined above spent more than 20% of their departmental resource in the 'Action' phase and this figure is above even that of successful boarding schools.

## Possible factors for fundraising success in day schools

Less important	More important
Age and experience of the senior development professional	Having a person at director level
Pay level of the senior development professional	Having a larger team earlier (than is needed in a similar sized boarding school)
Fundraising focus	Moving much quicker through the Lights Camera Action phases towards direct asks
Size of school	Spending more time on Action activity
Region of the country	
Number of contacts on the database	

## Profit by age of office

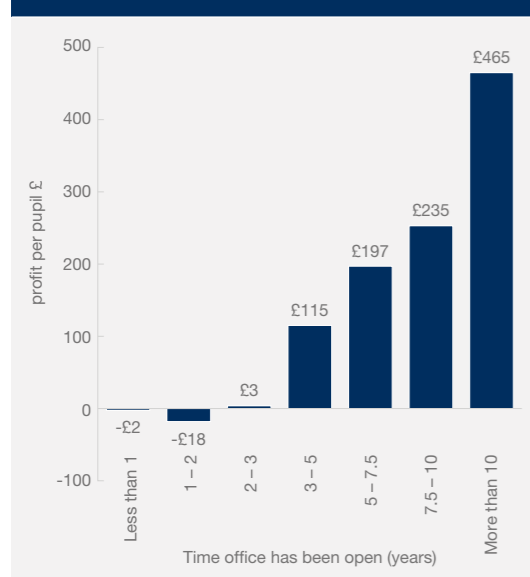
On the next page is a bar chart which shows the level of profits made by development offices which have been established for different lengths of time.



## Development is NOT a short-term activity or investment.



Profit per pupil by age of development office



The observations about the way time is spent set out in the Lights Camera Action section above suggested that it took 3 to 5 years for a development office to get into full Action mode. This is borne out exactly in profit terms as shown in the table above. Losses were sustained in each of the first three years of being open and only after year 5 were substantial profits made. This data re-iterates the important point that development is NOT a short-term activity or investment.

### Profit by fundraising focus and UK region

One may also wonder whether profits are affected by the fundraising focus of a development office but it would seem that they are not, at least for offices raising for bursaries or capital projects. Schools focusing more than 50% of their efforts on bursaries achieved a mean profit of £687 and a median of £226 and schools with more than 50% of their focus

on capital projects achieved £576 and £220 respectively. The one area where fundraising focus appears to matter more is on annual funds. Schools which had 50% of more of their focus on annual funds achieved much less, with a mean profit of £432 and a median of £22. This suggests that efforts put into an annual fund are more labour intensive due to smaller individual donations being made by donors to this area.

There is no evidence of a profit bias by UK region. As already noted the key is the type of school not where it is located.

### Profit summary

However much development offices want heads and governors to focus on wider issues, profit is often the area focussed on in ascertaining whether a development team has succeeded. In this context it is worrying to note that day schools as a group, however large and established the operation, appear to be struggling to make a worthwhile profit. By way of contrast boarding schools, even smaller ones, seem to be achieving good levels of profit. There is no evidence to suggest a regional or gender bias in profits, or one fundraising focus which is more successful than others, except to say that annual funds are lagging behind other areas in profit terms. The area of day school fundraising is one which maybe needs some new ideas and initiatives but our early evidence would suggest that, for development success, day schools need a higher level of resource at start-up and then to spend less time on databases and development preparation and more time on direct asks and 'Action' activity than might be needed in an equivalent boarding school.

## Other success factors – the quality of the fundraising database

### Databases

The quality of relationships built between school development offices and donor prospects relies heavily on the quality of the data held on school development databases. The ease with which data can be entered, found, amended and manipulated plays a crucial role in the speed and accuracy with which prospects can be targeted. If data fields are complete and up-to-date, school development offices can target prospects in both better and more varied ways, for example using prospects' professions or hobbies as a way of attracting them to events, or using the year they were at the school to invite them to reunions. Clearly the more personal an approach is, the better the chance of a contact responding positively.

### Number of contacts in total

The starting point for any assessment of databases must be the number of contacts a schools development office has entered onto its system. However, this number will of course vary by the size of the school and providing contact number information in isolation without factoring in school size seems a slightly pointless exercise. We have therefore developed a way of measuring contact numbers taking school size into account. This is the 'contacts to pupil numbers percentage' and it expresses the number of contacts on the database as a percentage of the current number of pupils on the school roll.

For the survey as a whole schools hold on average 7.9 pupil-years' worth of alumni contacts, 0.9 pupil-years' worth of parental contacts and 1.8 pupil-years' worth of former parental contacts. Other contacts (such as organisations and others) are excluded from these calculations as there is little point in comparing them with any base-line at the school.

The table below shows the number of pupil-years' worth of data held for development offices that have been open for different lengths of time.

Contact numbers expressed in pupil-years' worth of data, by type of contact and length of time development office has been open

Length of time office open	Alumni	Parental	Former parents	All
	Pupil years	Pupil years	Pupil years	Pupil years
Less than one year	4.9	0.7	0.1	4.0
Between 1 and 2 years	4.7	0.9	0.2	6.5
Between 2 and 3 years	5.5	0.6	0.5	7.0
Between 3 and 5 years	5.4	0.8	0.6	8.9
Between 5 and 7.5 years	8.5	0.9	1.0	9.4
Between 7.5 and 10 years	8.0	0.9	1.5	10.1
Over 10 years	7.9	0.9	1.6	9.6

A number of important points arise in the data shown above. It would appear that even schools which have had development offices open for more than 10 years are content to have around 8 years-worth of alumni data. One assumes that, as new alumni are always joining, the database is also being cleansed of old records, or that at least old records are being mothballed. Learning from the combined experience of the longest established development offices this suggests that 8 years-worth of alumni data is around the level needed to run a successful development operation in the longer-term.

Interestingly new development departments appear to already have around 5 years' worth of data on their databases in their first year of operation. Referring back to the section in which we observe time spent on development activities by office establishment, it is clear that efforts are not focused particularly on cleansing or capturing data in the first year of an office's establishment, due to directors being tied to old non-development or 'off stage' responsibilities in the first year. This would suggest then that the 5 years' worth of data shown in the previous table has already been captured by the school, rather than by the development office and has then been transferred to the development database during office set up. After the first year in office, there appears only limited effort to add more records in the short to medium term. Only after an office has been open for 5 years or more is the next 'push' made to build the database up to its 'full' level of 8 years. The other point of interest is in relation to parental and former parent records. It is noted elsewhere in this report that parental giving represents approximately one third of the value of all donations, and much more in

the maintained sector and in girls' schools. However, much less effort appears to be given to the parent and former parent records, with an average of less than one year's data held for current parents and between 1 and 2 years for former parents. We question whether more effort could usefully be put into parental records, particularly in day and girls' schools.

There is also some limited evidence to suggest that pupil-years' worth of contacts is connected to financial success. Schools with more than 10 years of contacts achieved a median average profit per pupil of £413 compared with £83 for schools with between 5 and 10 years of contact data and £4 for schools with less than 5 years of contact data. However, since so many other factors come into play, both with the quality of the data and in other areas, we would not wish to push this point too far.

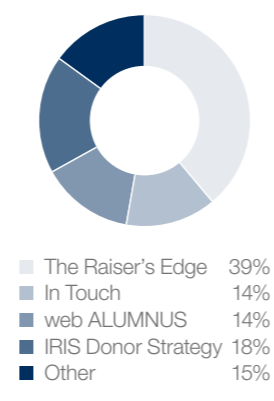
#### Type of database

The pie chart right indicates the main databases used by the participant schools. It is outside the scope of this report to comment on the suitability of different databases and so this chart represents factual information only.

#### Quality of data

The number of contacts on a school database must have an effect on the fundraising potential of a development office. However, the quality of the data held is of even more importance. A development office could have thousands of contacts on its database, but if the data cannot be used to target the contacts and turn them into prospective donors, there is little point in having them in the first place. Our survey asked for the percentage of contacts on school

Databases in use



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**Development officers do not find working with their databases as easy as they ought.**

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databases for which schools had varying levels of information. The results showed that, on average, schools had full name, address and email information on around 40% of contacts, professional information on 25%, hobby information on 15% and both profession and hobby information for 10%. It might be expected that better information would be held by more established development offices and, although this was the case, the numbers only improved by a few percent, which suggests that even the more established offices regard this information to be only of limited value. Nearly all schools hold data on the school year-group of most of their alumni contacts.

#### Finding what you're looking for

The ease with which a development team is able to use their database has an impact on the speed and efficiency with which the team is able to work. When asked how easy development directors find monitoring relationships with contacts using the database, the average score given by our 139 participants was 2.9 out of 5, with 1 representing difficult and 5 representing easy. We then asked participants to rate how easy they found it to filter the contact information on their database so as to run off target lists for events, specific themed mailouts or marketing material. The average score given by participants was 3.2 out of 5.

This information suggests that development officers do not find working with their databases as easy as they ought. As the building of relationships with prospects is a key to eventually receiving donations this score is a concern. Since we are aware that many of the most common databases are used extensively

by much larger charities and fundraising organisations, we view the most likely sources of the problem as being understanding, training and consistency of data input. It may well be that those who work most often with the database could benefit from having additional training on their systems. The connected problem is that, with development staff only remaining in post for a few years on average, it could well be that the quality and consistency of data input is the problem. As this kind of problem will inevitably have an impact on the ability of the development office to approach contacts properly, which will undoubtedly affect fundraising income, this should perhaps be brought to the attention of the wider Senior Management team as an issue which needs to be faced and resolved by both them and the development professional together, rather than by the development director alone. Key questions might be "how is data being maintained and updated when there is no senior development professional in post?" and "what input guidelines are there so that there is consistency of data entry?" Our view is that schools need to view this type of information on alumni and parents as 'institutional data' in the same way as academic or financial records and procedures are put in place for the long-term.

One final quality area we asked about was whether contacts held were 'cold', 'warm' or 'hot'. Although we provided definitions, schools found it difficult to answer this question and this therefore needs exploring more in future surveys.

## Other success factors

– the quality of relationships with the head, governors and the alumni society

Giving is of course about much more than databases and one of the most important areas to look at is the quality of the relationships the development team have with others, in particular the head, the chairman, the governors and the alumni society (if there is one). The reason that these relationships are important is that they have a direct knock-on effect on the profile of the development office, how well it fits into the wider school environment and ultimately how well it is understood and supported.

### Meeting development ‘head-on’

The understanding of the head towards development and their involvement in development activity is potentially the most important relationship to be addressed in a school, as it is their approach towards fundraising which can facilitate (or not) the development office’s strategy, business plan and event effectiveness.

Our survey asked about five areas – whether the head teacher has had training in development, how much they were involved in development events, how pro-active they were in development, how often they met with the senior development professional and finally an overall rating of how well the head understood development. Although the survey was of course completed by development staff and these scores presumably represented their personal views, our wider experience in this sector suggests that the head is a key figure in the success or otherwise of development and it is therefore important to gauge these ‘soft’ success factors.

Of our 139 participants, 84 said that their head has had no training in development. 18 said that their head has had training in development and the remaining 37 were not able to say. One may assume that schools where heads had trained in development might attend more development events but this is not the case. Although over 60% of participants said their head had never had development training, when asked how active their head was in attending fundraising events the average score was 4.5 out of 5 compared with a score of 4.6 for those who had had training.

However, when asked about other areas some significant differences arose between those heads with development training and those without it. Of the schools where heads had had training 90% of heads met their senior development professional at least once a week and none met less than monthly. Of the heads without training only 70% met weekly and 15% met termly or less.

Similar results can be seen in other areas of this relationship. The average score given on proactiveness in fundraising to heads with training in development was 4.1, a significant increase on the ratings given to heads with no training of 3.5. The average score for understanding of development was also much higher, at 4.7 instead of 3.8.

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**A senior development professional may not necessarily need a recognised position of seniority to receive the support they need.**

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As mentioned earlier, median sums raised in 2010 and 2011 were £129k and £199k respectively. The median level of income from schools with heads who had had development training was £219k in 2010 and a staggering £409k in 2011. For those development offices whose heads have had no training, the figures were £154k and £193k respectively. For those who met their senior development directors at least once a week the medians were £141k and £238k compared with £76k and £65k for those who met them termly or less. Those with a proactive head (based on a score of 4 or more) raised £181k and £333k respectively compared with those without who raised £141k and £160k. Finally those with a head who scored 4 or 5 on understanding of development raised £154k in 2010 and £272k in 2011 compared with £129k and £150k respectively for those who scored 3 or less. Overall it is hard to avoid the conclusion that the knowledge, training and proactivity of the head is a key factor in determining the success of fundraising in any particular school, due to his or her ability to promote both the educational and therefore the development vision of the school both internally and externally

One interesting question to ask is whether the length of time heads have spent in post affects the success of development. Interestingly there is no real evidence of this, despite the importance of the head’s role as described above. The median level of income for development offices whose heads have been in post at their school for less than 2 years was £184k in 2010 and £209k in 2011

compared with £144k and £189k for schools with heads who have been in post for more than 5 years. The suggestion is that the time in post is far less important than the attitude towards development they adopt.

### How senior is the senior development professional?

The seniority of a development professional in the structure of a school is capable of determining the seriousness with which development in that school is taken. The position of a development professional in the school can be a reflection of a number of things, such as the understanding key members of staff have of development, the reliance a school has on a development office to succeed financially, or the want a school has to keep in line with the sector’s progression in development. Whatever the reason, it is important to address the seniority development professionals hold in the sector as a whole, to understand more how valued a department development is. Out of 139 survey participants, 51 (37%) of senior development professionals are in the senior management team (‘SMT’) at their school. This leaves 84 senior development professionals or 63% of all participants who are not a member of the SMT. We asked those who are not a member of the SMT to rate the access they had to the SMT and asked them also to rate their working relationship with the SMT on a scale of 1 to 5.



## Development professionals are not as satisfied with the level of commitment governors give to development at the school as they are with heads.



The average score given for access to the SMT by development professionals who were not a member was 4 out of 5. When asked what the working relationship was like between development professionals and the SMT the average score given was 3.8. These average scores suggest that although those senior development professionals who are a member of the SMT are in the minority, the access and working relationship of all senior development professionals to the SMT is seen as very acceptable. The data suggests that a senior development professional may not necessarily need a recognised position of seniority to receive the support they need. Schools with the senior development professional on the SMT were only marginally more successful in terms of income raised than those without, with the difference relating more to the schools themselves in each group and other factors. The issue is the profile of the office and internal support, rather than titles or positions in school management.

### Reporting lines

We asked about the direct line manager for the senior development professional. Here 13 development professionals (from 110 schools reporting on this) report to the chairman of governors or chairman of the Fundraising Board, 90 report to the head, 6 report to the bursar and 1 reports to another person. When looking at the financial aspects of this we would however counsel caution. Whilst the financial results of those schools which reported to the chairmen achieved more financially than those which did not, these were inevitably the larger schools and

those with more established development operations. The area of reporting lines is one which we now feel, having looked at the data, is important enough to explore in more detail for future surveys.

### Is governor involvement important?

The involvement and understanding governors have of development has the potential to play a key role in the success of development offices. As the ultimate decision makers for business planning and strategy, governors' understanding of the importance of development can have a major impact on the progress of development in a school, in terms of budget provision and business planning. The better the relationship between the development professional and the governing body, the easier it is for the development team to fundraise and plan effectively. Without the support of the governing body, the school development team is likely to face real hurdles in achieving its goals and the bottom line.

When asked to rate the involvement of the governors in attending fundraising activities the average score given was 2.6, which is a relatively low score. This number suggests that development professionals are not as satisfied with the level of commitment governors give to development at the school as they are with heads. Whilst this is maybe inevitable as governors are often busy and may be based some distance from the school this could be an issue if and when governor support is important, e.g. with key donors or in giving strategic messages.

When asked about the pro-activeness of governors as a whole the average score was 2.1. This suggests that governors are seen as having a predominantly reactive attitude to fundraising. When asked to rate the pro-activeness of the chairman of governors in terms of fundraising, the average score was 2.6, which suggests that development professionals view their chairman of governors to be more pro-active, if only by a little amount, than the governing body as a whole.

When asked whether or not governors had had any training in development, 84 out of 139 said that governors had not had any training and 30 said that they did not know whether any training had been given to their governors, leaving only 10 who said that their governors had been trained in development. This suggests that the lower level of commitment given to development by school governors may be just as much due to a lack of understanding as lack of interest or commitment.

How does governor involvement affect the financial return in development offices? The relationship between governor commitment and fundraising profit cannot be labelled as definitive, although there is some evidence to suggest that one does affect the other. The median level of income raised for those schools with governor understanding rated as 4 or more was £216k in 2010 and £317k in 2011, against £135k and £183k without. When asked about governor proactiveness only 16 schools rated their governors as proactive with a score of 4 or more but these schools did have higher median levels of

income raised, sitting at £290k in 2010 and £218k in 2011. However, with only 16 schools in the sample it is hard to be conclusive.

The importance of governor commitment in securing good fundraising profits is unclear. However, the commitment and the role of the chairman of the board of governors in aiding with financial return in development is absolutely vital. Schools which scored the proactivity of the chairman in development activity as 4 or more had a median level of income raised of £216k in 2010 and £317k in 2011 compared with £125k and £160k in those schools scoring 3 or less. Interestingly, when asked how well development directors felt the chairman of governors understood fundraising, the results given bore no relationship to income raised.

### The alumni society – friend or foe?

As the leading firm of school's auditors our experience has shown us that the working relationships between a school and its alumni society, whilst sometimes excellent are often tense and occasionally very fractious indeed. We know of some cases where alumni societies have been instrumental in the sacking of the development professional, others where a newly-installed development professional has ridden roughshod over decades (and even centuries) of tradition and even cases where disputes have involved both 'sides' hiring separate lawyers to resolve relationship disputes! So how does the health of a relationship between a development office and a school alumni society affect the progress and ultimate success of schools fundraising?



**Development professionals may feel that they are visible but that their influence within the school can at times be limited.**



Of the 139 schools in the survey 122 schools reported that they had alumni societies, 13 did not and 4 failed to answer the question. Of those which responded that they did have alumni societies, 73% said that their alumni society was a separate organisation from the school and 75% said that the association's office was physically located close to the development office.

The relationship between a school and its alumni society is certainly a curious one. Of those schools which said that the alumni society was a separate organisation and located nearby, 60% reported that the development office organised more than three quarters of the alumni events, with 50% saying that they organised all of them. Since in these cases the alumni society is reported as being a separate organisation and is certainly not the same thing or has the same objectives as the development office, this muddying of the waters, despite the undoubted practical advantages, does not look to be doing UK development any favours.

One might have expected that the strength of the relationship between a school and its alumni society would be a factor affecting the success of development, but this does not appear to be the case, with the median sums raised by schools with good and poorer relationships being much the same. Presumably this is because donations tend to come from alumni as individuals rather than via or because of the alumni association.

What is however much more important is the potential for diversion of time and resources of the development team in terms of organising alumni events etc. Our survey has identified that 10% of development director time, 17% of development manager time and 14% of development clerical time is taken up with alumni relations. Whilst not in themselves large amounts, any organisation which spends one sixth of its time on activities which are not really connected with its key role is likely to find itself under significant time pressure, particularly if it is also charged with delivering fundraising results. We would encourage schools to tackle this area, maybe by putting in place a simple written agreement between the development office and the alumni society setting out roles and responsibilities, dealing with access to alumni records and providing guidelines on time commitment expectations of both parties. This would, we feel, be an important step forward for many schools.

## Information on other areas – internal profile, communication, use of consultants and fundraising events

### Internal profile

In this section we explore how the physical locations and design or structure of development offices give us information on how important development is seen to be within schools.

We asked whether or not the senior development professional worked in a physically separate office from their team, 47% said that they shared an office with their colleagues, 35% worked in a separate office from their team and the remaining 18% had no other team members.

Of 139 respondents, 24% said that they had a comfortable area in their school to host donors or prospects. Interestingly, all of the 34 respondents who said that they had an area with which to host prospects or donors were among the 35% of all participants who work in a separate office from their team, suggesting that that the majority of development directors who have a separate office do so in order to have space for meetings with donors and prospects. Those who have a separate office in which to accommodate donors and prospects gave an average score of 3.4 for the office's ability to accommodate potential donors comfortably. The average score for being able to accommodate potential donors comfortably given by those development directors who do not work in a separate office was 2.6, suggesting that having a separate office does

give confidence to development professionals about the comfort of their donors and prospects which is not afforded to those who sit with their teams.

51 out of 139 respondents said that they did not feel they have an area in their school which is easily available to accommodate donors and prospects. All of the 51 were development directors without a separate office. This information gives us an understanding of the struggles faced by those who are not afforded a separate office to their teams, as it would seem that other areas in which to hold meetings with prospects and donors are also unavailable.

When asked how development professionals rated the location of the development office in terms of being clearly visible and influential within the school, the average score given among the 139 participants was 2.6, suggesting that development professionals may feel that they are visible but that their influence within their school overall can at times be limited. When asked to rate the location of the development office in terms of appearing to be a valued part of the school to potential donors, the average score was also marked at 2.6. This data suggests that the location of many development offices could be improved to increase understanding and visibility both for internal staff and those connected to the school, and to prospects and donors.

**Communications - Website and social networking**

Out of 139 participants, 109 have an area on their website solely dedicated to fundraising and development, representing 78% of all respondents. Of the 30 participants who do not have an area on their website dedicated to fundraising, 7 had an independent development website for their school. This means that of all respondents, 83% have designated an area or an entire website which focuses solely on the development and fundraising activities of their school. This data suggests that the majority of schools see website visibility as being an important way of encouraging awareness and participation from prospective donors into their school fundraising and development activities. We also asked how many clicks it would take a website visitor to navigate their way to their school's development page. The average number of clicks taken was 1.5. This again suggests that fundraising and development information for most schools is quickly accessible on websites.

When asked whether there is a member's area available for alumni on their website, 67 out of 139 participants answered that they had a members' area available on their website. 41 out of 139 participants, representing 29% of all respondents, said that they had a forum available on their website in which former pupils could communicate with each other. One might expect all those schools who have a forum for alumni to have placed it in their 'Members' area'. Although the majority of those schools

who have a forum for alumni on their website had an alumni members' area, only 32 or 78% of those who had a members' forum had a members' area on their website, suggesting that schools which accommodate former pupils on their websites do so using different approaches. We also asked about social networking. Of the 139 respondents, 101 used LinkedIn, 100 used Facebook and 47 used Twitter. As social networking and online advertising by schools is a fairly new but upcoming area being explored by the sector, we will no doubt be analysing data in this field on a deeper level in later years.

**Communications - publications**

Below is a table which shows what percentage of communications are sent out by post or other non-electronic means. Looking at the table, it is clear that the traditional approach to target mailing is still predominant.

Methods of communication	
Percentage of communications sent by post or other non-electronic means	Number of participants
More than 80%	37
60% – 80%	34
40% – 60%	30
20% – 40%	16
10% – 20%	7
Less than 10%	9



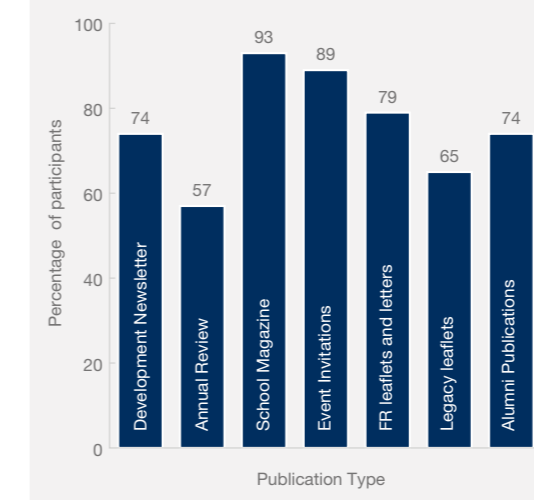
The more established a development department is, the more it uses external resources to design and print its publications.



**What forms of communication are used?**

Below is a graph showing the percentage of our participants who produce the publications most commonly created in a school development office. Development offices clearly have a multiplicity of tasks!

**Different types of publication produced in development offices**



Our survey also asked what proportion of each publication was written, designed and then printed internally. The table right shows the proportions for the sector as a whole.

**Publications written, designed and printed internally**

	Written internally %	Designed internally %	Printed internally %
Development newsletter	100	50	17
Annual Review	99	27	11
School Magazine	98	27	4
Event invites	100	75	61
Fundraising letters	98	55	41
Legacy leaflets	99	27	10
Alumni publications	96	33	10

It can be seen that most publications are written internally, a mixed amount are designed internally and most are printed externally. We have briefly looked at whether this changes with the length of establishment of the development office and it would appear that the more established a development department is, the more it uses external resources to design and print its publications. We have not explored the potential impact that this might have on outcomes but if schools have particular issues in this area we encourage them to contact us to discuss them.

**Use of consultants**

Of 139 participants, 93 said that they have used consultants, representing 67% of all respondents, proving that development offices find the use of external consultancy to be an efficient and useful tool. The table overleaf shows the consultancy services which have been or are being used by the 93 schools mentioned above.

## Contact us

Use of consultants	
Service consultancy has been used for	Number of participants having used service
Feasibility Study	36
Telephone Campaigns	34
Capital Campaigns	20
Strategy	39
Wealth checking of database	37
Other	20

When asked to rate the services delivered by consultants from 1 to 5, with 1 reflecting a very poor service and 5 reflecting an excellent service, the average score given was 3.6, suggesting that schools development offices have been broadly satisfied with the efficiency of consultancy services offered.

### Events

Our survey asked about fundraising events, how many were held and who they were designed for. It also asked who attended and how well such events correlated with the known interests of the invitee and the fundraising focus of the school. This was the one area of our survey which schools found difficult to answer. Our conclusion is that either the information schools hold is poor, our questions were poor, or maybe both! However we are able to make a few observations.

37% of participating schools held less than 5 fundraising events annually, 23% held between 5 and 10 and 40% held over 10 events. Of the 129 respondents to our questions about fundraising events, 42 said that over 50% of their events are held off site, leaving 87 who hold the majority of their fundraising events at their school. This suggests that development directors feel, in the main, that it is more effective to hold fundraising events at the school, rather than at another location.

When asked about how well fundraising events correlated with the interests of their attendees, the average score was 3.4 out of 5 and when asked how well events correlated with the fundraising focus of the development office the average score was 3.3 out of 5. It is interesting to note that those schools which scored 4 or more for the correlation of the event to the fundraising focus had a much higher mean and median average profit per pupil than those which scored 3 or less. This may be just another way of reflecting the same point i.e. that the event was less successful but it appears self-evident that the better the events correlate the more successful they are likely to be. When asked about correlation of events to donor interests there was no apparent connection between this and fundraising success

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