Schools’ Alumni Relations and Fundraising Benchmarking Survey 2016
“The best time to plant a tree was twenty years ago. The second-best time is now.”
Chinese proverb
Schools’ Alumni Relations and Fundraising Benchmarking Survey 2016

3 Introduction from IDPE
4 Introduction from Graham-Pelton Consulting
6 Executive Summary
9 Key Findings
12 What does successful fundraising look like?
12 a) Fundraising requires leadership involvement
16 b) Sustained investment produces returns over 3-5 year period
20 c) Fundraising requires focused attention and dedicated staff
26 d) Major gift fundraising step-changes performance but takes time
30 e) Strong alumni relations programmes support fundraising
34 f) Can all schools achieve fundraising success?
42 g) One size does not fit all
46 h) Campaigns step-change performance and give urgency to fundraising
50 Moving forward
53 Glossary

Disclaimer
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Special thanks to the Benchmarking Advisory Panel who helped to shape this year’s survey:

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IDPE is the leading professional membership organisation for schools raising funds, and our vision is to enable schools nationwide to develop cultures of giving. IDPE’s investment in this third benchmarking survey of Alumni Relations and Fundraising in Schools with Graham-Pelton Consulting demonstrates our ongoing commitment to enabling schools to fundraise effectively, so that they can provide the best educational opportunities for our young people.

The IDPE and Graham-Pelton Consulting Schools’ Alumni Relations and Fundraising Benchmarking Survey 2016 is the UK’s largest fundraising survey for the education sector, and we would like to take this opportunity to thank all the schools that participated.

The resulting benchmarking report is intended to be an empowering and enabling tool for schools, irrespective of how long a development programme has been in operation.

This report will enable all those involved with engagement and raising funds, from Development Professionals to Heads, Governors, Bursars, and Business Managers, to:

1. Make informed decisions that lead to better results and improved performance;
2. Use meaningful comparisons to other schools to identify the areas in which your school is excelling and conversely areas where there is room for improvement; and
3. Build an informed case for investment and resourcing.

We trust you will benefit from the IDPE and Graham-Pelton Consulting Schools’ Alumni Relations and Fundraising Benchmarking Survey 2016. Contact details are at the back of this report; please do get in touch with any questions or comments, and take part in the conversation on social media using #IDPEBenchmarking.
Thank you. This report would not have been possible without all those schools who have taken the time to complete the benchmarking survey. By doing so, you have provided invaluable insight into the fundraising and alumni relations activities that you and your school undertake. When collated, this information provides your school and the wider schools’ development sector with the opportunities to review what works well, and steer our institutions to make the right choices for our beneficiaries and donors.

The IDPE and Graham-Pelton Consulting Schools’ Alumni Relations and Fundraising Benchmarking Survey 2016 is the UK’s largest fundraising benchmarking survey in the education sector. We had an amazing response with 181 schools taking part and 76% of them reporting philanthropic income between September 2014 and August 2016, totalling £172.5m.

The majority of schools taking part continue to be Independent and Grammar schools, but we are very pleased to have received several submissions from maintained and free schools - a trend that will surely increase over the next few years.

Fundraising is not easy; sensitivities around the subject still exist. Fundraising is but a small part of day-to-day school life, and helping people understand why investing philanthropically in schools is important can sometimes be a challenge. Whether you are an experienced fundraiser or just starting out, we hope you find this report useful and that it will inspire and guide you to be even more successful in the future.

The types and number of schools that took part in the benchmarking survey.
Leadership Briefing

This report is extensive and includes a lot of data that your development professionals will find useful. To help school leaders get the most out of this report, we have included an Executive Summary at the beginning and a Moving Forward section at the end.

In addition, throughout this report, we have included these Leadership Briefing boxes which will draw out key insights that we think you will find helpful in managing your school’s development operation.

In this first box, we wanted to take the opportunity to thank senior leaders for the support they provide to the schools’ development profession.

Without the support and vision of senior leaders in schools, fundraising would be much, much harder.
Executive Summary

Benchmarking your school’s development performance against that of other schools with a similar profile offers an opportunity to demonstrate both areas of success, as well as identify potential opportunities that your school could be engaging with.

The IDPE and Graham-Pelton Consulting Schools’ Alumni Relations and Fundraising Benchmarking Survey 2016 enables us, for the first time, to compare schools’ development success across different types of school, and highlight how each school’s demographic, its activities, and the age of its Development Office ultimately affect fundraising results.

Schools’ Development is a growing sector

Schools’ Development is a rapidly emerging sector. The results from previous fundraising benchmarking surveys demonstrate this.

- In total, 181 schools participated in this survey of which 138 schools were actively fundraising between 2014 and 2016.
- These 138 schools have raised £172.5m in philanthropic income, with a further £39m received from legacies. Therefore, in total these schools have raised £211.5m from their communities during this two-year period.
- During this period, on average:
  - each independent school raised £667k per year
  - each grammar school raised £212k per year
  - each free school raised £219k per year
- 25 schools achieved philanthropic income of more than £1m per year, with three of those schools bringing in more than £5m per year.

An active and engaged leadership is integral to fundraising success

The support of the Head and the wider leadership of the school is vital in maximising your school’s fundraising potential. The survey highlights a direct link between those Senior Development Professionals reporting to the Head and income raised, compared with those who report elsewhere. Where schools raise more than £1m+ per year, all Senior Development Professionals report either to the Head or to one of the Chairs at the school.

Whilst 71% of schools reported their Head was either “very involved” or “involved”, Headteachers spend 10% of their time on development: primarily engaging with donors through sharing their school’s vision or thanking them for their support. With just 33 schools reporting their Head actively asks individuals for donations, a priority for Development Professionals is for their senior leadership to become more involved in making the ask, particularly with wealthier prospects who expect to be approached by the Head.

Increased expenditure on development leads to increased philanthropic income

It’s not rocket science, but the data from the survey supports the fact that the more your school invests in development, the more philanthropic income your school will raise. Yet investing in schools’ development is not a quick win. Identifying prospects, developing relationships and making the ask takes time. This survey demonstrates it takes on average 3-5 years for fundraising to show a return on investment.

There is a clear correlation between the age of a Development Office, increased expenditure, and increased philanthropic income. The report highlights a clear jump in philanthropic income for offices that have been running for 7 years or more - with the average annual income value rising from £252k to £857k (average).

The split in total Development Office expenditure is an average of 65% on staff costs and 35% on non-staff costs. As you would expect, the data supports the fact that return on investment increases as a Development Office becomes more established. In a Development Office established for less than 6 years, schools can potentially double their investment after six years. Whilst offices established for 20 years or more receive up to six times the income in return for their investment. In summary, development requires a long-term commitment.
There is likewise a direct correlation between the amount of staff and the time staff spend on fundraising, with income raised. With the maturity of a Development Office comes increased investment in staff from 1.4 in the first three years, to 3 after 11 years, to 4.6 after 20 years. This increase in staff leads to increased time spent on direct fundraising - from around 18% in the first three years to 30% after 11 years. The most noticeable jump is between those schools raising between £100k - £999k a year and those raising £1m - £4.9m a year: the latter group spends twice as much time on fundraising to achieve its higher level of philanthropic income.

The report highlights that increasing expenditure as the Development Office matures increases philanthropic income and ensures a greater return on investment. Income increases where fundraising staff are able to spend more time on direct fundraising, as opposed to back-office support. It is therefore vital to continue to monitor resources, to ensure fundraising activity remains a priority.

**Major gift fundraising is fundamental, but diversification of income streams reduces risk**

Major gift fundraising is crucial to schools’ development success. Schools reported that, on average, their two largest gifts per year account for between 40 - 60% of their total annual philanthropic income. Therefore, a failure to secure these major gifts has a significant impact on both the school’s annual fundraising results and the delivery of projects requiring financial support. However, schools raising more than £5m reported that their two largest gifts accounted for just 26% of their total annual philanthropic income. Schools structure their Development Offices differently and apply different models - one size doesn’t fit all. Yet all schools can learn from schools raising more than £5m; by securing multiple larger donations and diversifying income streams, your school can reduce over-reliance on a small number of major gifts.

Further analysis reveals that schools with more than three members of staff, and who are able to dedicate a greater amount of time to major gift fundraising, secure more major gifts at a similar level to their two larger donations. The survey results suggest that the introduction of a moves management system, a means of managing multiple relationships and stewardship of prospects, can enable your school to use data more effectively to develop major gift fundraising and ultimately increase your fundraising success.

**Alumni relations**

Effective alumni relations’ programmes provide opportunities to engage with the school community, to build relationships and create an affinity with the school before making an ask. Spend on alumni relations increases as a Development Office becomes more established, with schools who are raising more than £1m on average managing smaller numbers of alumni per member of staff, enabling increased engagement. With these increased resources, there is more time to identify and research prospects, and develop more tailored approaches to alumni. This impact is one of the main reasons why fundraising is more successful in established Development Offices.

Alumni relations involves a varied portfolio of activities to raise levels of engagement and empathy with alumni. Alongside running events and producing alumni-focused publications, 42% of schools have an active volunteering programme, which provides an opportunity to engage existing or potential donors and demonstrate the non-financial impact of alumni relations.
Know your donors

Most of the individuals with which schools engage have a relationship with the school. Donors include alumni, current and former parents, governors, staff, and current pupils. By far, the majority of the income is received from alumni and current parents, and those schools with an average annual philanthropic income of more than £5m have almost exclusively concentrated on engaging with alumni and parents as opposed to the wider school community. Parental donations were compared to the size of school fees, and it was encouraging to see that whatever the fee level is, parent donors are a consistent source of support, and there is growing financial support from trusts, foundations, and corporates, as well as the local community.

All types of school can achieve fundraising success

Within the independent school sector, it appears that on average, boys’ schools receive more philanthropic income than girls’ schools, with co-educational schools showing greater fluctuations in success. However, following more detailed analysis, we can see that the vast majority of girls’ schools represented in this report are at the very early stages of their development journey (on average their Development Offices have been established between 4 - 6 years), whilst Development Offices in boys’ schools have been established on average for 11 - 20 years. As philanthropic income is seen to increase with the maturity of a Development Office, there is an obvious bias in the results towards boys’ schools, and it is therefore difficult to compare philanthropic income from girls’ schools with the more established boys’ schools.

The data shown under “Philanthropic income results” shows that the average Grammar school raised slightly less than the Free schools that took part in the survey, and on average the Free schools had been established longer and had larger expenditure than Grammar schools. The data is slightly biased given there were only three responses from Free schools and nine from Grammar schools. However, it can be seen that schools undertaking major gift fundraising supported by direct mail, events and telephone appeals are, for the most part, raising more money.

Summary

Understanding your school’s community, its donor base and your donors’ propensity to give is fundamental to fundraising success. Through greater analysis of your data, your school can identify more prospects, create more tailored approaches and hopefully receive those all-important major gifts. This report enables you to compare your school’s performance, with similar schools, and through this, you can better understand what is best practice in schools’ development and where you may need to make improvements to increase return on investment, and ultimately ensure your school’s sustainability.
Key Findings

- **Total philanthropic income received by schools between 2014 and 2016 is £211.5m**
  - £172.5m received from general fundraising activities by the 138 schools who reported on philanthropic income.
  - A further £39m was received from legacies left to schools.
- **A further £114.7m is expected from pledges and regular gifts by 2020 as well as intended legacies**
  - £84.7m is expected by 2020 from donors who have pledged further support or who are giving regularly.
  - In addition, £30m is estimated to be received from intended legacies.

How schools have been grouped

In the survey, schools were asked to identify themselves as Free (inc City Technology Colleges)/Academy, Grammar, Independent, and Maintained. However, none of the maintained schools reported any fundraising income.

By far the largest group of schools to take part were those identifying as Independent schools. These were, therefore, sub-divided twice more. Firstly, by considering the gender of the majority of intake into Girls, Boys and Co-ed Independent schools. Secondly, by considering whether the school was exclusively Boarding, exclusively Day, or a combination of both Day and Boarding.
Key Findings

- Boys’ Boarding Schools - Collectively, seven boys’ boarding schools raised the largest income between 2014 and 2016: £50m (29% of the total raised by schools participating in this survey).

- Co-ed independent schools - Co-ed Independent Schools make up half the responses in this survey (91 out of 181 schools), but between them, they attracted 60% of all school donors (44,775 out of the 75,638 donors attended co-ed independent schools).

- Schools founded before 1600 (35% of the schools taking part) received 53% of the total philanthropic income reported.

- Schools founded in the 1900s (13% of the schools taking part - 8 schools) received 5% of the total philanthropic income reported.

- Schools in the London, South East and South Central IDPE regions accounted for 58% of the total philanthropic income reported.

- Schools in Scotland reported the fourth largest amount of philanthropic income, accounting for 9.5% of the total philanthropic income reported.

The average annual philanthropic income received per school ranged from £151,250 in the West Midlands to £1,608,214 in London. The average annual philanthropic income per school within the IDPE regions is shown:

<table>
<thead>
<tr>
<th>Region</th>
<th>Schools participated</th>
<th>Annual Philanthropic Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scotland</td>
<td>16</td>
<td>£507,999</td>
</tr>
<tr>
<td>North East</td>
<td>8</td>
<td>£317,649</td>
</tr>
<tr>
<td>North West</td>
<td>12</td>
<td>£350,712</td>
</tr>
<tr>
<td>East</td>
<td>19</td>
<td>£367,769</td>
</tr>
<tr>
<td>West Midlands</td>
<td>10</td>
<td>£151,250</td>
</tr>
<tr>
<td>Thames</td>
<td>10</td>
<td>£295,033</td>
</tr>
<tr>
<td>London</td>
<td>14</td>
<td>£1,608,214</td>
</tr>
<tr>
<td>Surrey</td>
<td>10</td>
<td>£486,283</td>
</tr>
<tr>
<td>South Central</td>
<td>14</td>
<td>£1,060,053</td>
</tr>
<tr>
<td>South East</td>
<td>10</td>
<td>£1,354,727</td>
</tr>
<tr>
<td>South West</td>
<td>13</td>
<td>£328,011</td>
</tr>
<tr>
<td>Not a member</td>
<td>2</td>
<td>£162,796</td>
</tr>
</tbody>
</table>
Fundraising requires leadership involvement

Summary
- The best way for leadership to support fundraising is to be visible, to promote and guide the school’s strategy, and be involved in asking key prospects.
- Asking is not just the responsibility of the development professionals. In schools raising more than £500k, the Head is actively involved in meeting prospects. Schools with smaller fundraising boards - fewer than 10 people - raise more than not only those without, but also those with more than 10 members.
- Performance of the Development Office appears to be linked to the status of the Senior Development Professional within a school. Of those offices raising more than £500k per year, 73% of Development Directors are members of the Senior Leadership team and attract a salary of more than £50k.
- Top 5 ways that Heads support Development Offices:
  - Writing thank-you letters to donors
  - Calling donors to thank them
  - Writing ask letters to prospects
  - Writing congratulatory letters to alumni
  - Hosting/attending small dinners with prospects

The data appears to indicate that even a modest increase in time spent on fundraising by the Head can deliver a significant uplift. The data shows that in a school where the Head spends 5-10% of their time on fundraising, the average gift received more than doubles to £3,860, compared with £1,518 where time spent on fundraising is less than 5%. A similar step-change is seen in schools where Heads spend 20-25% of their time on fundraising, with an increased average gift of £5,532 received in these schools.

We asked schools how much time they thought their Head devoted to development. 136 schools who reported philanthropic income responded to this question and nearly 70% of these schools reported that their Head spends less than 10% of their time on development, with just under 6% spending more than 25%. This distribution is the same regardless of the age of the Development Office and how much was raised.

When asked how involved the Head was in development, 42% responded with the answer “Very Involved” and 29% with “Involved”. The percentage for “Very Involved” increases to 53% for schools raising more than £500k (36 schools) and to 91% for schools that have had a Development Office for more than 16 years (22 schools).

So, if Heads have a limited amount of time to devote to development, how can they ensure that time spent on development is effective? The responses from all schools on the types of activities Heads undertook to support Development Offices vary considerably when compared with the responses from those schools raising more than £500k, as can be seen below.

Top 5 ways that Heads support Development Offices:

Based on responses from all schools
- Writing thank-you letters to donors
- Calling donors to thank them
- Writing ask letters to prospects
- Writing congratulatory letters to alumni
- Hosting/attending small dinners with prospects

Based on responses from schools raising £500k+
- Promoting the school’s vision and strategy
- Writing thank-you letters to donors
- Attending alumni reunion events
- Deciding on projects to prioritise for support
- One-to-one meetings with prospects

In schools raising more than £500k, Heads prioritise promoting the school, explaining the school’s vision and the importance of philanthropy in making this vision a reality! As with those schools raising less than £500k, Heads continue to recognise the importance of thanking donors (the second most common activity listed), but their priority is on inspiring others to engage with and support the school.
Alumni and parents value personal interaction with the Head, therefore being visible and prioritising engagement with alumni and parents was likewise noted as important. Of course, these occasions also provide opportunities for the Head to share how alumni and parents can support the school.

Likewise, the Head leading one-to-one meetings with major prospects (not just alumni) is vital for development success. Many wealthy philanthropists wish to interact with the equivalent of the CEO, as they would when carrying out any other significant business transaction. This doesn’t mean that the whole cultivation and solicitation process has to be managed by the Head, but there is an expectation they will be involved.

Senior Development Professionals were also asked what further support they would like to see from their Head. This time, the top three answers were not that different across all schools:

- Hosting/attending small dinners with influential alumni/prospects
- Training/coaching senior leadership in asking
- Direct asking/closing gifts

Alongside the Head, 38% of schools reported that the Chair of Governors was “Involved” or “Very Involved”. This figure was 30% for the Chair of Trustees and only 15% for the Governing Body as a whole. Like the Head, these senior leaders bring gravitas to development and their support can be used to offset some of the Head’s time.

Leadership Briefing
Fundraising requires leadership involvement

The development profession appreciates leadership involvement in development activities. However, many requested that you undertake more direct asking, and would also value the chance to “show you off” to potential prospects. The more senior, wealthier prospects will expect to be engaged by the Head - CEO meeting CEO, so to speak - and expect the Head to make the ask. You do not have to manage the whole relationship yourself - your Development Director should stage-manage the relationship - but an ask from the Head demonstrates the strategic importance of philanthropy within the school. Your condition to the Development Director should be that you expect the prospect to say “yes” when you ask, which means that they navigate the relationship and then engage you when the time is right.
An important way for leadership to engage with fundraising is to make the ask. Not only does this create greater visibility of the leadership team within the wider schools’ community, but it also increases the number of prospects that can be engaged by the school without significantly increasing the development budget. Chart A highlights who, other than members of the Development Office, also asks for donations.

<table>
<thead>
<tr>
<th>Role</th>
<th>Number of Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head</td>
<td>33</td>
</tr>
<tr>
<td>Fundraising board members</td>
<td>14</td>
</tr>
<tr>
<td>Other staff</td>
<td>8</td>
</tr>
<tr>
<td>Parents</td>
<td>6</td>
</tr>
<tr>
<td>Consultants</td>
<td>4</td>
</tr>
<tr>
<td>Bursar</td>
<td>4</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
</tr>
<tr>
<td>Pupils</td>
<td>2</td>
</tr>
</tbody>
</table>

Chart A: Who other than the Senior Development Professionals asks for donations? (by number of schools)

A Fundraising Board can be effective when you bring together highly-networked individuals who themselves support the school financially, but who are also willing to encourage their contacts to contribute. Ideally, the Board remit should focus purely on facilitating donations so as to require minimal support from the Senior Development Professional (and ensure they do not become too distracted from their own brief).

Smaller Fundraising Boards seem to have the greatest success: schools with a Board of fewer than 5 members report an average annual philanthropic income of £820k, and those schools with boards of between 5 and 10 members raise £915k annually. Those with more than 10 members raised a similar amount as schools with no Board (£523k and £512k respectively) suggesting the time taken to facilitate a larger Fundraising Board may detract development staff from fundraising themselves.

Leadership Briefing
Fundraising requires leadership involvement

Consider whether a Fundraising Board might make a substantial difference to your fundraising programme. Populate your Fundraising Board with some of your well-connected prospects who demonstrate an affinity to your school and can eloquently talk about your case for support. Managed well, with clarity of roles and terms of reference, you could increase your fundraising power significantly!
The importance of being on the senior leadership team

The best way for a school to fully understand the intricacies of development is to bring the Senior Development Professional onto the senior leadership team. This provides the opportunity for the Senior Development Professional to coach and advise the school leadership as needed and increase the understanding of fundraising across the school. This is demonstrated by the fact that of the 36 schools that have raised more than £500k on average per year, in 26 of these schools the Senior Development Professional is on the senior leadership team (72%). Of the schools raising less than £500k, only 37% have a Senior Development Professional on their senior leadership team.

In the majority of schools - 65% - the Senior Development Professional reports to the Head (see Chart B). However, in 14% of schools, they report to the Bursar, and in 9%, to the Director of External Relations or equivalent. In schools raising more than £1m on average per year, all Senior Development Professionals report to either the Head or one of the Chairs at the school.

Another way to assess the impact of the Senior Development Professional is to review their salaries against philanthropic income. 140 Senior Development Professionals provided their salary band as part of their response to the survey. Chart C compares their salaries against the average annual philanthropic income of their school, and shows that in those schools raising more, the Senior Development Professional is paid more.

Chart C: Average annual philanthropic income related to the salary level of the Senior Development Professional.

Leadership Briefing

Fundraising requires leadership involvement

The status of your Senior Development Professional within the school hierarchy is a reflection of how development is perceived by the school. This is an important factor, which major donors do take into account when assessing their level of support. If the school does not appear to consider fundraising as an important, core activity, why should the donor?
Sustained investment produces returns over 3-5 year period

Summary

- There is a clear correlation between increased Development Office expenditure as the Development Office matures and increased philanthropic income.
- On average, 65% of all Development Office expenditure is on staff.
- Based on received philanthropic income alone, those schools fundraising for less than one year are already showing a positive return on investment (ROI) of 0.4. The most successful schools have an ROI of between 3 and 6.

Starting out in development and the impact of the maturity of the Development Office on philanthropic income

Starting up a fundraising operation can appear slow, costly, and, perhaps at times, frustrating. It takes time, staff, and resources to build a development operation: a team, a database, a pool of prospects, as well as developing a case for support, and engaging and interacting with supporters. What can a school expect to see within a few years of establishing a development function?

In this survey, we heard from 34 schools which have embarked on fundraising in the past three years - seven of them within the last year. Charts D and E illustrate how these schools have used the first few years to build their donor base. The schools that have been fundraising for less than a year have very much concentrated on recruiting donors - they have managed to get close to twice the number of donors than those schools who have been fundraising for 1-3 years. In terms of average philanthropic income per year, the reverse is true as this nearly doubles in size from an average of £76k to £130k for these two groups. The average gift size for those schools who have been fundraising for less than a year starts at £346 and increases to £1,171 for the group of schools in years 1-3. In the early years, schools appear to focus on donor recruitment, so average donations are lower initially but by building a pool of supporters at a lower level, they are able to demonstrate support for their case for support and measure the inclination to give. Schools need to be careful to ensure these early donors are stewarded well over the next few years. As budgets are tight and schools concentrate on recruiting the next set of donors, stewardship can often be overlooked early on.
4-10 years

In schools with Development Offices that are between 4-6 years old, the results from 23 schools show that although the number of donors has only increased slightly from those schools with Development Offices of 1-3 years old, the philanthropic income received has nearly doubled again to £252k. The average gift size has also increased slightly to £1,872. These schools have been able to build on their initial fundraising success to establish a donor base, and one that is capable of giving more. This is typically due to the following types of behaviour:

- **People follow success:** As soon as a school is able to demonstrate philanthropic support and success, other members of the school community will follow and make a donation. So, although some existing donors may not give again (or not immediately), a school is able to bring on board new donors to replace them.

- **People will give again:** Not everyone, but those who are able to, and are stewarded well, will typically give again and increase their level of giving when asked.

- **Major gifts start to materialise:** Once major prospects have been identified, it typically takes around two years of working with them before an ask at the expected level is made. Prospects who were identified during the early stages of development are therefore more likely to make their donation during this period. The same is true for receiving support from Trusts and Foundations who typically like to support projects once support from others can be demonstrated.

There are 28 schools who have had a Development Office for 7-10 years, and these appear to be hitting their stride. They are now able to expand their donor pool by returning to previous supporters and encouraging them to give regularly. This is reflected in the number of donors having doubled in this group to just under 242 with an average annual philanthropic income just shy of £1m at £857k. The average gift has also increased to an impressive £3,541.

Over 10 years

Once we get to Development Offices who have been operational for more than 10 years, we see a range of results. With Development Offices that have been established for between 11-15 years, the results from 31 schools show the average number of donors increases significantly to 484, but philanthropic income drops to just under £600k. The high number of donors is slightly skewed by the results from one school, but removing this school from the results also significantly drops the average philanthropic income for this group, therefore we will continue to include them.

The increase in the number of donors and the drop in philanthropic income can partly be explained by the type of activities schools are concentrating on. Some schools with Development Offices that have been established for 11-15 years, have a high number of donors and a much lower average gift amount of £1,199 - back to the levels seen in years 1-3 - which suggests they are concentrating their activity on increasing the participation of alumni and parents giving.

Drives to increase participation are useful to reaffirm the importance of giving and raise awareness of the school’s case for support. Often this kind of activity is used at the end of a campaign or appeal in order to achieve the intended target. Such activity also allows Development Offices to identify future prospects based on the additional data they may obtain as a result. This is useful if the major gift prospect pool requires a refresh.

The average results obtained from the 22 schools that have had a Development Office for over 16 years are perhaps more typical of an established fundraising operation. The average number of donors for offices aged 16 to 20 decreases to 345, however, philanthropic income increases to £894k for 14 of these schools and reaches £2.7m from an average of 521 donors for the eight schools which have Development Offices that have been established for more than 20 years. Whilst this final figure is slightly skewed by one school, taking this school out of the results still produces an impressive average figure of £1.4m.
Development Office expenditure

Reviewing the average annual expenditure of Development Offices over the past two years in Chart F, two things are immediately apparent:

- The split between staff and non-staff costs for offices of all ages is always very close to the average of 65% staff/35% non-staff.
- As philanthropic income increases (as shown in Chart E - p16), so does the level of expenditure.

We can test the second theory statistically, by plotting the average annual expenditure figures against reported average philanthropic income, by age of Development Office and then adding a line of best fit as illustrated in Chart G.

Chart F: Average annual Development Office staff costs and non-staff costs per school by age of the office

Chart G: Correlation between average philanthropic income and average annual expenditure by age of Development Office per school.

R-squared

Also known as the coefficient of determination, the R-squared calculation tells us how strong a correlation is between two sets of values, i.e., whether one value has an effect on the other. It is said that the closer the value is to 1, the stronger the correlation is. That is because a value of 1 means that 100% of all the data points fall onto the regression line (also known as the line of best fit). For more information, please visit: http://www.statisticshowto.com/what-is-a-coefficient-of-determination/

The line of best fit shows a very strong correlation between expenditure and income raised over time: as expenditure and age of the Development Office increases, so too does the average annual philanthropic income. Therefore, the maturity of a Development Office impacts on income raised and expenditure must be managed carefully and used strategically to develop a school’s fundraising activities. Just giving a Development Office more money will not raise more money in itself. The next chapter (see p20) details the activities undertaken by Development Offices that have the most impact.
We have already shown that philanthropic income is linked to expenditure and time, and that the biggest expenditure item is staff costs. This is reflected in the higher staff numbers shown in chart G. Successful fundraising teams are often asked to replicate and increase their fundraising performance year-on-year with no additional resource. The use of data and business intelligence activity can greatly assist decision-making around the need for additional staff in terms of both number and timing.

Return on investment based on the age of the Development Office

Combining expenditure and income to calculate a Development Office’s return on investment by its age is shown in Chart H. Knowing that there is a correlation between the level of expenditure and philanthropic income, it is not surprising to see that ROI follows a similar pattern to that discussed when we looked at philanthropic income.

![Chart H: Return on investment by age of Development Office.](chart.png)

Return on Investment (ROI)

It is encouraging that the offices which have been in existence for less than one year are already returning a positive ROI of 0.42. In previous reports, new offices have been known to ‘lose’ money as their focus has been very much around gathering data and starting engagement.

ROI then more than doubles to 1.01 for offices aged 1-3 years and doubles again for schools aged 4-6 years (2.04). Although, ROI makes another impressive leap to 3.62 for those offices that have been established for 7-10 years. For those schools which have had a Development Office for over 10 years, the ROI decreases to 1.97, before reaching 3.14 and finally 6.21.

What else could be affecting fundraising results when a school has been operating a Development Office for more than ten years? The subsequent sections of this report aim to answer this question by exploring the huge number of variables which impact on schools’ development.

![ROI is a measure of the efficiency of an investment. The formula used to calculate ROI is:](formula.png)

Leadership Briefing

Sustained investment produces returns over 3-5 year period

We have already shown that philanthropic income is linked to expenditure and time, and that the biggest expenditure item is staff costs. This is reflected in the higher staff numbers shown in chart G. Successful fundraising teams are often asked to replicate and increase their fundraising performance year-on-year with no additional resource. The use of data and business intelligence activity can greatly assist decision-making around the need for additional staff in terms of both number and timing.

The database is not simply a repository for contact and donation information. Used to its full capacity, it can drive evidence-based decisions around staffing and available resources which will have the greatest impact on your ability to raise more, more quickly and sustainably.
Fundraising requires focused attention and dedicated staff

**Summary**

- Schools with an average annual philanthropic income of more than £1m devote twice the amount of time to fundraising activities than those raising between £100k and £1m.
- There are many similarities between schools raising £100k - £500k and those raising between £500k and £1m, including the total amount of time spent fundraising. However, within that time, the higher income group devotes twice as much time to major gift fundraising and half the time to regular giving activities.
- In younger Development Offices, the majority of time is spent on alumni relations and other engagement activities to develop and establish relationships with potential donors. As the office matures, time spent on fundraising grows to match that spent on alumni relations. However, the importance of consistent engagement and relationship-building should not be overlooked as fundraising activity grows.

Although fundraising essentially involves one person asking another for money for a particular cause, there are a number of ways this can be done. It is not possible to adopt a one size fits all approach in fundraising. People react differently to different asks, therefore having an understanding which approach will be most effective for the different groups within your school community is invaluable to a fundraiser. To build this understanding, the fundraiser needs to get to know their audience of potential supporters, to make decisions based on experience, intuition and data, and then review the responses to assess what works and what does not. This is one of the reasons why fundraising often takes time to demonstrate significant returns, as shown in Section b.

In this section, we review the survey results to see how Development Office activity differs by age of the office, by philanthropic income raised/return on investment, and team size. We hope this will allow all development professionals to focus on the activities that demonstrably work dependent upon where their school is at on its development journey.

**Time spent on activities by age of Development Office**

Before we look at how staff in Development Offices spend their time, we should review how many staff they have. This is measured as Full Time Equivalents (FTE) employees - (the fraction of employees working a 35 hour week, so an employee working 20 hours per week is represented as 0.57 FTE. This data shows that Development Offices on average start with teams of around 1FTE and move up to an average of 3FTE by the time they are over 10 years old. Those offices which have been operating for more than 20 years have an average of 4.6FTE members of staff.

The survey then asked schools to break down, over a year, the percentage of total FTE time spent on the following areas:

- **Major gift and legacy fundraising (including prospect cultivation)**
- **Regular giving/annual fund fundraising**
- **Alumni relations (including communications, events)**
- **Database, prospect research, and gift administration**
- **Development Office management and administration**
- **Other Development Office activities**
- **Other school activities**

Obviously, the actual amount of time spent on these activities increases with the size of the team. Chart I shows what happens if we consider the Development Offices with the most FTEs to represent 100%, and we scale the other offices with fewer FTEs accordingly. In other words, a Development Office operating for less than one year has 17% of the time available compared with a Development Office in operation for more than 20 years, a Development Office aged between one and three years has 30% of the time available compared to a Development Office aged 20 years or more, etc (see Chart I). This method allows us to compare like for like by highlighting how much more resource the more established offices have compared to those new to development.
Leadership Briefing

Fundraising requires focused attention and dedicated staff

It is tempting to either increase the remit of the Development Office to include activities beyond alumni relations and fundraising or merge them into wider External Relations functions, particularly when the types of activity can reasonably be viewed as similar in nature. This is a pattern still followed by many schools. However, understanding the actual amount of time available for front-line fundraising should always be considered when assessing the ability to achieve fundraising goals, as can be seen when comparing results with other schools. Providing Development Offices with more time to concentrate on meeting prospects and building relationships should not be underestimated. The data suggests it takes 10 years before Senior Development Professionals can spend 20% of their time on fundraising.
Time spent on activities by philanthropic income raised

So far, we’ve compared results against the age of a Development Office. However, to gain a greater understanding of the kind of activities that Senior Development Professionals should concentrate on to build an effective team, we should also compare these results against philanthropic income received. To do so, we have divided Development Offices into six groups based on their reported average annual philanthropic income. Their common characteristics can be seen in Chart J.

- **Expenditure of offices raising £100k - £499k and £500k - £999k.** The average expenditure figure only increases by £25k between these two groups, and the number of FTEs is pretty much the same, but the income results vary considerably.

- **Average age of offices raising more than £1m.** The average age of Development Offices raising more than £1m is 11-15 years, which highlights that offices do not necessarily need to have been operating for more than 20 years to obtain impressive results.

- **Raising more than £5m+**. Only three schools fall into this category, but their average expenditure is 2.5 times greater than the income bracket below them.

<table>
<thead>
<tr>
<th>Average Annual Philanthropic Income</th>
<th>Number in group</th>
<th>Average age of Development Office</th>
<th>Average annual expenditure (£)</th>
<th>Average number of FTEs</th>
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</thead>
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<tr>
<td>&lt; £10k</td>
<td>10</td>
<td>1-3</td>
<td>42,921</td>
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</tr>
<tr>
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<td>4-6</td>
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<td>7-10</td>
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<td>2.4</td>
</tr>
<tr>
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<td>7-10</td>
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</tr>
<tr>
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<td>22</td>
<td>11-15</td>
<td>255,285</td>
<td>4.6</td>
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<tr>
<td>£5m+</td>
<td>3</td>
<td>11-15</td>
<td>619,827</td>
<td>6.4</td>
</tr>
</tbody>
</table>

*Chart J: Characteristics of Development Offices based on average annual philanthropic income levels*
Plotting the time allocation of the different Development Office activities against average philanthropic income, and taking into account the number of staff available (displayed in Chart K as percentage of time available compared to the office with the most time available, £5m+), provides some interesting observations.

![Chart K: Distribution of a Development Office’s time against Average annual philanthropic income received.](image)

This chart takes into account the number of staff and thus total time available to each office compared to the office with most time available (philanthropic income £5m+ = 100%).

- **Where expenditure is similar, for schools raising between £100k - £499k and £500k - £999k, the time analysis clearly shows that the schools raising more focus more of their time on major gift fundraising rather than regular giving/annual fund activities. They are therefore raising more income per pound spent.**

- **For those schools raising less than £100k, a very small fraction of their time is spent on fundraising compared to schools with more established Development Offices (between 1%-5% compared to offices with the most staff).**

- **The schools raising between £1m - £4.9m have devoted twice as much time to fundraising compared to schools raising £500k - £999k, with a slight bias towards spend in major gifts fundraising.**

- **The three schools raising more than £5m have only invested slightly more time on fundraising but, importantly, 80% of that time is on major gift fundraising.**
Time spent on alumni relations is pretty consistent at around 10% for all schools raising up to £1m. After that, we see a stark contrast with the next bracket of £1m - £4.9m spending 21% of their time on this, while those raising £5m+ are only spending 5% of their time on this.

Those schools who are more focused on major gift fundraising are also spending an increased amount of time on other Development Office activities, though it is unclear why this would be.

The schools raising more than £5m are also spending nearly half their time on database-related tasks and office management/administration. This is a much larger fraction than any of the other schools’ Development Offices and is explored further later in the report (see p28).

The question then arises whether schools should focus more on major gift fundraising? To answer that question, the average annual philanthropic income has been calculated and compared against the activity that schools have stated they spend the most amount of time on. The results are shown in Chart L and demonstrate that those who spend the majority of their time on major gift fundraising raise 3 times more than those spending an equal amount of time on major gift and regular giving activities. In those schools where major gift fundraising is not the main focus of the Development Office, the income drops even further.

Leadership Briefing

Fundraising requires focused attention and dedicated staff

There are advantages to both regular giving and major gift fundraising, but the data suggests that spending more time on major gift fundraising delivers greater philanthropic income. Chart G highlights that, on average, schools with a philanthropic income of between £100k - £499k are very similar in age and staff size to those raising between £500k - £999k. The key difference between the two types of school is a greater focus on major gifts, as opposed to regular giving, alongside a modest uplift in budget.
Major gift fundraising step-changes performance but takes time

Summary

- Schools reported that the two largest gifts received per year account for between 40 - 60% of their total annual philanthropic income. A failure to secure these major gifts regularly not only has a negative impact on overall fundraising performance, but as a result limits the ability to deliver projects reliant on philanthropic support and affects the perception of the Development Office. However, those schools raising more than £5m reported that the top two gifts only accounted for 26% of their total annual philanthropic income, which both minimises risk and demonstrates their greater fundraising power, as discussed earlier in this section.

- Schools with an average annual philanthropic income of more than £5m spend four times the amount of time on database management and prospect research, resulting in less (but more focused) time spent on major gift fundraising.

- Moves management systems (see glossary) which help fundraisers to manage relationships with prospects and potential donations, are increasingly used by those schools raising the most.

Major gifts can be transformative to a school’s work and, of course, to its fundraising results. According to the results of the survey, the average minimum value a gift needs to be for a school to consider it to be classed as “major” is £10,721, though £5k was the most popular answer.

The threshold for what might be considered a major donation can be a surprisingly polemic subject, and one where a range of factors should be considered before deciding on hard and fast values. However, it is fair to say that major donations often tend to be much larger than this minimum value and can have a significant impact on a year’s fundraising totals. The problem is that virtually no large donations just suddenly arrive in the post, with the occasional exceptions of a legacy gift. Donors capable of making such donations need to be personally engaged and the case for support discussed alongside their own philanthropic priorities to find points of commonality in cause and interest. Major gift fundraising is a combination of trust and timing for both leadership and fundraisers. For leadership, it is trust in their fundraiser that this time-intensive process is being correctly handled and that they will be involved at the appropriate point. For fundraisers, it is deciding upon the timing of the ask to ensure a considered but positive response to the amount requested.

Through both parties asking the right questions, greater trust and confidence in timing can be developed. But can major gifts be turned into a relatively forecastable income stream? We asked schools to report on the two largest gifts they received so that we can analyse their impact. 134 out of the 138 schools who reported on fundraising results completed this section.

Impact of the biggest gifts

It comes as no surprise that the two largest gifts received by a Development Office have a significant impact on the total income raised. As Development Offices mature and raise more, the value of the top two gifts increases. The average annual values of these two gifts are £200k after 4-6 years, and £400k after 11-15 years. Those Development Offices aged 7-10 years, 16-20 years, and over 20 years secured larger gifts, totalling on average, £600k, £800k and £1.8m respectively.

Comparing the results to review the value of the two largest gifts against totals raised shows that as more income is received, the relative impact of the top two gifts diminishes (down from 60% of the total income received to 25% - see Chart M). In other words, there are many more gifts similar in size to the two largest gifts.

![Chart M: Impact of the two largest gifts as a % of average annual philanthropic income band by income group.](image)
Leadership Briefing

Major gift fundraising step-changes performance but takes time

Major gift income can be volatile and it can be difficult to accurately forecast when the income will be received. The power of one major gift being received has the potential to skew fundraising results and, consequently, perceptions of development programmes. This is where Development Directors and leadership need to show steely resolve without the donor feeling pressurised. A donor may not be able to give in time to meet your financial year-end deadline, but that doesn’t make the gift any less welcome. It is imperative that fundraisers demonstrate considered solicitation strategies and timelines, which are shared with leadership who may well be required in closing the gift.

Whilst receiving large donations can appear to be unexpected on paper, in reality, they tend to materialise because the fundraiser has cultivated a prospect over a period of time. If truly a surprise, then it is entirely possible that the donor may give significantly more if properly engaged.

Finding the right prospects and the time to cultivate them can be challenging for a single fundraiser, particularly in smaller teams with broad remits. Increasing the number of fundraisers, therefore, provides more opportunity for prospect engagement and even staggered prospect engagement, to ensure some gifts can close within a certain period thus developing a more robust and measurable pipeline of major gifts.

You need to be confident that you have access to prospects who have the financial capacity to make a major donation. Once you have this, the evidence provided here illustrates that sustained investment in fundraising reduces the reliance on a small number of larger gifts, the lack of which can potentially halve overall annual funds raised. Additional frontline resource can also mitigate the challenge posed by staff turnover leaving prospective donors unmanaged for periods, which can be detrimental to long-term relationship building.
Future secured income

Many major gifts are fulfilled by donors over a defined period of time in instalments, with the total cumulative value recorded as a pledge to the school. Scheduling such payments can provide incredibly useful data on future income and assist longer-term planning. This can be managed by the fundraiser sending out prompts to the donor when the next instalment is due. Or, if the amounts are smaller or more frequent, this can be done by setting up a Direct Debit or standing order and again recording the cumulative value of the agreed instalments.

Chart N shows the average amount expected by schools between 2016/17 and 2019/20 from pledges and regular gifts. As with income already received, there, too, is a steady increase in future income across the groups. This future predicted income equates to an average school having already secured 42% of its current annual philanthropic income value per year for the next four years. This again can highlight how fundraisers have spent their time, with the schools in the £500k-£999k and £1m - £4.9m bands concentrating more on securing immediate income rather than future income.

Building a prospect pool

Knowing which prospects to include in the major gifts fundraising process is critical, to ensure that resources are effectively directed for maximum likely return. Alumni relations, individual giving programmes, and prospect research can, therefore, play a vital role in helping fundraisers identify who will be worth including:

- We have already seen how alumni relations expenditure increases by age of Development Office, but in percentage terms, it decreases compared to the level of philanthropic income received. Alumni relations activities should be made attractive to potential prospects so as to provide fundraisers with a chance to meet them face-to-face and gain valuable insight. According to the survey, 84% of schools who have identified prospects have done so through accessing institutional knowledge, and 75% of schools through personal interactions.

- Individual Giving Programmes allow fundraisers to see who is responsive to appeals, gain additional information about donors, analyse giving patterns and identify potential major gift prospects.

- Prospect Research is vital in major gift fundraising, since the results of this work provide recommendations on the most effective use of fundraisers’ time. By reviewing publicly available information about organisations and individuals on your database, a fundraiser is able to devote their time to those with the greatest capacity and inclination to give. Prospect research is also necessary to ensure your school undertakes appropriate levels of due diligence when soliciting or accepting donations. Understanding the sources of income for the gift you wish to ask for or accept, along with understanding any broader reputational risks, will ensure your school is protected from adverse publicity and its many consequences. 78% of schools have used a variety of research methods to help identify prospects.

By reviewing the data supplied by schools raising more than £500k per year, and in particular, those raising more than £5m a year, it can be seen that the latter group spends 20% of their time on database and prospect research activities, as compared to 5% of the first group. As a result, the major gift fundraising percentage of overall expenditure for those raising £5m+ was 10%, while for those raising between £500k, and £5m it was 20%.
Although the overall expenditure for major gift fundraising does increase in line with the overall budget, these figures suggest that major gift fundraising spending was more focused because of an increase in database and prospect research activities.

**Moves Management System**

Increased spend on database and prospect research can also lead to the use of a ‘Prospect Moves Management System’, a system that allows fundraisers to prioritise prospects and monitor which stage of a relationship a prospect is at. Future actions can be scheduled to allow the value and timing of large gifts to be estimated. This helps with financial forecasting as well as ensuring that the correct prospects are given attention at the right time. Chart O shows that the percentage of schools with a Moves Management System increases steadily with philanthropic income. Once schools raise more than £1m per year, 50% of them have a moves management system, increasing to 66% once they raise more than £5m. This also means that those schools raising more than £1m per year without a moves management system may not be managing prospect relationships as effectively as possible, and there is a greater risk of losing prospects in the event of staff turnover.

Leadership Briefing

**Fundraising requires focused attention and dedicated staff**

Managing a database is not just about data entry and creating mailing lists. Actively using the database to analyse information such as patterns of giving and involvement with the school helps to make fundraising more successful and strategic. Utilising prospect research to find out a little bit more about those who may be able to support (so that you have a better idea of how much to ask for) will also help. Databases should also be able to report on more than just income received - reporting on prospect activity is key to ensuring that any risks to your major gift fundraising can be identified, understood, and dealt with appropriately, and that you can measure more effectively the impact of your work.

Knowing a few wealthy people will allow you to fundraise. Knowing the potential giving capacity of the people who have an association with your school will enable you to plan for the future. Increasing your school’s capacity to hold meetings with prospects, engaging with them, and determining their desire to give will enable you to raise more philanthropic income from new donors. Likewise, by ensuring you steward existing donors well, they are more likely to give again and again. Greater asking capacity reduces your reliance on securing one major gift to achieve your annual or other goals and provides some protection from staff turnover.
Strong alumni relations programmes support fundraising

**Summary**

- Those schools raising £1m or more are much better resourced to engage their alumni and other audiences than those raising less than £1m. Those schools raising larger sums have, on average, between 3,200 and 6,500 alumni per 1 FTE working in alumni relations. In schools raising less than £1m, there are between 12,000 and 18,500 alumni per 1 FTE.
- Half the schools have volunteer programmes for alumni and parents to provide the community with the chance to give their time, as well as money.
- The majority of event attendees tend to be alumni and parents, though some schools are active in attracting wider audiences. However, those with an average annual philanthropic income of more than £5m have almost exclusively concentrated on alumni and parents, showing very targeted activity.

Good alumni relations practices can ignite the passion that alumni have for their school and encourage them to get involved. Whether that involvement is demonstrated by attending events, volunteering, becoming an ambassador for the school, and/or donating, it is this life-long connection between school and alumni that can really measure the success of a school.

Engaging alumni can lead to greater fundraising success - alumni are much more likely to say “yes” to meet with a fundraiser or to be called in a telephone campaign if they already have an existing relationship with your school. Alumni relations activities allow fundraisers a chance to meet and better understand potential supporters, their interests and their propensity to give. Alumni publications allow a Development Office to explain the importance of fundraising and demonstrate the successes of past appeals - both are of help to ensure alumni are well informed before an ask is made.

Schools are also spending more time engaging with groups beyond their alumni. Current and former parents, current students, staff, and the local community are increasingly becoming more important to schools for fundraising and to help deliver other objectives.

**Alumni relations expenditure**

Chart P clearly shows that alumni relations expenditure increases as a Development Office matures (from £16k up to £87k), which is consistent with the time spent on alumni relations, as seen in Chart I (p21). However, compared with philanthropic income, the percentage spend on alumni relations decreases rapidly the more that is raised (from 22% down to 3.2%) - the R-squared value is 0.8, so there is a correlation. This connection between increased spend and increased fundraising results certainly suggests that time and money spent on alumni relations should not be reduced as fundraising becomes more successful. Compared to the income generated from fundraising over time, the expenditure is minimal.

![Alumni relations expenditure chart](image-url)

**Chart P: Alumni relations expenditure** in real terms and in relation to philanthropic income.
Alumni associations

The alumni relations activities of some schools are managed separately from the Development Office, either by design or in some cases simply because an alumni association pre-dated the Development Office being established. Of these schools, 17 have a separate alumni association and four have a separate department within the school with this responsibility. These tend to be co-ed independent schools, but include four boys’ boarding schools.

Although separate alumni associations and departments have the benefit of allowing the Development Office to focus on fundraising, it is generally considered preferable for the Development Office to manage both, as this allows them to ensure that the alumni relations strategy aligns with the needs of the school and has a positive impact on fundraising.

Alumni relations activities

Alumni Relations programmes can involve a wide range of activities. The results from the survey illustrate which activities schools undertake most and if there is any correlation with fundraising success.

Events

The survey results showed that Development Offices organise 60% of all alumni events, with alumni associations organising 30%, and the remaining 10% organised by other areas of the school. These events are vital for fundraising - they bring potential prospects back to the school or position them in front of senior leadership. This allows the school to impress and inspire alumni with their plans. Events allow the development team to include donors as part of their stewardship activities and to help identify future prospects. It is, therefore, vital that Development Offices have an input and presence at alumni events.

<table>
<thead>
<tr>
<th>Average Annual Philanthropic Income</th>
<th>No. of Schools</th>
<th>Average number of events per school</th>
<th>Alumni</th>
<th>Current Parents</th>
<th>Former Parents</th>
<th>Staff</th>
<th>Former Staff</th>
<th>Current Pupils</th>
<th>Local Community</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; £10k</td>
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<td>176</td>
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<td>8</td>
<td>6</td>
<td>12</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

Chart Q: The number of events held and average number of attendees compared to average philanthropic income.

Chart Q shows that four of the groups of schools run more than 19 events per year, with those raising between £1m - £4.9m running 29 events on average. Events run by schools raising between £500k - £999k and over £5m are bigger and have more attendees per year than the others.

There is certainly a focus on inviting alumni and current parents to events, but all schools invite a wide variety of attendees, including current pupils. The only exception is schools raising more than £5m, who almost exclusively concentrate on alumni and current parents.
Volunteers
Offering volunteering opportunities for alumni and parents is a fantastic way to involve key supporters further with your school or to involve those who at the moment cannot support financially but may do so in the future. Volunteering can take the form of career support for pupils, work experience, or expanding your range of event venues.

Around half the schools in the survey run such schemes: 76 schools that took part in the survey ask alumni and 71 ask parents to volunteer. However, only six schools demonstrate the contribution of volunteers through recording volunteer hours - between them they recorded a total of 2,765 hours of volunteer activity (460 hours on average per school).

Even if you are already running volunteer schemes with alumni and parents, you may want to consider recording the hours given by volunteering. Including this as part of your campaign total demonstrates that all support is truly appreciated, and shows the wider contribution development makes to the school. This works especially well where donors are reporting campaign fatigue on a financial level.

Publications
Publications are vital in alumni relations, and for many, are the only way to stay in touch with the school. They do not raise much as a fundraising tool, but do allow the communication of fundraising messages and can highlight the impact of donations on the school.

On average, schools send out three printed publications per year and 10 electronic communiques per year. Most printed publications are sent out annually, indicating that schools send out more than one type of publication. Electronic communiques are mainly sent out termly, again suggesting that schools have more than one electronic publication. 43% of Development Offices edit their own publications.

Social Media
Most schools are seeing a healthy following on the three main social media networks (averages: Facebook - 1,080; Twitter - 972; LinkedIn - 637). Use of LinkedIn, in particular, should be encouraged since it is very useful in helping to identify potential prospects - indeed, those schools who are raising £500k+ have 44% more connections or followers than those who raise less than £500k.

---

**Average Annual Philanthropic Income**

<table>
<thead>
<tr>
<th>Philanthropic Income</th>
<th>Number of schools with volunteer programmes for alumni</th>
<th>Number of schools with volunteer programmes for parents</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;£10k</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>£10k-£99k</td>
<td>19</td>
<td>15</td>
</tr>
<tr>
<td>£100k-£499k</td>
<td>26</td>
<td>27</td>
</tr>
<tr>
<td>£500k-£999k</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>£1m-£4.9m</td>
<td>14</td>
<td>9</td>
</tr>
<tr>
<td>£5m+</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Not fundraising</td>
<td>7</td>
<td>11</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>76</strong></td>
<td><strong>71</strong></td>
</tr>
</tbody>
</table>

Chart R: The number of schools running alumni and parent volunteer programmes by philanthropic income group.
Websites

Although the vast majority of schools do have alumni relations and fundraising websites as part of the school’s main website, for a third of schools, the alumni site is separate, including the 3 schools raising the most philanthropic income. Most schools reported that they updated their website on an ‘ad-hoc’ basis, rather than ‘daily’ or ‘weekly’, which were the second most common responses.

Some of the schools with low philanthropic income do not have websites, which is likely down to lack of resources but this does limit their opportunities to raise their fundraising profile. However, 11 of the schools who have not yet raised any income do have a fundraising website.

Leadership Briefing

Strong alumni relations programmes support fundraising

Consider your resources - if all-out fundraising is required, the alumni relations programme should be focused on engaging major prospects further. However, in-kind support from alumni (such as volunteering to give career support to pupils) could be more valuable in the short-term, and your programme should reflect this.

When considering potential events, look at the true cost of planning, execution, and follow-up, including staff time against the likely/planned outcomes, in order to make an informed decision. Many events are nice to have, but are they attracting the alumni and prospects that you should be engaging with?
Can all schools achieve fundraising success?

Summary
- Average gift levels vary by type of school, with boys’ schools showing particularly impressive results. However, most independent schools have an average annual philanthropic income of more than £1m, which again can be explained by the age and level of expenditure of their Development Office.
- All schools in the higher philanthropic income bands ask for donations in person. Schools in the £500k - £999k income band are highly selective in implementing fundraising methods, concentrating on those that have the highest impact (for example telephone campaigns).
- Most schools tend to have a focus on either capital projects or bursary/scholarship funding. For those schools raising the most, both of these projects are equally supported by their donors.

Fundraising successes by type of school
So far, we have largely interpreted results by age of the Development Office, but how do the results compare when considering the type of school fundraising? In this section, we present charts allowing you to compare your school’s results against similar types of school by average annual philanthropic income, age, and expenditure. By combining the results in these three areas, we can see how the age of a Development Office and expenditure affect philanthropic income, which helps inform why certain types of school are seeing lower results when compared with others.

Looking at the overall total in Chart T, it can be seen that the majority of schools (43%) fall into the £100k - £499k income group. Most types of school are also represented in the £500k - £999k bracket. Only three schools are in the £5m+ income group (two boys’ boarding schools and one co-ed day/boarding school).

Chart T: The number of schools per average annual philanthropic income band by types of school and the average annual philanthropic income per school (represented as the blue circle)
Breaking down the types of school by age of Development Office (see Chart U) again highlights that those schools which have been fundraising for longest are also those producing the higher average philanthropic income figures (boys' boarding and day/boarding schools). Likewise, those schools raising lower values (for example girls’ day schools) have been fundraising for a shorter time. We have already considered, that the more established Development Offices tend to raise more income, so looking at the age of a Development Office in conjunction with the type of school helps us to understand these results.

We also identified a link between the age of Development Offices and expenditure compared to average philanthropic income. Chart V, which breaks down the types of school into expenditure bands, highlights how varied the expenditure, and therefore budget, is across the different types of school. Although the average annual expenditure for all schools is £151k, the most common (mode) range of income is only £25k - £50k. Looking more closely, the parallels to philanthropic income can still be found here. For example, these figures highlight that boys’ boarding schools have the highest expenditure and girls’ day schools some of the lowest, mirroring the age of their Development Office and income raised. The variety of expenditure seen in co-ed schools also mirrors the breadth of ages and income levels in this type of school.

<table>
<thead>
<tr>
<th>Type of School</th>
<th>&lt;1</th>
<th>1-3</th>
<th>4-6</th>
<th>7-10</th>
<th>11-15</th>
<th>16-20</th>
<th>&gt;20</th>
<th>Total</th>
<th>Average age of Development Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free (inc City Technology Colleges)/Academy</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Grammar</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td></td>
<td>9</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Independent, Boarding, Boys</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td></td>
<td>13</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Independent, Boarding, Co-ed</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Independent, Day, Boys</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>8</td>
<td>1</td>
<td></td>
<td>13</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Independent, Day, Co-ed</td>
<td>2</td>
<td>5</td>
<td>7</td>
<td>8</td>
<td>8</td>
<td>2</td>
<td>2</td>
<td>34</td>
<td>9</td>
</tr>
<tr>
<td>Independent, Day, Girls</td>
<td>6</td>
<td>2</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>9</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Independent, Day/Boarding, Boys</td>
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<td></td>
<td>1</td>
<td>5</td>
<td>1</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>Independent, Day/Boarding, Co-ed</td>
<td>2</td>
<td>8</td>
<td>6</td>
<td>9</td>
<td>12</td>
<td>5</td>
<td>2</td>
<td>44</td>
<td>9</td>
</tr>
<tr>
<td>Independent, Day/Boarding, Girls</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
<td>6</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>27</td>
<td>23</td>
<td>28</td>
<td>31</td>
<td>14</td>
<td>8</td>
<td>138</td>
<td>9</td>
</tr>
</tbody>
</table>

Chart U: The number of types of school per Development Office age bracket and the average age (represented as the blue circle ⬜).
Though it seems boys’ and co-ed schools performed better, the results from the survey show that all types of school have success stories, including girls’ schools. Where philanthropic income is lower, the relative youth of the Development Office and the resources at its disposal appear to be the main contributing factors.

Leadership Briefing

Can all schools achieve fundraising success?

Though it seems boys’ and co-ed schools performed better, the results from the survey show that all types of school have success stories, including girls’ schools. Where philanthropic income is lower, the relative youth of the Development Office and the resources at its disposal appear to be the main contributing factors.
Successful fundraising activities

We have discussed the impact of major gift fundraising and alumni relations on philanthropic income, but what other fundraising activities can lead to success? Chart W lists a variety of methods, the percentage of schools who use these methods, and the primary type of individuals engaged in these methods.

Personal asks (major gift fundraising) and direct mail by post are the most popular activities with 87% and 84% respectively of the schools who fundraise using them to raise money. In third place is events, and in fourth is electronic mail.

A lot of the activities listed here can raise significant income, but they are unlikely to raise as much as personal asks to major prospects. However, these methods should not be dismissed as there are other benefits to them too:

- They raise awareness of fundraising at the school.
- The interactions and support shown can be used to identify potential prospects and their inclination to donate again.
- Asking for donations at any level can increase participation rates amongst the school community, which in turn encourages others to donate. Major donors, trusts, and foundations will frequently have an interest in how much support you have been able to gather from your wider community before committing to a significant donation.

Auctions, raffles, and fundraising events are great ways to engage with the wider school community. However, whilst it is good to see these methods being used to engage with current parents, they can be time-intensive projects to organise and may not necessarily realise the fundraising potential anticipated.

Crowdfunding is one of the newer tools at a fundraiser’s disposal. It is another great way to engage with the wider school community to support specific projects of a lower value, and add new donors onto your database (as well as providing consent to be contacted) at a low cost.

Chart W: Most popular fundraising methods

<table>
<thead>
<tr>
<th>Method</th>
<th>% of schools undertaking this activity</th>
<th>Main type of individuals solicited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Asks</td>
<td>87%</td>
<td>Alumni</td>
</tr>
<tr>
<td>Direct Mail (Post)</td>
<td>84%</td>
<td>Alumni</td>
</tr>
<tr>
<td>Events</td>
<td>76%</td>
<td>Alumni</td>
</tr>
<tr>
<td>Direct Mail (Email)</td>
<td>73%</td>
<td>Alumni</td>
</tr>
<tr>
<td>Auctions/Raffles</td>
<td>58%</td>
<td>Current Parents</td>
</tr>
<tr>
<td>Fundraising Events (e.g. walks)</td>
<td>56%</td>
<td>Current Parents</td>
</tr>
<tr>
<td>Telephone Appeal</td>
<td>53%</td>
<td>Alumni</td>
</tr>
<tr>
<td>Social Media</td>
<td>43%</td>
<td>Alumni</td>
</tr>
<tr>
<td>Crowdfunding</td>
<td>29%</td>
<td>Alumni &amp; Current Parents</td>
</tr>
</tbody>
</table>

Chart X further breaks down the results by method and average annual philanthropic income bands. First of all, it is clear to see that schools raising more than £1m per annum embrace more of these activities. Secondly, there is one activity that increases to 100% before all others, and that is personal asks. Direct mail by post, email and telephone appeals also see large increases in uptake, as income increases in schools in the larger philanthropic income bands.

It is interesting to note that the schools in the £500k - £999k group display a more selective approach to the fundraising methods they employ. Note the drop in direct mail by post and e-mail, fundraising, events, and social media. Effective methods such as telephone appeals are maintained, and there is a sharp increase in general events.
Not all fundraising activities are equal or realise returns for a school in the short or medium-term, but they all serve a purpose. Identifying prospects and measuring their inclination to give through employing a variety of these methods are worthwhile tools that a fundraiser can use to better inform their decisions and drive forward their major gifts programme.

Leadership Briefing
Can all schools achieve fundraising success?

Not all fundraising activities are equal or realise returns for a school in the short or medium-term, but they all serve a purpose. Identifying prospects and measuring their inclination to give through employing a variety of these methods are worthwhile tools that a fundraiser can use to better inform their decisions and drive forward their major gifts programme.
Legacy Fundraising

Legacy programmes - which seek information on gifts committed in a donor’s Will - form a vital part of any fundraising strategy, since this is the main opportunity for many individuals to make their largest gift to a charity. 95 schools reported legacy income over the two year period, totalling £39m - or £410,500 on average per school.

92 schools are also expecting future legacies worth a further £30m in total. When stewarding these pledges, schools with an established legacy society report an average of 11.7 legacies worth £355k per school. This is much higher than those without a society, who report an average of 7.5 legacies worth £236k per school.

Up to now, we have not included legacy gift income as part of the average annual philanthropic income figures, mainly because it is difficult to predict when legacy income will be fulfilled. However, do the number of legators and the value of legacy income share similar patterns to that of other philanthropic income raised in schools?

**Chart Y** shows that the number of legacies received and pledged does increase the more a school raises - for those raising low amounts, most legacies are unexpected and fewer legators are being stewarded. Likewise, **Chart Z** shows that the value of the legacies increases dramatically for those schools raising more than £500k, although the values do not vary drastically in the highest three income bands.
Donors like to ensure that their donations can make a difference and that they are supporting the school’s vision and strategy. Nice to haves are important, but projects with impact - scholarships, bursaries, and investment in the school’s infrastructure - can inspire donors as much as they inspire students.

Fundraising projects
Chart AA displays the percentage income received towards the following types of projects:
- Bursaries/Scholarships
- Capital projects (e.g. buildings)
- Academic (non-capital)
- Sports (non-capital)
- Arts (non-capital)
- Unspecified projects - areas of greatest need

Bursaries/scholarships and capital projects are the most popular areas donors choose to support across all schools, regardless of the level of income raised. At the lower levels of income, there tends to be a bias towards one of the two (mainly bursaries), but for the schools raising £1m+, income is split evenly between these two areas.

Schools in the lower income groups are also seeing a higher percentage of donations allocated to unspecified projects. Analysing further unspecified projects allows new Development Offices to see what kind of projects their audiences like to support and to then tailor future asks.

Finally, supporters can have differing or multiple interests, so in order to encourage as many individuals to donate as possible, it can be helpful to have a broad case for support. This can lend itself well to lower level asks, too, where it is possible for donors to give on a modest level and still feel they are making a difference. This approach can engage donors who feel put off by larger projects where they believe their support to be of little consequence. Looking at the distribution of projects supported, academic, sport, and arts projects tend to be less popular, although it is unclear whether this is because supporters are choosing not to support them or because schools are not running such projects.

Leadership Briefing
Can all schools achieve fundraising success?

Donors like to ensure that their donations can make a difference and that they are supporting the school’s vision and strategy. Nice to haves are important, but projects with impact - scholarships, bursaries, and investment in the school’s infrastructure - can inspire donors as much as they inspire students.
Summary

- The average donor is male and in his 40s, so those with an older, male population in their database do see better fundraising results.
- The majority of schools fundraise from alumni and current parents, but schools raising between £500k - £999k received more than 50% of their income from trusts, foundations, and other individuals.
- Parental fundraising is not adversely affected by the level of school fee charged.

In this last chapter, we look at the performance of the different types of school which took part in the survey, compared with the make-up of these schools’ prospect pools and the different types of donor who support them.

Chart W confirms that most of the fundraising activities carried out by schools involve alumni. We can review two main types of characteristics of alumni from the survey: gender and average age.

Looking at gender in Chart AC, the first perception is that schools’ prospect populations are still largely male-biased with 78% of development databases comprising of more than 55% men. Secondly, those schools raising more than £500k have predominantly more men in their prospect pool (with the exception of two all-female schools). This suggests that girls’ schools are not performing well, but this would be an unfair assumption. The make-up of those schools raising less than £500k per annum contains far more male-heavy schools than female schools. Also, as demonstrated earlier in Chart U, many of the girls’ schools taking part are very much at the beginning of their fundraising journey.

Other than fundraising from alumni, schools reported that many other members of the school community are also approached. Chart AD shows that most schools approach current and former parents and it is reassuring to see Governors and Trustees listed next. Their support, like that of the Head’s, is often overlooked yet crucial to the success of a fundraising campaign. The remaining target audiences include trusts, foundations, and corporates, but also staff, current pupils, and the local community.

Prospects with the capacity to make a large donation are usually approaching the later stages of their careers or lives when they are likely to have greater disposable income and assets. This fact is reflected in the data in Chart AB which shows that those raising the most philanthropic income appear to have older prospect pools.
It is encouraging to see some schools taking a long-term approach to fundraising and nurturing the idea of philanthropy in their current student body. To turn these students into long-term - and potentially major - donors, a school needs to invest in educating this group about the importance of philanthropy to the school. Likewise, some schools are now approaching and engaging with their local community.

Engaging with as many different audiences within the school community as possible, allows you to uncover the very best prospects and hopefully identify those all important major donors.

Leadership Briefing
One size does not fit all

When looking for prospects, the data still shows that men in their late - 40s and upwards are the most obvious group to target, although girls’ schools are also seeing high value donors within their constituencies.

Using data to drive fundraising decisions is being increasingly implemented in the not-for-profit world to remove any unconscious bias based on gender, geography and many other factors.
Comparing the number of engaged relationship groups to the income received highlights that those schools who engage with most (if not all) groups have greater fundraising success. Whilst there is a correlation between diversifying your audience and income raised, it is important to be strategic and manage your resources. It may not be possible to engage with all audiences so ensure your case for support is tailored to each of these audiences, and test to assess levels of engagement from the different relationship groups. Engaging with six of these audiences is the average for those schools raising more than £500k on average per year.

Chart AE highlights the percentage of income received from these different relationship groups. It is clear that most schools raise most of their income from alumni, although for those schools raising more than £5m the majority of their income comes from current parents. Likewise, giving by charitable trusts and foundations is much higher here.

Those schools raising £500k - £999k show some interesting results. Here income received from alumni and parents is split pretty evenly, yet over half their donations have been received from trusts and foundations and other donors. This shows that they have diversified their income streams effectively.

<table>
<thead>
<tr>
<th>Philanthropic Income Group</th>
<th>No. of Schools in group</th>
<th>Alumni</th>
<th>Current Parents</th>
<th>Former Parents</th>
<th>Current Pupils</th>
<th>Governors/Trusted Board</th>
<th>Staff</th>
<th>Foundation, Trust, or Livery Company with a current or historic link to the school</th>
<th>Other charitable trusts and foundations</th>
<th>Corporates</th>
<th>Local community</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;£10k</td>
<td>5</td>
<td>45%</td>
<td>8%</td>
<td>18%</td>
<td>23%</td>
<td>0%</td>
<td>2%</td>
<td>3%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>£10k-£99k</td>
<td>18</td>
<td>37%</td>
<td>22%</td>
<td>3%</td>
<td>0%</td>
<td>6%</td>
<td>1%</td>
<td>13%</td>
<td>3%</td>
<td>7%</td>
<td>1%</td>
<td>7%</td>
</tr>
<tr>
<td>£100k-£499k</td>
<td>26</td>
<td>45%</td>
<td>14%</td>
<td>6%</td>
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<td>2%</td>
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<td>11%</td>
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<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td>£500k-£999k</td>
<td>4</td>
<td>20%</td>
<td>20%</td>
<td>3%</td>
<td>0%</td>
<td>1%</td>
<td>0%</td>
<td>2%</td>
<td>22%</td>
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<tr>
<td>£1m-£4.9m</td>
<td>14</td>
<td>34%</td>
<td>22%</td>
<td>10%</td>
<td>0%</td>
<td>10%</td>
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<td>10%</td>
<td>8%</td>
<td>0%</td>
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<td>4%</td>
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<tr>
<td>(£5m+)</td>
<td>2</td>
<td>19%</td>
<td>28%</td>
<td>15%</td>
<td>0%</td>
<td>3%</td>
<td>0%</td>
<td>5%</td>
<td>24%</td>
<td>0%</td>
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<td>1%</td>
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<tr>
<td>Total</td>
<td>69</td>
<td>32%</td>
<td>22%</td>
<td>10%</td>
<td>0%</td>
<td>6%</td>
<td>0%</td>
<td>7%</td>
<td>12%</td>
<td>1%</td>
<td>3%</td>
<td>6%</td>
</tr>
</tbody>
</table>

Chart AE: Percentage of total income received from the various types of constituent groups by philanthropic income group. 69 schools provided answers to this section. This heat map shows the breakdown of support shown by those groups who have given the most (green) and the least (red) by total raised.
Understanding the make-up of the various audiences within your school will allow you to ascertain how much could be raised by your Development Office, and the resource and structure required to deliver that potential.

Ensure that you strategically engage with your school’s various relationship groups. Alumni and current parents will likely be your main focus, but you should consult your constituencies over your plans to find which ones are more likely to support your projects. Likewise, Governors, Trustees and Board members should ideally lead fundraising on a personal basis - personal support from these groups helps inspire other individuals to engage and donate.

Trusts and Foundations
48% of schools apply for funding from trusts and foundations - either directly or via an individual with an existing relationship to the school. On average, 12% of philanthropic income comes from trusts and foundations, but this can be as high as 24%. Some trusts and foundations also have a current or historic link to the school and continue to make regular donations. On average, this represents 7% of their income.

Fundraising from parents
Does paying a school fee put parents off donating to schools? Looking at the number of current parents who donate and their contributions to the total income raised, it can be seen that parents still donate both in number and percentage contribution, despite having to pay school fees.

Leadership Briefing
One size does not fit all
Understanding the make-up of the various audiences within your school will allow you to ascertain how much could be raised by your Development Office, and the resource and structure required to deliver that potential.

Ensure that you strategically engage with your school’s various relationship groups. Alumni and current parents will likely be your main focus, but you should consult your constituencies over your plans to find which ones are more likely to support your projects. Likewise, Governors, Trustees and Board members should ideally lead fundraising on a personal basis - personal support from these groups helps inspire other individuals to engage and donate.

Expanding the number of people that Development Offices interact with has an impact on database size. But do larger databases really translate to better fundraising results? As Chart AG demonstrates, as the database size increases towards 10,000 records, more philanthropic income is raised. Yet, philanthropic income then stalls for databases above 10,000 records - a likely sign that the Development Office does not have sufficient resource to engage with more individuals, particularly at the personal level required for major gift fundraising.

Chart AG: Percentage of average annual philanthropic income raised per size of database (in records).
Campaigns step-change performance and give urgency to fundraising

Summary
- 44% of the schools taking part in the survey were in a campaign.
- The average length of a campaign is 4 years.
- Schools utilising consultants to assist with planning studies, prospect research, or telephone campaigns are raising more on average than schools which are not.

Campaigns
A campaign is an intensive fundraising effort to raise a published target amount, within a certain period of time, to meet the specific need, or needs, of an organisation. Campaigns are often focused on, or have a significant element linked to, capital projects (i.e. raising money for the acquisition/construction/renovation/expansion of facilities or equipment), although it is increasingly common for campaigns to seek broader funding to support other long-term needs.

Running a campaign is an excellent way of raising the profile and understanding of fundraising activities within your school. They can publicly demonstrate and communicate the strategic plan of a school, which in turn can generate greater interest from external audiences.

Successful campaigns are usually driven by a small number of significant gifts, rather than mass participation, although the latter income stream is important to both demonstrate widespread support for the cause and create a platform for future fundraising success.

Counting what is included in campaign targets can differ from school to school. Some schools include philanthropic income only, whereas others may incorporate other, non-philanthropic income in their campaign total (for example, sponsorship payment, commercial income, sale of assets).

The timeline of a campaign is generally divided into several stages:
- **Feasibility Study** - an early exercise to ascertain whether launching a campaign is viable. It can be used to test which projects within the campaign strike a chord with prospective donors and how much money could be raised.
- **Planning** - early preparation to start a campaign which includes identifying prospects to make lead gifts, building/training a team, establishing processes, and developing communications.
- **Quiet Phase** - actively seeking support from key prospects in order to obtain a set target that triggers the public “launch” of the campaign.
- **Public Phase** - typically 40-60% of the campaign target has been secured, providing a sense of momentum and prompting a public launch to cultivate more major gift prospects and engender widespread support. Some projects may already be underway or nearing completion, thanks to the Quiet Phase supporters.
- **Completed** - the target has been reached and the project is underway.

133 schools answered this section and, of those, 45% were in a campaign at some stage between 2014/15 and 2015/16 (5 Grammar Schools and 54 Independent Schools). On average, the Grammar Schools in a campaign raised 2.6 times as much per year compared to those that were not. For the Independent Schools, those in a campaign raised 2.9 times more than those which were not. **Chart AH** shows how many schools were in each stage of a campaign against their average philanthropic income group.
There are schools running campaigns within all philanthropic income bands, except for those schools raising less than £10k, and the majority are in the public phase. Around half of the schools raising between £100k and £999k are in campaign, but when you look at the schools raising more than £1m, 80% are in campaign.

The average length of a campaign is 4 years, but those schools raising more than £1m have opted for 6-year campaigns. For the majority of schools in a campaign, this is their third campaign. For one school, it was their fifteenth campaign. Time plays an important factor when running campaigns and is usually driven by the capacity of the development team to engage with major donors and to co-ordinate the increasing amount of activities being undertaken.
Running a campaign can transform fundraising at your school - delivering transformative short-term support and creating a step-change in long-term fundraising - but it is not an easy process. You will require an experienced Development Office and a depth of understanding of your prospects and donors. An essential starting point to running a campaign is to assess the ability of your prospect pool to give at the level required and to allow that information to inform targets. Campaigns also require time and careful planning at each stage to ensure that milestone targets are met along the way and that you have the required resource to deliver the ultimate fundraising goal.

Chart A1: Average annual philanthropic income per school with and without the use of consultants to assist with a fundraising campaign

<table>
<thead>
<tr>
<th>Consultants used for:</th>
<th>No. of schools</th>
<th>Average annual philanthropic income per school where consultants were used</th>
<th>Average annual philanthropic income per school where consultants were not used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feasibility study</td>
<td>14</td>
<td>£1,918,951</td>
<td>£714,687</td>
</tr>
<tr>
<td>Prospect research</td>
<td>16</td>
<td>£1,129,212</td>
<td>£937,704</td>
</tr>
<tr>
<td>Strategy</td>
<td>9</td>
<td>£636,724</td>
<td>£1,052,405</td>
</tr>
<tr>
<td>Direct mail appeals</td>
<td>9</td>
<td>£603,923</td>
<td>£1,058,082</td>
</tr>
<tr>
<td>Telephone appeals</td>
<td>15</td>
<td>£1,017,286</td>
<td>£982,528</td>
</tr>
</tbody>
</table>

Comprehensive campaigns can be a step into the unknown for many schools. This is, therefore, an area where consultants are often brought in to help guide the school. In fact, 66% of the schools in a campaign used consultants at some point during their campaigns. Chart A1 shows that schools which employed consultants to undertake a feasibility study, provide prospect research, or run telephone campaigns displayed better average philanthropic income figures than those that did not employ consultants. The average philanthropic income where consultants were used to provide strategy or run direct mail appeals, however, was lower.

Leadership Briefing
Campaigns step-change performance and give urgency to fundraising

Running a campaign can transform fundraising at your school - delivering transformative short-term support and creating a step-change in long-term fundraising - but it is not an easy process. You will require an experienced Development Office and a depth of understanding of your prospects and donors. An essential starting point to running a campaign is to assess the ability of your prospect pool to give at the level required and to allow that information to inform targets. Campaigns also require time and careful planning at each stage to ensure that milestone targets are met along the way and that you have the required resource to deliver the ultimate fundraising goal.
Moving forward

Thanks to the 181 schools who took part, this benchmarking survey is the UK’s largest fundraising benchmarking survey in the education sector. Regardless of the type of school you are, the level of income you raise, and the maturity of your Development Office, this report provides an insight into the schools’ development sector as a whole. The results will enable your school to drive forward alumni relations and fundraising activities, and through learning from the experience and expertise of others, to both progress your school’s fundraising to new levels and accelerate the impact your fundraising has on your school. In this final chapter, we present some of the key findings from the survey for your school to consider, and discuss some of the challenges facing the schools’ development sector moving forward.

Invest in fundraising

There is a clear correlation between average philanthropic income, expenditure and the age of a Development Office. Increasing the initial investment in development delivers increased income for your school: the more rapidly fundraising becomes established, the greater the potential to raise money. The return on investment from schools who have started to raise funds recently is impressive (Chart H). Fundraising, however, works best where time is allowed to develop relationships with supporters and where alumni and parents are encouraged to develop a long-term commitment to supporting their school, which is one of the reasons why schools demonstrate a greater return on investment as their Development Offices mature.

Increasing your fundraising capacity

The survey demonstrates the fundraising success, different types of school are having with the different donors they approach. Yet there still remains potential for growth in schools’ development, to build on the positive impact it has had on schools, and to develop further opportunities for young people. Investment in fundraising should be increased in line with greater engagement and research to identify potential major gift prospects and their capacity to donate.

Reprioritise your fundraising activities

Chart J highlights a key difference between those schools raising between £100k - £499k and those raising between £500k - £999k - their average annual expenditure is £25k more. The number of staff is the same and the average age of the Development Office is the same: so how can such a modest increase in expenditure translate to such an increase in philanthropic income?

Comparing the distribution of time across Development Offices between the two groups in Chart K, we can see that with the group raising income between £100k - £499k the time allocation to fundraising activities is around 10%. However, the group raising over £500k devotes much more time to major gift fundraising than to other fundraising activity such as regular giving. Of course, the latter activity is still a valid means of raising income and along with providing recurring annual income, regular giving programmes can also provide other non-financial benefits. However, a small tweak in time management can significantly increase your school’s fundraising success, increasing not only the worth of your major giving programme but also your school’s potential income from legacy giving. Chart K also shows that the same pattern is repeated in schools raising over £1m, with those raising £5m+ spending more time on major gift fundraising and less on regular giving activities than those raising between £1m - £5m.

Fundraising boards

If budgets really are an issue, consider developing a fundraising board of donors who are able to support the Development Office in meeting with and engaging prospects. Whilst there will be increased administrative duties in facilitating such a board, if you have a large pool of prospects and not enough time to see them, this could be an ideal solution. Smaller boards of between 5-10 parents or alumni produce the best results (see p14), and where possible members should include those who are well-connected and can maximise on developing prospects from their own network of contacts. The fundraising board doesn’t necessarily have to ask for donations, but they should be familiar with and discuss your school’s case for support, and determine an individual’s propensity to give, allowing the Development Director and/or Head to become involved much later in the process in a more targeted way.
Moves management and prospect research

Knowing when to follow up with a prospect and for what purpose, is invaluable in schools’ development, and knowing more about your school’s key prospects will enable you to make informed decisions as to how and when to engage them.

Don’t be scared of asking parents

The survey shows that many schools are fundraising successfully from parents - both current and former (see Chart AE). Yet in the independent sector, where parents pay school fees, some schools remain hesitant to ask. Many do not wish to put upon parents who are potentially already struggling to pay fees, whilst others fear that through asking parents to engage in fundraising, their school may appear lacking in facilities or failing their children in some way.

However, addressing the whole parent body as to why your school is fundraising, and through offering a range of ways of engaging in development, the survey shows that fundraising from parents is possible. Those schools raising more than £500k a year have found:

- Greater numbers of current parents attending their events, increasing from an average of 87 parents attending to 287 (see Chart Q)
- An increasing percentage of philanthropic income from current and former parents, rising from 23% to 43% for those schools raising over £5m (see Chart AE)
- Around 10% on average of annual philanthropic income raised from parents regardless of the level of fees charged, with the highest fees seeing 29% of philanthropic income raised from parents (see Chart AF).

Women in philanthropy

Do women give less than men? Do girls’ schools not perform as well as boys’ schools? At first glance, the data would seem to suggest so, as boys’ boarding schools outperform the girls’ schools which have taken part in the survey. However, as we delve deeper into the data, it can be seen that:

- The majority of girls’ schools who completed the survey are still at the very beginning of their fundraising journey compared with the more established boys’ boarding schools.
- Whilst more and more independent schools have become co-ed in the last few decades, the overall results remain biased - the results naturally show that older men are the best donors.
- Looking at the girls’ schools’ results in isolation does highlight success. Two schools are in the £1m to £5m income bracket, demonstrating that fundraising can be successful within girls’ schools.

Women are increasingly important in philanthropy.

The USA is leading research in this area, which has shown that in 84% of high net worth households, women are the philanthropic decision makers and 51% of personal wealth in the USA is controlled by women (Click here to visit the Graham-Pelton web page). In the UK, women remain 26% more likely than men (at 22%) to support children or young people (Click here for a pdf download). Therefore, engaging women, be it as alumni, parents or ex-parents, may be something to bear in mind for all schools moving forward.

Increased regulation

Following the Etherington Review, fundraising across the wider charitable sector has come under scrutiny. The need for greater transparency within fundraising has become increasingly important, demonstrated by the establishment of a new regulatory body to monitor fundraising practice, the Fundraising Regulator.

The Charities Act 2016 places greater responsibility for a charity’s activities on its trustees or in the case of a school, its governing body. This includes a greater emphasis on Trustees and/or Governors to monitor fundraising activity and to ensure compliance with the Code of Fundraising Practice, now overseen by the Fundraising Regulator.

Alongside increased scrutiny of fundraising practice, the General Data Protection Act (GDPR) is coming into effect on 25th May 2018. All schools will be required to consider what personal data they capture and process, and their lawful basis for processing the personal data: consent or legitimate interests. Regardless of whether moving towards a consent model or relying on legitimate interests to communicate with your school community, all schools need to prepare for the changes to data protection legislation.
Some schools have taken an early lead in seeking opt-in consent. The results from the benchmarking survey form a useful guide to other schools on the levels of opt-in possible:

- **23 schools have been seeking consent for continued contact, with 27% of their database opting in so far.**
- **14 schools have been seeking consent for continued contact for fundraising purposes, again with 27% of their database opting in.**

Compliance is likely to increase the administrative burden for Development Offices in the short-term, with the need to carry out data audits, review policies and procedures and document consent/evidence legitimate interests. However, alumni relations and schools' development professionals are ahead of the curve, with greater emphasis already placed on engagement, developing relationships with students, alumni and parents, and not just raising income. The changes to data protection legislation will affect the whole school, therefore working together as a senior management team and/or with your school’s alumni association to prepare for these changes has the potential to increase understanding of development and strengthen relationships across the school. In the long term, such increased transparency with your school community is likely to increase both their propensity to give and their support of your school.

**And finally...**
People give when asked... so continue to ask. Ask with pride and confidence in your school as a worthy recipient, and share your plans with the whole school community to encourage both beneficiaries and supporters to take ownership of schools' development. Through fundraising, your school will be able to develop more opportunities and experiences for your young people, providing them with the best educational opportunities.

You are helping to change lives for the better.
Glossary

2014/15 & 2015/16 - Years being reported on

This survey collates data from two academic years: 2014/15 and 2015/16. Answers were provided with each year starting on the 1st September and ending on 31st August, wherever possible.

Alumni relations

Although we refer to Alumni (former pupils), increasingly this type of activity also includes managing relations with other people with an interest in the school, such as current and former parents, staff, members of the local community, governors, trustees, etc.

Bursaries

Money awards given to pupils based on their financial needs.

Campaign

An intensive fundraising effort to raise a pre-agreed amount within a certain period of time to meet a specific need of an organisation. Campaigns tend to raise money for capital projects (i.e. raising money for the acquisition/construction/renovation/expansion of facilities or equipment) or provide broader funding to assist with the long-term needs and direction of an organisation.

Gifts solicited towards a campaign tend to be larger and/or payment is split over a number of years. Some organisations also count income that is not purely philanthropic towards their campaign goal (for example, sponsorship payment, in-kind gift).

Shorter term fundraising approaches, such as calling people in a telethon or asking people by direct mail, are often referred to as campaigns, but typically the more appropriate term for these is appeals.

Crowdfunding

The practice of funding a project or venture by raising monetary contributions from a large number of people, usually employing an online platform where donations can be made. Often, the cause message is spread by the donors, which results in new donors being introduced to the school.

Development Office

A Development Office refers to the team that is responsible for Fundraising and/or Alumni Relations. In the absence of a Development Office, please replace the term with Alumni Relations Office or fundraising team (including Parent/Teacher Associations that are active in raising funds for the school).

FTE

A full-time equivalent employee is a full-time employee, or two part-time employees working 50% of the time each.

Major prospects

Individuals or organisations whom you suspect may be able to make a substantial donation to the school.

Moves management system

A moves management system allows you to record how likely a major prospect is to donate and how close to donating they are.

Philanthropic income

When reporting on income received, the philanthropic income is considered to be money donated towards the school’s philanthropic priorities and may have been prompted by fundraising activities. For income to be considered philanthropic, the donor does not receive any benefit from the donation, except recognition for the donation (including naming rights). This excludes activities such as sponsorship by companies, for example, where the company logo is displayed alongside the funded project. This includes donations by:

- Cash, cheque, credit card.
- Direct Debit and standing order payments.
- Gifts in kind to which a financial value can/has been attributed.
- The value of any new shares received within the year. The shares can still be held by the school (in which case, report value when the shares were given) or sold by the school (in which case, report the sold value).
- The value of any property donated within the year. The property can still be held by the school (in which case, report the property value when the property was given) or sold by the school (in which case, report the sold value).

Scholarships

Money awards pupils receive for their academic performance (high grades) or other achievements. These tend to be competitive.

Senior Development Professional

The person leading fundraising and/or alumni relations activities at a school. This position is typically called Development Director or the most senior member of staff involved in this area. Sometimes such a person is referred to as Director of External Relations or Marketing and is responsible for a wider remit.
Schools’ Alumni Relations and Fundraising Benchmarking Survey 2016

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