THE SYMBIOTIC PATH TO MUTUAL VALUE: HOW SMALL, PRIVATE LIBERAL ARTS INSTITUTIONS UNDERSTAND AND MANAGE DONOR INFLUENCE

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Matthew P. vandenBerg
DEDICATION

I dedicate this dissertation to my family, whose patience, support, belief, and love enabled me to chase my dreams. I also dedicate this work to the many philanthropists, educators, and organizational leaders who collaborate to make the world a better place.

“*Wealth is not to feed our egos but to feed the hungry and to help people help themselves.*”

– Andrew Carnegie
I owe a colossal debt of gratitude to numerous individuals whose guidance, encouragement, and support fueled my scholarly and professional pursuits. This study is a testament to their selflessness, their steadfast loyalty and generosity, and their many strengths and talents that nurtured and inspired me along this voyage.

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me to genuinely understand and embrace the notion that higher education leaders have a responsibility to use their voices to champion positive change.

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ABSTRACT

THE SYMBIOTIC PATH TO MUTUAL VALUE: HOW SMALL, PRIVATE LIBERAL ARTS INSTITUTIONS UNDERSTAND AND MANAGE DONOR INFLUENCE

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Marybeth Gasman

The education of postsecondary students has become an increasingly cost-intensive enterprise, and many higher education institutions are now reliant on philanthropic support to meet their financial needs. Higher education advancement offices face mounting pressure to perform at extraordinary levels. Magnifying the urgency of the work, colleges and universities are contending with intensifying competition for limited philanthropic support, unpredictable endowment returns, and declining government support, among other headwinds. Meanwhile, advancement practitioners observe that individual donors, the largest source of charitable support, are progressively viewing themselves as partners with the institutions they fund, rather than as passive benefactors. Today’s donors commonly desire control over the use of their gifts, anticipate being asked to provide counsel and lend expertise, and expect to see the results and impacts of their support. Scholars disagree on the extent to which donors exert control or influence on institutions, and there is little empirical evidence to provide clarity on the matter. Drawing on in-depth qualitative interviews with presidents and other campus leaders at numerous small, private liberal arts colleges, this study discerned how donors shape institutional behaviors, priorities, and choices. Interviews also revealed how leaders managed their relationships with highly engaged donors and identified the most
common strategies employed to mitigate or redirect unwanted influence. Moreover, this study ascertained how institutional leaders attempt to build productive and mutually satisfying relationships with philanthropists who seek to exert significant influence. Small, private liberal arts colleges provide a useful lens through which to study donor influence, especially considering that pronounced, escalating financial pressures have created doubts about their survival as a sector. Ultimately, this study aspires to add meaningfully to the existing literature on donor influence, to facilitate better-informed fundraising and management by campus leaders, and to promote greater accord between philanthropists and the institutions they support.
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CHAPTER 1 – INTRODUCTION

The education of postsecondary students has become an increasingly cost-intensive enterprise, and many higher education institutions, both public and private, are growing progressively reliant on philanthropic support to meet their budgetary and other financial needs (Bernstein, 2014; Drezner, 2011; Schroeder, 2002). Advancement offices at higher education institutions, which raise funds to balance budgets and support facilities, personnel, and programs, are facing mounting pressure to perform at extraordinary levels (Mrig, 2014; Schwartz, 2017). Magnifying the urgency of the work, colleges and universities are contending with intensifying competition for limited philanthropic support, unpredictable endowment returns, and declining government support for higher education, among other significant headwinds.

Although institutional financial needs vary dramatically, nearly every college and university depends on philanthropy to some degree. In fact, philanthropy has been and continues to be an indispensable element of higher education (Drezner, 2011; Hall, 1992). In conjunction with the nation’s growing income and wealth disparities, fewer—and ever more powerful—individual donors are propelling charitable support for colleges and universities to unprecedented levels (Scutari, 2017). Meanwhile, higher education advancement practitioners across the United States, like their counterparts in other sectors, observe that individual donors are increasingly viewing themselves as partners with the institutions they fund, rather than as passive benefactors. Today’s donors more commonly desire greater levels of control over the use of their gifts, often anticipate being asked to provide counsel and to lend expertise, and regularly want to see the results
and impacts of their support (Backer, Miller, & Bleeg, 2004; Blum, 2002; Briscoe & Marion, 2001; Grace & Wendroff, 2001; Morino & Shore, 2005; Ostrander, 2007). While donors have shaped colleges and universities for generations, they perhaps now wield more control and influence over institutions than at any other point, especially in light of the extraordinary financial burdens facing the higher education industry.

Despite the significant role that philanthropy plays in sustaining and advancing higher education, the need for more research in that area is clear (Drezner, 2011). Scholarly works play only a minimal role in guiding practitioners, and the “vast majority of philanthropic literature in higher education is atheoretical” (p. 2). Additionally,

Although existing research offers some guidance for practitioners, the implications are limited by the failure to ground the research in theoretical or conceptual frameworks. By failing to ground research and practice in theory, our understanding of people’s philanthropic behavior and ways in which practitioners engage and ultimately successfully solicit...philanthropic support will ultimately continue to be limited to assumed best practices. Additionally, these best practices do not always include culturally sensitive practices. (Drezner, 2011, p. 2)

Moreover, given that philanthropy as a field of scholarly endeavor is “complex, value-laden, and burdened by issues of the unequal distribution of power in society, scholars have been reticent about the topic” (Walton & Gasman, 2008, p. xxiii).

Donor motivation represents one category of philanthropy research that has garnered significant scholarly attention. Researchers have spent considerable time cataloging donor behaviors, personalities, and objectives. The existing literature paints a complex portrait of the motivations, beyond simple altruism, that donors bring not only to their gift discussions but also to their overall relationships with charities. However, very little is understood about the effects that donors are having on institutions beyond the
impacts of their gifts. Specifically, few studies have focused on how donors are influencing institutions’ missions (Drezner, 2011), decision making, and priority setting. Scholars disagree on the extent to which donors exert control or influence on institutions, and there is insufficient empirical evidence to provide clarity on the matter. An examination of recent trends in higher education philanthropy further underscores the need for research in that area.

Non-elite, small, private liberal arts colleges provide an exceptionally useful lens through which to study donor influence, especially considering that their pronounced, escalating financial pressures have created doubts about their survival as a sector (Breneman, 2010). Such institutions are confronting a range of menacing challenges, including changing demographics and shrinking enrollments, rising costs, diminishing demand for a liberal arts education, a growing societal focus on vocational and technical skills, and increasing competition from subsidized public institutions (Ferrall, 2011). In fact, in light of their “small economies of scale,” they are “among the most financially and operationally vulnerable institutions” (Hilbun & Mamiseishvili, 2016, p. 17), “existing on the ragged edge of higher education with little financial cushion and limited resources” (p. 18). The “survival” of such institutions depends on the robustness of several key “active revenue streams,” notably, philanthropic support (p. 17). Presidents of small colleges now sometimes even “bank on fundraising to survive” (Biemiller, 2016). These financial difficulties and the importance of their fundraising success could lead non-elite liberal arts colleges to demonstrate an increased willingness to cater to the demands and wishes of highly engaged donors in an effort to maximize philanthropic
support. Moreover, as Matthew Hartley (2014) pointed out, “Liberal arts colleges are invaluable to educational researchers because they have historically been bellwethers of change” (p. 6). In other words, they speak to the “health or fragility of the overall system,” and, given their dependency on student tuition and fees, they are “keenly attentive” to market forces (p. 6).

The primary objective of this study is to develop a richer and more nuanced understanding of the nature of donors’ relationships with their recipient institutions. More precisely, this study aims to ascertain how donor relationships are affecting the behaviors, priorities, and choices of non-elite liberal arts colleges, many of which are experiencing serious financial challenges and struggling to secure stable futures. Philanthropy is a vital and enduring component of higher education in general and financially challenged liberal arts institutions in particular. Philanthropic support represents a precious and finite resource driven by fewer, and increasingly powerful, individual donors. Donors’ gifts rely on unique, complex personal motivations and on the nature of the relationships between individuals and institutions, relationships that researchers have yet to explore and understand fully. Thus, three primary research questions guide this study:

1. How do individual donors influence the priorities and decisions of liberal arts institutions?
2. How do liberal arts institutions manage their relationships with highly engaged individual donors, and what formal or tacit strategies do they employ to mitigate or redirect unwanted influence?
3. How do liberal arts institutions attempt to build productive and mutually satisfying and beneficial relationships with highly engaged individual donors?

A deeper understanding of donors’ influences over institutional decision making and priority setting would add meaningfully to the existing literature, facilitate better-
informed fundraising and management by higher education leaders, and promote greater understanding between philanthropists and the institutions they support.
CHAPTER 2 – LITERATURE REVIEW

Trends in Higher Education Philanthropy

As the costs associated with educating postsecondary students continue to surge, many public and private institutions alike are becoming increasingly dependent on private philanthropy to meet their financial needs (Bernstein, 2014; Drezner, 2011; Schroeder, 2002). However, the need for philanthropic support varies significantly by sector and institution, especially considering that the wealth disparity between the most affluent universities “and the rest of the pack is widening at an ever faster pace” (Woodhouse, 2015a). As of 2015, the 40 richest higher education institutions in the United States held “two-thirds of all the wealth among the 500 colleges rated by Moody's” (Woodhouse, 2015a). Those universities grew their financial holdings by about 50% since the Great Recession of the late 2000s, “more than double the increases experienced by the least-wealthy universities rated by Moody’s” (Woodhouse, 2015a). The same subset of wealthy universities received 60% of all philanthropic support given to the group of 500 Moody’s-rated institutions. Meanwhile, “many less wealthy and moderately wealthy institutions have been slow to rebound from financial difficulty in the wake of enrollment declines and across-the-board drops in state funding” (Woodhouse, 2015a). Small, private, tuition-driven liberal arts institutions are a particularly financially challenged type of institution (Hilbun & Mamiseishvili, 2016). Owing to their “small economies of scale,” they are “among the most financially and operationally vulnerable institutions” (p. 17), “existing on the ragged edge of higher education with little financial cushion and limited resources” (p. 18). The “survival” of such institutions depends on the
robustness of several key “active revenue streams,” notably, philanthropic support (p. 17). Presidents of small colleges now sometimes even “bank on fundraising to survive” (Biemiller, 2016).

Offices of advancement at colleges and universities across the country aim to secure private financial support that balances institutional budgets, facilitates programmatic growth, enhances student access, and provides for facility needs (Drezner, 2011). The pressure on fundraising operations to succeed is, in many cases, extreme (Mrig, 2014; Schwartz, 2017). Increased competition for finite philanthropic dollars, disappointing endowment performances, declining government backing of colleges and universities, changing demographics, and other factors amplify the urgency of the work. While financial needs vary across institution types, every higher education institution has come to rely on some form of philanthropy to perform its work, and it has become a precondition for incoming presidents to have at least a rudimentary appreciation for the importance of philanthropy (Bernstein, 2014). In charging researchers to expand the body of available scholarship on higher education philanthropy, Peter Hall (1992) characterized philanthropy as the “single force” behind the “emergence” of private higher education in the United States (p. 403). Concurring, Noah Drezner (2011) suggested that Hall would likely extend his argument to public institutions and concluded that philanthropic support is “central to the mere existence and daily function of academe” (p. 88).

Private giving to U.S. charitable causes is soaring. Across all sectors, total philanthropic giving in 2015 reached a record of $373.25 billion, a 4.1% increase over
2014 (Giving USA, 2016). Just four sectors—religion (32%), education (15%), human services (12%), and foundations (11%)—combined to receive $264.25 billion, or nearly 71%, of all charitable support in 2015. Giving to all education institutions increased by more than five percent in five of the six years between 2010 and 2015. Philanthropic support of colleges and universities has continued to climb in commensurate fashion. Gifts to colleges and universities increased to an all-time high of $41 billion in 2016, up from $40.3 billion in 2015, $37.45 billion in 2014, and $33.8 billion in 2013 (Council for Aid to Education, 2017). In 2009, after the financial crisis began, higher education institutions had received a total of $27.85 billion. However, it is essential to keep this dramatic growth in philanthropic support for higher education in perspective. Illustrating that the surging costs of higher education institutions are outpacing the gains in philanthropy, total charitable support for colleges and universities has declined from 15.7% of total expenditures in 2000 to 10% of total expenditures in 2016. Moreover, a significant proportion of the record support for higher education has benefitted the wealthiest institutions with elite fundraising operations. In 2016, just 20 universities, representing less than one percent of all institutions, accounted for more than a quarter (27.1%) of all philanthropic support to higher education.

Individuals, more than foundations or corporations, have propelled the growth in philanthropic support across the nation. Individual giving is, by far, the most significant source of philanthropic dollars. In 2015, individuals provided nearly 71%, or $264.58 billion, of the total given to all charitable causes, and they accounted for 67% of the growth from 2014 results (Giving USA, 2016). Similarly, individuals are the plurality
provider of philanthropy to the higher education sector, accounting for 42.5% of total gift revenue to colleges and universities in 2016. Slightly more than 30% of support came from foundations, including family foundations. Corporations represented just over 16% of 2016 higher education giving, and other organizations provided 11% of the total (Council for Aid to Education, 2017).

“High net worth households,” defined as those with a net worth of at least $1 million or that earn $200,000 or more annually, appear to be driving the sharp increases in individual charitable giving (U.S. Trust, 2017). Most high net worth individuals support philanthropic causes. In 2015, about nine out of every ten high net worth households made gifts to nonprofit organizations. By comparison, roughly six in ten households from the “general population” supported a charity in 2012 (U.S. Trust, 2017). On average, high net worth households gave 10 times more money to charities than the “general population” (U.S. Trust, 2017), though individuals from lower-income brackets who gave opted to provide a larger share of their income (Philanthropy Roundtable, 2017). From 2003 to 2013, itemized gifts from individuals who earn $500,000 or more increased by 57%, while those who make $10 million or more expanded their itemized gifts by 104% over that same timespan (Collins, Flannery, & Hoxie, 2016).

Significant gifts from individuals to higher education institutions are becoming increasingly common and garnering a significant amount of national attention. Gifts of $50 million or more increased from 15 in 1999 to 43 in 2014 (Marts & Lundy, 2015). The fiscal year ending in 2015 saw eight known gifts of $100 million or more (Council for Aid to Education, 2017). The number of individual and family foundation donors who
made gifts of $1 million to colleges and universities grew, albeit more modestly, over the same period, with 460 gifts of $1 million or more in 2006 and 513 such gifts in 2014. From 2006 to 2014, higher education institutions received 58% of all charitable gifts of $1 million to $5 million and 64% of all gifts of $1 million or more (Marts & Lundy, 2015).

The threshold at which a college or university deems a gift to be significant is relative and varies greatly. While for some institutions the marker is $100 million or $50 million, other colleges and universities experience fundamental transformation from gifts of $10 million, $5 million, or far less. For example, in 2005, LaGuardia Community College, a 50,000-student Minority-Serving Institution (MSI) in Queens, received an unrestricted gift of $2 million from Goldman Sachs. Gail Mellow, the institution’s president, indicated that the gift would nearly double the endowment and would prevent students from dropping out due to insufficient funds for textbooks and other basic needs (Bellafante, 2015).

While charitable giving levels by high net worth donors continue to skyrocket, giving by non-wealthy individuals has contracted precipitously over the last decade (Collins, et al., 2016, p. 3). Between 2003 and 2013, itemized gift deductions from individuals who earn under $100,000 annually dropped by 34%. Moreover, fewer individuals are supporting institutions at “typical donation levels” (p. 3). The number of people who make “low-dollar and midrange gifts” to charities fell by 25% from 2005 to 2015, and such individuals have “traditionally made up the vast majority of donor files and solicitation lists for most national nonprofits since their inception” (p. 3).
Additionally, colleges and universities have experienced dramatic declines in alumni giving participation rates. In 1990, 18% of individuals financially supported their undergraduate college or university, compared with just nine percent in 2013 (Allenby, 2014). In other words, “the super-rich are giving more and middle class and lower-income Americans are giving less” in dollar terms, resulting in “a disproportionate reliance on a handful of wealthy donors” (Scutari, 2017, para. 28). Advancement industry practitioners and consultants, including well-known fundraiser David Dunlop (2002), once commonly conceptualized fundraising campaigns using the “80/20 rule,” a play on the Pareto Principle whereby 80% of the total funds come from 20% of the donors. However, many have begun referring to a new “90/10,” “95/5,” or “95/10” rule, among other variations, especially since the Great Recession (Council for Advancement and Support of Education, 2012; Drezner, 2011; Kindelsperger, 2013; Schwartz, 2017).

The phenomenon of fewer, wealthier donors providing a growing share of higher education’s philanthropic revenue clearly correlates with the nation’s increasing income and wealth disparities (Conley, 2000; Collins, et al., 2016; Dabla-Norris, Kochhar, Suphaphiphat, Ricka, & Tsounta, 2015; Saez & Zucman, 2016). Since “nearly all of the economic gains” in recent years have gone to the wealthiest one percent of the population, “most Americans have been treading water and, as a result, have less spare income to devote to philanthropy” (Scutari, 2017). This trend could have significant implications for colleges and universities, as well as for society. A report from the Institute for Policy Studies expressed concern that the United States could experience “the rise of ‘top-heavy’ philanthropy dominated by a small number of very wealthy
donors” (Collins, et al., 2016, p. 3). Therefore, organizations, including colleges and universities, could see “increased volatility and unpredictability in funding,” exacerbating future budgeting and income forecasting efforts (p. 3). Additionally, “the increasing power of a small number of donors…increases the potential for mission distortion” and could cause “self-dealing philanthropy” and “the increasing use of philanthropy as an extension of power and privilege protection” (p. 3).

The now-underway intergenerational transfer of wealth from baby boomers to subsequent generations creates additional uncertainty about the future of individual giving to higher education institutions (Avery, 1994). John Havens and Paul Schervish (1999, 2003) estimated that at least $41 trillion would transfer between generations from 1999 through 2052, leading to at least $6 trillion in philanthropic support for charities. However, “the creators of inherited wealth are considerably more generous than the recipients of wealth” (Steinberg, Wilhelm, Rooney, & Brown, 2002, p. 14). In other words, those who are set to inherit wealth will not necessarily continue the philanthropic habits of their deceased benefactors. More specifically, the recipients of the inherited wealth, “will be about 3.2 times less generous with the money they receive than were their parents prior to death, and so annual giving would fall each year of the transfer process, ceteris paribus” (p. 15). These findings “paint a potentially dire portrait for the future of donative nonprofits” (p. 15).

The consolidation of wealth and philanthropic influence into fewer individuals appears to have correlated with changes in donors’ expectations. Specifically, significant donors now tend to view their gifts as investments and increasingly expect to be treated
as partners, to lend their experiences and business acumen to recipient institutions, and to see the impacts and results of their support (Backer et al., 2004; Blum, 2002; Briscoe & Marion, 2001; Grace & Wendroff, 2001; Morino & Shore, 2005; Ostrander, 2007. More than 94% of high net worth donors say that they financially support causes when they feel they can have an impact and 76.4% ground their philanthropic decision making in their personal values (U.S. Trust, 2017). Nearly nine in ten high net worth individuals believe that they, other individuals, and nonprofits are best suited to address challenges in society successfully, “demonstrating that the majority of high net worth donors continue to believe in the power of voluntary action” (p. 9).

Meanwhile, donors are placing more restrictions and expectations on the use of their charitable gifts (Brandt, 1990). “In a growing number of fields within the voluntary sector, control of revenue is being decentralized from nonprofits (and their professional staff) to donors” (Barman, 2007, p. 1447). Susan Ostrander (2007) affirmed that increasing donor control over recipient institutions is “widely acknowledged (though rarely studied or openly discussed)” (p. 360). As she observed, “Despite the now nearly ubiquitous language of partnership and collaboration, philanthropy has steadily moved to a relationship controlled more and more by donors” (p. 359). This increased level of control by philanthropists materialized and grew at a tremendous pace in the 1990s and is likely the result of the “unprecedented rise in wealth accumulation” (p. 368); the aforementioned disparities in wealth and income; the intergenerational wealth transfer; and the increased needs of, and competition between, charitable organizations (Ostrander, 2007).
Importantly, however, Ostrander (2007) clarified that the phenomenon is not just limited to restrictions on gifts. Rather, she spoke to “donor-controlled philanthropy,” which is “positioned further along a continuum of heightened donor control [than] …the donor-centered philanthropy that dominated philanthropy up until the mid-to-late 1990s” (p. 361). While both donor-centered philanthropy and donor-controlled philanthropy revolve around donors’ particular interests and values, the latter concept dispenses with the traditional process of an organization cultivating a relationship and requesting a gift. In donor-controlled philanthropy, the philanthropist “intentionally determines” his or her agenda and subsequently “sets out to create a new philanthropy project or to influence a new direction for some existing project” (p. 362).

Donor-controlled philanthropy is “creating and being created by a set of relatively new kinds of philanthropic relationships” that facilitate enhanced donor control (Ostrander, 2007, p. 362). The rapidly growing number of giving circles and other types of donor networks constitute the first type of relationship in this type of philanthropy. Giving circles involve donors banding together, independent of any particular charity, to combine their gifts and to determine collectively how to distribute the pool of funds. Angela Eikenberry (2006) determined that donors—and not necessarily recipient institutions—receive most of the benefits from giving circles, primarily in the form of “joy and satisfaction” from socializing with others, learning, and feeling that they have had a positive impact. Later research by Dean Karlan and Margaret McConnell (2014) concluded that donors participate in giving circles not out of a sense of “altruistic
motivation” but “in response to the promise of public recognition primarily because of individuals’ desire to improve their social image” (p. 402).

The second set of donor-controlled philanthropy relationships is “donor intermediaries,” including philanthropic advisors and donor-advised funds (Ostrander, 2007, p. 364). While high net worth donors have used advisors for a great deal of time, this practice has increased substantially in recent years and given way to an entirely new industry, with for-profit, nonprofit, and academic entities competing to provide services to donors. One such academic entity, the Center for High Impact Philanthropy at the University of Pennsylvania, aims to serve as “a neutral broker of information for individual philanthropists, foundations, advisors, and others interested in achieving the highest social impact possible with their philanthropic dollars” (Noonan and Rosqueta, 2008, p. ii). Donor-advised funds have likewise exploded in popularity, especially over the last several years. A donor-advised fund is a philanthropic giving account that a charity manages on behalf of an individual donor or family. According to a recent report by the National Philanthropic Trust (2017), the quantity of donor-advised funds grew from 204,704 in 2012 to 284,965 in 2016. Over that same period, total assets among all donor-advised funds rose from $44.71 billion to $85.25 billion, while total annual giving to all donor-advised funds increased from $13.98 billion to $23.27 billion. Proponents of donor-advised funds trumpet the advantage of making gifts and qualifying for immediate tax benefits while retaining control over when and where the charitable funds are distributed. However, critics note that donor-advised funds have led to an increase in unjustified donor control because they enable donors to make very specific philanthropic

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investment decisions without having to learn from or engage with the recipient organizations (Ostrander, 2007).

The third type of donor-controlled philanthropy relationship is “high-engagement” or “high-impact” philanthropy, where “wealthy donors (called investors)…involve themselves as partners with recipient groups in close relationships that go far beyond simply providing financial support” (Ostrander, 2007, p. 367). Mario Morino and Bill Shore (2005) noted that high-engagement donors provide “strategic assistance, which can include long-term planning, board and executive recruitment, coaching, help in raising capital, assuming board roles, accessing networks, and leveraging relationships to identify additional resources and facilitate partnerships” (p. 11). However, some doubt the extent to which high net worth philanthropists actually care about metrics, monitor results, and adjust their giving behavior in response to outcomes—and recent data may bolster those suspicions. While high net worth donors believe that philanthropic giving is the most effective way to provide impact, more than half of them (53.5%) do not know whether their support is making a significant difference (U.S. Trust, 2017). Meanwhile, only 21.7% of high net worth donors actively evaluate the impact of their philanthropic support, and the vast majority of those individuals (79.2%) rely on the institutions they support for impact information. Additionally, nearly eight out of every ten (78.3%) high net worth donors “do not have a strategy for monitoring and evaluating the impact of their [overall] charitable giving” (p. 75).
Not all scholars agree on the extent to which donors exert undue control or influence on institutions. In response to Ostrander’s (2007) aforementioned work, Peter Schervish (2007) pointed out that not all donors are “self-serving, controlling by disposition, and…on the lookout for their own desires” (p. 376). At the time of his response, which is now more than ten years old, he noted that such behaviors and attitudes are “not the norm I have encountered in my research and work with donors and professional advisors” (p. 376). Instead, Schervish saw “an almost universal urge by donors to create effectiveness and significance in the lives of others as the basis for their own fulfillment” (p. 376). However, Schervish conceded, “There is no question that what [Ostrander] fears can and does exist” (p. 376). This disagreement was noteworthy, at least in part, for the fact that the two researchers coauthored a piece on the same topic 17 years earlier. In that joint paper, Ostrander and Schervish (1990) described charitable activity as a social relationship where donors and recipient organizations work closely together to identify and pursue projects based on their intersecting interests. They also aimed to “provide practical guidelines” that empowered recipient organizations and enhanced “the influence, bargaining power, and choices of strategies available to recipients in their relation with donors and potential donors” (p. 74). Ultimately, Ostrander and Schervish agreed that donors and recipients should “both give and get in the social relation that is philanthropy” (p. 93).

**Donor Motivation**

Underpinning the donor behaviors that researchers, practitioners, and other experts are attempting to understand and define is a growing bedrock of scholarly
literature on donor motivation. The fields of economics, sociology, and psychology serve as “the theoretical frameworks needed to understand philanthropy and to guide the practice of fundraising” (Drezner, 2011, p. 63). Those theories offer a “conceptual home” for the scholarly examination of higher education philanthropy and how colleges and universities engage with their donors (p. 63). Donor motivation, which “includes the prior willingness to give and the factors that influence the action,” is the “foundation” of philanthropy and fundraising (p. 61). Donors and volunteers react to innumerable sources of motivation, though altruism is one of the most frequently cited reasons for charitable activity. In economic terms, Russell Roberts (1984) explained that altruism occurs “where the level of consumption of one individual enters the utility function of the other” (p. 137). Put differently, philanthropists selflessly cast aside their own needs for those of others. Economists often make the case that philanthropy “lies within the public-good model,” where donors give “out of an altruistic concern to maximize the public good among others” (Drezner, 2011, p. 49). The concept of altruism has received significant attention from scholars in other fields as well, including sociology and social psychology. However, the extent of the role that altruism plays as a motivator of philanthropic activity is the subject of disagreement:

There is a debate if there is such a thing as true altruism. Most scholars find that philanthropic gifts and prosocial behaviors are motivated by a blend of altruism and self-interested motives, or impure altruism. Forms of impure altruism vary, with donors thinking of themselves and their self-serving interests obviously varying. Some gifts are given out of a motivation to receive recognition, whether it is for access to networking opportunities, to receive tax deductions, or to see their name etched into a building or on an endowed professorship. In its extreme forms, these self-interested types of giving are forms of egoism. (Drezner & Huehls, 2014, pp. 1-2)
E. Gil Clary and Mark Snyder (1990) similarly determined that like giving, volunteerism is the blended product of a desire to do good and to secure some personal benefit. The benefit that donors and volunteers often receive is a kind of personal growth, like alleviating a sense of guilt, joining a group of esteemed peers, and developing a new skill. Donors can also draw inspiration from their personal belief in specific institutions, their sense of duty, their wish to address community needs, their desire for self-fulfillment, or their need to feed their egos (Pickett, 1986). James Andreoni (1989) described a sense of “warm glow” and other benefits that attract donors, such as recognition in reports and on buildings and endowments. In a higher education context, alumni also are more likely to give after they have already made their first gift (Atchley, 1989). Ultimately, as Drezner (2011) suggested, “personal self-interest cannot be removed from our understanding of philanthropic motivations” (p. 81).

Prosocial behavior, which is related to, but not the same as altruism, is another theory that can shed light on individuals’ philanthropic motivations (Drezner, 2011). Prosocial behaviors include any actions that provide others with comfort or safety, while altruism is the act of helping another with absolutely no consideration of the benefits. In other words, prosocial behaviors are specific actions undertaken with a positive and helpful spirit, but individuals can perform such actions without purely altruistic intent. For example, a donor who provides the naming gift for a homeless shelter could be engaging in prosocial, but not wholly altruistic, behavior if that donor was at all motivated by a desire to gain recognition, enhance her social standing, or even receive a tax deduction. On the other hand, making the same gift and requesting to have no
association with it, including for tax purposes, could be considered a closer model of pure altruism. Philanthropy is an example of prosocial behavior, and some social psychologists contend that individuals can learn it.

Social identity theory offers insights into how individuals’ sense of organizational identity affects their philanthropic habits and decision making. A range of donor motivation studies by authors like Elton Jackson, Mark Bachmeier, James Wood, and Elizabeth Craft (1995) and Paul Schervish (1993) found that a sense of shared identity, such as an affiliation with a college or university, can activate an emotional response in individuals and induce them to give. Gregory Cascione (2003) built on that notion, pointing out that alumni who received scholarships recognize those funds “as a form of institutional investment” in them and feel an urge to pay back that investment (p. 99). Fred Mael and Blake Ashforth (1992) defined organizational identification as “the perception of oneness with or belongingness to an organization where the individual defines him or herself at least partly in terms of their organizational membership” (p. 109). They hypothesized that one’s identification with his or her alma mater is the product of particular characteristics of a college or university and certain individual traits. Further, they predicted that alumni identification would correlate positively with gift giving, event participation, and a willingness to encourage others to attend the institution. Ultimately, they concluded that the perceived distinctiveness and prestige of the college or university, along with individuals’ sentimentality, length of stay on campus, and satisfaction levels, positively affected organizational identity. Others, including Scott Gaier (2005), found that individuals’ satisfaction with their academic experiences at their
alma maters, as well as their involvement in formal activities as students, increase the likelihood of giving.

Some institutions may be particularly well positioned to maximize their students’ and alumni’s organizational identity levels. For example, Marybeth Gasman and Sibby Anderson-Thompkins (2003) observed that “for many Black-college alumni, the bond to alma mater is formed long before they arrive on campus—especially in the case of legacies” (p. 37). If properly cultivated by the institution, that special relationship can extend well beyond graduation. For Black alumni, their alma mater is something of a “surrogate parent” that “nurtured them much like a mother and gave them skills that they might not get elsewhere in a White-dominated society” (p. 37). Graduates of Black colleges frequently spoke of their higher education experiences as being “culturally uplifting,” while advancement officers described a powerful relationship that can become fruitful in volunteer and fundraising terms (p. 36).

**Donor Influence: Historical and Present**

Providers of philanthropic support in the United States have been influencing, shaping, and even creating institutions for centuries, often with constructive or nurturing intent. This phenomenon dates as far back as 1721 when Thomas Hollis became the first person to establish a named, endowed faculty position at an American college or university (Drezner, 2011). Philanthropists’ influence has also led to the establishment of new kinds of institutions, including women’s colleges. One of the first such institutions was Smith College, which was launched per a bequest from Sophia Smith in 1870. Smith’s bequest noted that her goal was to provide women with equal access to higher
education and equal career opportunities. Significant donors also helped shape colleges’ and universities’ teacher education programs. For example, Grace Hoadley Dodge and Nicholas Murray Butler established Teachers College, which was eventually subsumed into Columbia University, to ensure that New York teachers, especially those who work with the poor, would approach their work with “a humanitarian concern to help others and with an understanding of human development” (p. 23). This move was “significant” because it shaped higher education curricula as well as the professional practice of teaching (p. 23).

Citing mega-gifts from John D. Rockefeller, Cornelius Vanderbilt, Ezra Cornell, Leland Stanford, Johns Hopkins, Benjamin Duke, Marshall Field, Paul Tulane, William Marsh Rice, and others, John Thelin (2011) characterized the collective efforts of (White) 19th century philanthropists to support higher education as “heroic” (p. 116). While acknowledging that donors of the era had “unprecedented wealth (and egos)” (p. 115) and liked to exert influence on the curriculum (p. 16), Thelin outlined mostly benevolent and selfless motivations for their “new level of generosity” (p. 115) and pointed to their general subscription to the notion of the “gospel of wealth” (p. 112). That term, coined in an 1889 essay by Andrew Carnegie, emphasized the responsibility of the rich to engage in philanthropy for the benefit of society. However, in painting a more complex and nuanced portrait of white industrial philanthropists’ motives, Marybeth Gasman (2007) found that such donors did not exhibit wholly benevolent behavior. At times, some acted on selfish interests and used their charitable work as a lever for personal gain. For example, White industrialists' philanthropic support of Black colleges was not inspired by
a wish to promote racial equality or to build warmer relationships with African Americans. Rather, their gifts sought to nurture a stronger climate for business investment and to expand the available labor force. The Rockefeller family and other philanthropists of the time later shifted their charitable efforts toward enhancing their personal reputations. Moreover, their backing of Black colleges paled in comparison to their support for White institutions (Gasman, 2007).

Philanthropists began exerting increasing levels of control and influence on higher education institutions by the 1920s (Drezner, 2011). For example, toward the end of that decade, Linda Miller established an endowed faculty position in Jewish history at Columbia University in memory of her late husband, Nathan Miller, a successful businessperson from New York. The endowed position was the first of its kind in Jewish studies, and Miller’s gift came with restrictions that were unusual for the day but which are now far more common. Specifically, she insisted on selecting the individual chair holder, a demand that met with stiff resistance from the institution. Ultimately, Columbia selected the recipient without consulting Miller.

Numerous high-profile cases of donors using their philanthropic support to control or influence colleges and universities have made headlines in the 21st century. For example, in 2000, Nike founder Phil Knight announced his plan to rescind a commitment of $30 million in support of the University of Oregon’s football stadium project after the president affiliated the institution with an organization that criticized Nike’s operation in Asia (Monti, 2015). After a year, the university retracted its membership in the organization, and Knight kept the gift in place. Joshua Hunt’s (2018)
recent book, University of Nike: How Corporate Cash Bought American Higher Education, outlined further details on Knight’s influence at the institution, which reportedly involved prioritizing the success of football over academics, substantially shaping university policies to the detriment of students and the taxpaying public, and directly punishing administrators with whom he did not agree. In 2007, the heirs to the A&P grocery store chain asked Princeton University to reimburse them for failing to abide by the family’s intent for a $35 million gift made in 1961 (Hechinger, 2008). The family sought to repossess the endowed gift, which had grown to a value of between $700 million and $900 million. Princeton ultimately settled with the family, agreeing to refund about $100 million, in what amounted to a “key test of how closely schools must adhere to donors’ intent” (para. 2). In 2015, after the trustees at Virginia-based Sweet Briar College voted to close the institution, a group of alumnae successfully sued to wrest control of it from the board (Jaschik, 2015; Lindsay, 2018). As the result of a mediated settlement, a largely new board and executive team took over, while the alumnae group agreed to raise more than $12 million to cover a year’s worth of operating expenses. Since the initial closure announcement, the institution has raised more than $44 million (Lindsay, 2018). In 2018, the University of Nevada Las Vegas announced the departure of President Len Jessup following an unfavorable performance review, prompting a foundation to rescind an unpaid $14 million pledge for a new medical school (Jaschik, 2018). The agreement outlining the terms of the pledge stipulated that the foundation would fulfill the commitment only if Jessup and the dean of the medical school remained in their positions until 2022. Jessup reportedly signed the gift agreement just days after
receiving the negative performance evaluation, raising significant ethical concerns, as well as questions about the boundaries of donor influence on personnel and governance matters. Such incidents can occur given the murky nature of philanthropy law. Typically, the “degree of formality of the pledge and the intent of the parties will affect the outcome of a dispute” between a donor and an institution (Monti, 2015, para. 3). An institution can only enforce a pledge if it qualifies as a legal contract, a question that relevant state law determines. Adding complexity to the matter, “some states treat philanthropic promises differently than other contracts” (Monti, 2015, para. 2).

Donor control and influence is not limited to demands, threats, and requests for the return of significant gifts. Philanthropists can and do shape institutions in more subtle and gradual ways as well. For example, in 2017, the Charles Koch Foundation, Marriner S. Eccles Foundation, and Dolores Doré Eccles Foundation provided a combined $20 million to the David Eccles School of Business at the University of Utah to establish a new institute for economics and quantitative analysis (Flaherty, 2017). The institute aimed to enhance students’ quantitative skills and planned to teach and produce research in economics, game theory, and econometric analysis. However, the institution already had standalone finance and economics departments with similar missions. The move created significant concern from campus constituents about potential losses to academic freedom due to Koch’s strong adherence to and support of libertarian principles and the speed and perceived lack of transparency with which the institution agreed to the terms of the gift.
Thus far, the vast amount of scholarly research on donors has focused on who gives, why they give, and how they make philanthropic decisions. As Emily Barman (2007) pointed out, “less attention has been given to the question of donor control” (p. 1419). The specific definition Barman used for her study was “whether or not individuals attach conditions to their gifts” (p. 1419). To address the gap she saw in the literature, she compared workplace giving to United Way campaigns in San Francisco and Chicago. Ultimately, she found that “donors are embedded in specific field-level contexts that vary across locales, and particular configurations of these relationships determine the extent of donor control” (p. 1449). While her findings deepened the existing literature on donor behavior by addressing one aspect of donor control, they likewise highlighted the need for additional research. Notably, how do donor control and influence manifest beyond the singular act of placing restrictions on their gifts?

Wayne Webster’s (2014) case study analysis of an anonymous small, private liberal arts institution stands as one of the first pieces of academic literature to focus squarely on the nature of donor influence beyond the analysis of gift transactions. Webster explored how donors and philanthropic considerations shaped the facilities priorities of one college’s strategic plan and how philanthropy affected an institution’s curricular offerings. He found that “donor influence and financial considerations played a significant role” in prioritizing the capital projects contained in the institution’s strategic plan (p. 143). Although the influence of philanthropy helped make the institution more “nimble” and opportunistic, he cautioned that some members of the campus community viewed the strategic decision-making process as occurring “in a vacuum,” lacking
“enough input from the broad community,” and requiring more “time for deliberation” (p. 142). Additionally, Webster found that donors “had limited impact” on the curricular and co-curricular offerings of the institution he studied (p. 143). However, Yarbrah Peeples (2010) made the case that the “connection between philanthropy and the curriculum is uncontestable in the history of Spelman College” and continues as such (Peeples, 2010, p. 258). In the same year that Webster published his work, Josh Merchant (2014) studied the effects of venture philanthropy on shared governance, finding that liberal arts colleges may not give due consideration to the role that shared governance can or should play in mediating philanthropic influence over the curriculum.

**Overlapping Characterizations of Highly Engaged and Influential Donors**

There appears to be little empirical evidence regarding the subtle and gradual ways in which philanthropists influence institutions, especially within the context of higher education (Drezner, 2011; Ostrander, 2007). However, scholars have aimed to understand donor behavior on a theoretical level by categorizing and assigning descriptive names—with similar, if not largely overlapping definitions—to philanthropists who engage closely with and exert some measure of influence over institutions. Brian Duncan (2004) submitted the notion that donors with an intense desire to “make a difference” are “impact philanthropists” (p. 2159). The primary concern with this type of giving is that the “impact philanthropist may fall into a codependent relationship with recipients in which the recipients remain dependent on philanthropy” (p. 2161). John Kania, Mark Kramer, and Patty Russell (2014) described a variation on Duncan’s concept known as “strategic philanthropy,” in which donors and recipient
organizations agree to specific goals, strategies, and thorough evaluations. Patricia Patrizi and Elizabeth Heid Thompson (2011) acknowledged that most grantmaking foundations pay lip service to strategic philanthropy but actually fail to operate in a strategic manner.

A prominent and somewhat controversial brand of strategic philanthropy is venture philanthropy, a concept that numerous authors have defined and characterized since its inception in the 1990s (Moody, 2008). Peter Frumkin (2003) observed that venture philanthropy differs from traditional charitable support in that it revolves around for-profit venture capital principles and features the donor as the investor and the recipient organization as the investee. Thomas Backer, Alan Miller, and Jane Ellen Bleeg (2004) concurred, adding that a fundamental principle of venture philanthropy is that “highly-engaged donors can (and should) provide technical assistance to nonprofits they support” (p. 1). Venture philanthropists, akin to their counterpart investors from the for-profit sector, “approach philanthropy with a full docket of ideas. These ideas are often in the form of broad, issue-based goals that have, as the desired outcome, a social return on investment” (Boverini, 2006, p. 98). Instead of revolving around a system in which donors “cut a check and run,” the “work only begins once a financial commitment has been made” (Frumkin, 2003, p. 11). A signature element of venture philanthropy is performance measurement since “many donors, particularly those who have made money in business, find the lack of standards and benchmarks in the world of philanthropy particularly troubling” (p. 13). While the measurement process “extends the time horizon” relative to traditional philanthropy, it also “deepens the contact between all parties” (p. 11). This performance measurement element appears to distinguish venture
philanthropy from Ostrander’s (2007) broader concept of donor-controlled philanthropy, the latter of which does not necessarily entail an evaluation of outcomes. Ultimately, venture philanthropy has raised numerous questions that merit more scholarly attention, including the “proper donor-donee relationship,” how one measures return on investment, and whether the practice imperils or detracts from institutional missions (Moody, 2008, p. 326).

Scholars have begun to invent a small handful of additional terms that describe different varieties of highly engaged donors. For example, Mark Kramer (2009), a Harvard Business School lecturer and consultant, extolled the virtues of “catalytic philanthropy” (p. 32). Citing the “limitations of traditional philanthropy,” Kramer explained that catalytic philanthropists share a commitment to four practices. Specifically, they accept responsibility for securing the results they desire, “engage others in a compelling campaign” and facilitate innovation, leverage all available tools, and generate “actionable knowledge” to improve themselves and influence others” (p. 32). Such characteristics “stand in distinct contrast” to traditional and venture philanthropy (p. 32). According to Kramer, in traditional philanthropy, the “key question” that donors ask is which organizations to support and how much to give. A single organization receives the funds and is ultimately responsible for success. Venture philanthropy asks “How can I help to scale up” the organization?” (p. 33). As with conventional philanthropy, venture philanthropy holds the recipient organization responsible for success, although capacity building, rather than the overall organization, is the subject of the funding. However, Kramer’s notion of catalytic philanthropy asks, “How can I catalyze a campaign that
achieves measurable impact?” (p. 33). In catalytic philanthropy, the funders themselves are ultimately responsible for success, “multi-sector campaigns” are the target of the philanthropic support, and the information is used “to support the campaign and motivate change” (p. 33).

An even newer conception of a highly engaged donor is the “delusional philanthropist,” a term coined by Kris Putnam-Walkerly (2017), a prominent philanthropy consultant and contributor to Forbes magazine. She noted that philanthropists too frequently “delude themselves about their own effectiveness” because they fail to grasp how they are “adding needless complexity and complication to their work” (para. 2). Delusional philanthropists dogmatically insist on a “complex grantmaking process” and are prone to “underinvestment in [their] own capacity or in the capacity of [their] grantees,” a failure to focus sufficient attention on their goals or the “voices of those they serve,” and not applying the lessons from their experiences (para. 8). While Putnam-Walkerly believes the actions of delusional philanthropists can be “insidious,” they are likewise correctable (para. 7). For example, philanthropists who slip into delusional behavior could consider ensuring that their grantmaking processes “align…with the size of grants made and the sophistication of organizations funded” (para. 10). Donors might also consider asking others, including gift recipients and philanthropy experts, to help them “ferret out delusional practices” (para. 10).
CHAPTER 3 – METHODOLOGY

Research Design

This study set out to ascertain how donors influence the decisions and priorities of small, private, liberal arts institutions. It also sought to understand how such institutions respond to donor influences and how they attempt to mitigate or redirect unwanted influence. I applied a qualitative approach for a variety of reasons. Qualitative research design enables the examination of a particularly complex challenge or issue that is not easily measured and that requires a multifaceted and robust understanding (Creswell & Poth, 2018). Such complexity and depth “can only be established by talking directly with people…and allowing them to tell the stories unencumbered by what we expect to find or what we have read in the literature” (p. 45). Qualitative design provides for an understanding of the “contexts or settings in which participants in a study address a problem or issue” (p. 45) and facilitates a “literary, flexible style of reporting” (p. 46). Qualitative methods also allow for the collection of data “in a natural setting” and for “data analysis that is inductive and deductive and establishes patterns for themes” (Creswell, 2013, p. 44). Moreover, qualitative research helps to “develop theories when partial or inadequate theories exist,” a particularly utilitarian feature given that the field of philanthropy is “thinly informed by research” (Brittingham & Pezzullo, 1990, p. 1) and that the “vast majority of philanthropic literature in higher education is atheoretical” (Drezner, 2011, p. 2).

Initially, I prepared a case study approach to address this study’s three primary research questions. Case studies are an ideal method to explore unknown or little-
understood processes or behaviors (Hartley, 1994). Thus, they are typically the favored strategy “when ‘how’ or ‘why’ questions are being posed, when the investigator has little control over events, and when the focus is on a contemporary phenomenon within some real-life context” (Yin, 2009, p. 2). The driving research questions for this study focus on how donor influence manifests at small, private liberal arts colleges, a historic and ongoing phenomenon that has received little scholarly attention. Case studies also provide a multifaceted understanding of phenomena. The “detailed observations enable us to study many different aspects, examine them in relation to each other, view the process within its total environment,” and leverage the researcher’s inherent understanding of human behavior (Gummesson, 2000, p. 86).

In the initial framing of my methodology, I suspected that a case study approach would prove most appropriate given my perception of the importance of institutional context. Specifically, I surmised that institutional context could matter a great deal because characteristics like mission, culture, decision-making processes, and the personalities of leaders might heighten, diminish, or otherwise affect donors’ influence and institutions’ responses. I further reasoned that a collective case study approach would prove most suitable since the use of multiple cases “is often considered more compelling” and results in studies that are “therefore regarded as…more robust” (Yin, 2009, p. 46). Collective case studies also enable a rigorous examination of the interplay between donors and the institutions they fund and provide for a meaningful comparison of the phenomenon across different institutions.
Despite these preliminary assumptions, my initial slate of interviews with presidents and vice presidents at liberal arts colleges made clear the need to reconsider my initial methodological choices. From early participant interviews, I rapidly realized that institutions appeared to experience and respond to the phenomenon in common ways. They also appeared to draw on many of the same values when responding to the phenomenon. In other words, the initial interviews did not provide the meaningful variance that I was expecting to see between institutions, calling into question the necessity for a study premised entirely on case studies. Thus, while I kept the case study approach, I also set out to interview a range of presidents of liberal arts colleges to gain a broader view of the phenomenon across the sector.

**Site Selection and Pilot Study**

Non-elite, small, private liberal arts colleges provide a compelling context for this study. Overall, higher education institutions increasingly depend on philanthropic support to meet budgetary and other needs (Drezner, 2011; Bernstein, 2014), and liberal arts colleges are no exception. In fact, intensifying financial pressures have created doubts about their survival as a sector (Breneman, 2010). Non-elite liberal arts colleges, in particular, face a host of serious challenges, including shrinking enrollments, perpetually rising costs, diminishing demand for a liberal arts education, a growing societal focus on vocational and technical skills, and increasing competition from subsidized public institutions (Ferrall, 2011). Financial peril has emerged as a “chronic issue” for small liberal arts institutions, especially following the Great Recession (Lyken-Segosebe & Shepherd, 2013, p. 1). From 2006 to 2014, the number of small colleges with three-year
revenue growth rates of less than two percent skyrocketed from 10% to 50% (Woodhouse, 2015b). Previously, institutions could cope by “passing on additional costs to students and their families…because those parties had the ability and willingness to pay,” but that is no longer the case (Denneen & Dretler, 2012, p. 1). Further illustrating their plight, liberal arts colleges experienced a drop in their share of the higher education market from 7.6% of all student enrollments in 1955 to less than two percent today (Zemsky, 2013). While scholars disagree on precise figures, “both the absolute number and the proportion of liberal arts colleges in higher education fell significantly” in “discrete precipitous episodes during periods of economic stress or upheaval” since the 1970s (Kimball, 2014, paras. 49-50). Moreover, citing declining enrollments, increasing tuition discounting, and an inability to generate sufficient revenue, Moody’s Investors Services recently forecasted that “closure rates of small colleges…will triple in the coming years, and mergers will double” (Woodhouse, 2015b). These financial difficulties—and the criticality of their success in fundraising—could lead non-elite liberal arts colleges to demonstrate an increased willingness to cater to the demands and wishes of highly engaged donors to maximize philanthropic support. Moreover, as Matthew Hartley (2014) pointed out, “liberal arts colleges are invaluable to educational researchers because they have historically been bellwethers of change” (p. 6). In other words, they speak to the “health or fragility of the overall [higher education] system,” and given their dependency on student tuition and fees, they are “keenly attentive” to market forces (p. 6).
To assess the feasibility of a large-scale inquiry, I began this investigation with a pilot study involving interviews with my peers: chief advancement officers at six non-elite, private liberal arts colleges. I asked participants open-ended questions that invited them to reflect on their experiences and relationships with their two or three most influential major donors. Site selection for the pilot study involved leveraging my existing network of chief advancement officers with whom I could gain efficient access and with whom I could hold meaningful and thorough conversations. The selected participants were able and willing to supply generous feedback that informed and enriched my sampling strategy and data collection plans.

**Sampling Strategy and Data Collection**

The focus of this study was the relationship between highly engaged donors and the non-elite, private liberal arts institutions they support. As such, the case study component of this study relied on the perspectives of presidents and chief advancement officers, the two institutional positions most associated with the management of relationships with impactful and engaged donors. However, given that presidents and chief advancement officers are not the only donor-facing representatives of institutions, I broadened interview participation to develop a fuller perspective of donor-institution relationships as opportunities to do so arose. However, this study did not seek to collect the perspectives of donors given the anticipated difficulties in securing access to them and given that donor motivation has already received some attention in the scholarly literature.
Purposeful sampling is an essential strategy for studies intending to collect precise types of information, as is the case with this study. It is the “primary sampling method employed in qualitative research,” as it “provides context-rich and detailed accounts of specific populations and locations” (Ravitch & Carl, 2015, p. 128). This study engaged in purposeful sampling due to its “unique ability to answer the… research questions” (p. 128).

A variety of strategies can help to accomplish purposeful sampling (Patton, 2015), and this study employed a mix of them. First, my pilot study, as well as additional conversations with colleagues in the advancement field, revealed some high-impact cases—instances where institutions have managed relationships with exceptionally engaged and impactful donors. I sought to include at least one institution that had declined a major request or demand from a highly engaged donor yet maintained a working relationship with that individual. Further, I utilized snowball, or chain-referral, sampling to identify cases with interesting aspects and to gain easier access to the appropriate presidents and chief advancement officers. I remained somewhat flexible in my sampling strategy given the possibility for emergent themes or issues that necessitate the analysis of particular cases involving set criteria or parameters. However, I also aimed to ensure that the selected sites featured some geographic diversity. Specifically, I attempted to include institutions from multiple regions of the country and at least one Minority-Serving Institution (MSI). I suspected that some MSIs might experience higher levels of donor influence than their historically white counterparts given their more acute
financial challenges and their particular need to “study the changing agendas of public and private funders and make connections to these agendas” (Gasman, 2013).

This study used a sample size of 14 non-elite, private liberal arts colleges, including the four original case study institutions. Participating institutions all had endowment-per-student levels of $50,000 to $200,000. I conducted in-person interviews with the four original case study sites and used a mix of in-person discussions and phone calls for the others. At a minimum, case study site visits always included separate interviews with the president and the chief advancement officer. Altogether, I interviewed 21 institutional leaders, including presidents, vice presidents for advancement, one provost, and two nonexecutive leaders in advancement offices. Table 1 delineates participants and their institutions using pseudonyms to preserve their confidentiality. Study participants spanned eight states. An essential common aspect of each institution participating in this study—and of the preponderance of small, private liberal arts institutions across the country—was their religious founding. Five institutions were Methodist by founding, four were Lutheran, three were Presbyterian, one was Catholic, and one was Baptist. Additionally, this study featured one MSI and one college that previously converted from a single-sex mission to a coeducational one.

Interviews enable the researcher to clarify and strengthen responses through follow up questions (Creswell, 2013). Thus, the interviews for this study assumed a roughly 60-minute, semi-structured format to ensure consistency yet provide the requisite latitude for emergent learning. Informed by my pilot study experiences, I asked
participants a series of open-ended questions that invited them to reflect on their relationships with their influential donors, such as:

- How had their most engaged donors sought to change or influence their institutions?
- What types of restrictions had donors attempted to place on gifts?
- What was the nature of their donors’ influence on their institutions before and after they became significant donors?
- How had their donors improved, or perhaps challenged, their college’s work?
- How had they educated donors or aimed to negotiate with them during institutional decision-making processes?
- How did donors, or the prospect of philanthropic support, shape the campus master plans, strategic plans, or other planning processes?

Appendix B provides my full interview protocol for participants.

Finally, this study also analyzed supplemental materials, including news releases announcing significant gifts, publicly available research on donors of interest, donor honor rolls, colleges’ annual reports, and IRS Forms 990, institutional strategic plans, giving reports from the Council for Aid to Education, and other sources of documented evidence.

Table 1

Study Participants

<table>
<thead>
<tr>
<th>Institution</th>
<th>Region</th>
<th>Religious Tradition</th>
<th>Interviewee Pseudonym</th>
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**Data Analysis**

Qualitative data analysis is a set of sense-making processes used to “identify and construct analytic themes and, ultimately, turn these themes into what are commonly referred to as ‘findings’ that help you to answer your research questions” (Ravitch & Carl, 2015, p. 216). Data analysis is not relegated to one moment or one phase of a study; rather, it is ongoing, is “iterative and recursive,” and is a “central aspect of validity” (p. 216). To generate meaning and answer the research questions for this study, I used the
three procedures outlined by Miles and Huberman (1994): data reduction, data display, and conclusion drawing and verification. The data for this study took the form of interview transcripts, field notes, observations, and various institutional documents. I used coding, consistent terminology, and visual displays to recognize trends and themes, to make relevant comparisons, and to identify questions and issues that require attention. Analytic memos to key thought partners, including my dissertation committee members, also assisted with sense-making and enabled me to practice articulating emergent, complex ideas.

Data analysis for this study also included a conceptual framework for the phenomenon of interest: the manifestations of donor influence at small, private liberal arts colleges. Few applicable conceptual frameworks are already in existence. From this study, I was able to develop a preliminary model to guide my work (see Figure 1). A key objective of this study and its primary research questions was to test this preliminary conceptual framework and to make it more accurate and precise through additions, deletions, and other large- and small-scale adjustments.
In the upper-left corner is an oval depicting lessons from donor motivation theories in the existing literature. The bullet points in that oval highlight several major takeaways from the available theories, including the notion that donors often do not give merely for altruistic purposes. The oval in the upper-right corner represents relevant trends in higher education and philanthropy, including mounting pressures on institutions to increase revenues, as well as the notion that total giving is surging while unique donor counts are simultaneously falling. These ovals represent what I believe are the two primary types of external forces with which institutions contend in the context of my research questions.

Abbreviated versions of this study’s primary research questions, “How do donors influence institutions, and how do institutions respond?” are visible in the oval near the
middle of the model. Large arrows leading from the findings to the top ovals acknowledge that the information from this study aims to inform the collective understanding about donors’ motivations and about the external environment in which colleges and universities operate.

The donor motivations and environmental trends depicted in Figure 1 form something of a recipe for the phenomenon under examination. As institutions have fewer places to turn for private philanthropic support—funds that in many cases have never been needed more urgently—they might become more flexible and more willing to cater to donors’ wishes and demands. Given my own professional experiences in philanthropy and my conversations with colleagues at other institutions, I sensed at the outset of this study that some highly engaged major donors were using their philanthropic support—or the promise of future support—as a lever to shape institutional decision making in accordance with their personal agendas. How those influences manifest at colleges and universities was the heart of this study and this initial framework.

My aspiration for this data analysis approach was to reach a point in which new cases reveal “recurring patterns and concepts,” or in which the study garners sufficient data to answer the research questions (Ravitch & Carl, 2015, p. 265). While some sources refer to this threshold as a “saturation point” (p. 265), this study does not do so in order to avoid the implication of revealing a single “truth” (Marshall & Rossman, 2015).

**Positionality and Biases**

A hallmark of qualitative methods is that the researcher is the principal instrument in terms of data collection and analysis (Miles & Huberman, 1994). Thus, “issues of
instrument validity and reliability ride largely on the skills of the researcher” (p. 38). In general, indicators of “a good qualitative researcher-as-instrument” include working knowledge of the phenomenon, an interest in the topic at hand, a “multidisciplinary approach,” reasonable aptitude for conducting an inquiry, and perseverance (p. 38). As the primary instrument in this study, it was important to disclose my perceptions about the benefits and disadvantages of my positionality and biases.

My interest in the academic literature on higher education philanthropy is attributable to my formative experience as an undergraduate, as well as to my professional goals and choices. Spending a significant portion of my career in higher education advancement positions has provided me with a level of credibility to lead a study on donor influence. On the other hand, my professional experiences have obviously influenced my views on institutional approaches to fundraising and donor relations. For example, I am inclined to feel great empathy for the wishes and objectives of donors, and when working on significant potential gifts, I tend to pursue the clearest possible path to a deal. I generally view fundraisers as advocates for donors—or as wayfinders that help them to navigate the vast sea of the academy and its bureaucracy. Although I do not believe in allowing donors to exert undue control over an institution, I do tend to think that many benefactors can be educated, coached, and even managed. I have seen ample evidence that creativity, strategic thinking, and a can-do attitude on the part of higher education leaders can align donor wishes and institutional priorities in powerful ways. Further, I suspect that some college and university advancement offices operate from a passive stance and miss opportunities to guide, and even gently lead, ambitious and
passionate donors. Such biases, if left unaddressed, could potentially cloud my ability to accept and thoroughly explore donor relations strategies with which I disagree or perspectives that differ from my own.

**Reliability and Validity**

Validity is a “key component of qualitative research design” and hinges on the study’s ability to achieve rigor: “the most contextualized and complicated picture possible” of the phenomenon in question (Ravitch & Carl, 2015, p. 103). I used multiple methods to mitigate threats to validity, such as those generated by my positionality and biases. Specifically, as previously noted, I triangulated interview transcripts with observations, field notes, and information from news releases announcing significant gifts, publicly available research on donors of interest, donor honor rolls, colleges’ annual reports and IRS Forms 990, institutional strategic plans, giving reports from the Council for Aid to Education, and other sources. Member checks with interview participants—sometimes conducted in real time—enabled me to ascertain their thoughts on emerging themes and trends and identify potential concerns with my data or logic. Input and reactions from others who are knowledgeable about the field of philanthropy were also critical. I requested feedback through informal conversations and through more formal dialogic engagement, including analytic memos that I prepared for my carefully chosen, trusted thought partners. Moreover, as I collected and analyzed data, I sought disconfirming evidence and alternative suggestions for my findings. Ultimately, I aimed to generate a “thick description” that placed the findings into their appropriate context.
Study Limitations

Following standards for qualitative research and purposeful sampling, the objective of this study was not to produce generalizations to populations using statistical analysis. Instead, this study sought to generalize to “theoretical propositions” (Yin, 2009, p. 15) by “rigorously, ethically, and thoroughly” addressing its three research questions (Ravitch & Carl, p. 138). This study also aimed to produce a research model that could successfully transfer to other contexts. Additionally, given that the study utilized interviews, the findings depended on honest responses to my questions. Interviewees provided their perspectives, rather than objective facts. Moreover, while interviews with donors provided interesting and useful responses that informed the research questions, donors were likely to be difficult to access. Institutions would not likely have granted me access to their donors. That said, donors were presumably likely to hold somewhat biased, rather than objective, views of their engagement and influence with the institutions they have supported. Further, this study was less concerned with donor motivation, one of the most researched areas within philanthropy scholarship, and aimed more so to understand the results of donors’ philanthropy and engagement.

Ethical Considerations

This study took special precautions given the involvement of human subjects. Broadly, I aimed to treat “entry into the private world of a participant as a special privilege, granted by a fellow being as an act of informed cooperation” (Locke, Spirduso, & Silverman, 2000, p. 31). Specifically, this study attempted to retain the anonymity of institutions and interview participants not only to facilitate forthright
and honest answers but also to avoid jeopardizing the vital relationships between institutions and donors. The data collected through interviews naturally involved sensitive subjects, such as presidents’ and chief advancement officers’ unvarnished opinions of individual donors and their agreements and disagreements with donors. Striving to retain anonymity helped participants, donors, and institutions to avoid unnecessary embarrassment and damage to relationships. Additionally, I methodically explained the aims and format of the investigation, asked interviewees to acknowledge their consent in writing, and invited interviewees to discontinue their participation at any time.
CHAPTER 4 – THE GOLDEN RULE OF PHILANTHROPY

Many are familiar with the Golden Rule: “Do unto others as you would have them do unto you” (Flew, 1984, p. 134). In fact, the adage is nearly ubiquitous across the doctrines of “most religions and creeds throughout the ages, testifying to its universal applicability” (p. 134). In the 1960s, Johnny Hart and Brant Parker, cartoonists and authors of the Wizard of Id comic strip, pioneered perhaps the first of countless parodies of that maxim when they used it satirically to mean, “Whoever has the gold makes the rules!” (Parker & Hart, 1971). This more sardonic variant of the Golden Rule has proliferated in the ensuing decades and is now employed frequently in a multitude of contexts to highlight the inherent power and privilege enjoyed by those with the “gold,” or wealth. The field of higher education is no exception, where the “Golden Rule of Philanthropy” has begun to creep into the lexicon of college presidents who are observing, and pondering how to manage, the influence and engagement of wealthy, powerful, and engaged individual donors. As President Trent Underwood of Mulberry College observed, “At a smaller college or any college, at least in my mind, the Golden Rule is: if you provide the gold, you get to make some of the rules.” This chapter addresses my study’s first research question by exploring the nature and impact of the Golden Rule of Philanthropy within small, private liberal arts colleges. What “rules” do donors get to make at the institutions they support, and how do they make those rules? In other words, how do donors influence institutional priorities and decisions?
Existence and Prevalence of Donor Influence

Individual donors have shaped colleges and universities in the United States for centuries (Drezner, 2011). That influence over institutions appears to have grown over time and especially rapidly since the 1990s, presumably as the result of expanding disparities in wealth and income, intensifying competition between charitable causes, and a variety of other factors (Ostrander, 2007). While institutions and donors now commonly speak about their combined efforts using give-and-take language and focusing on themes of collaboration and partnership, donors appear to be displaying “more and more” control and influence over philanthropic relationships (p. 359). Consonant with that observation, such scholars as Boverini (2006), Duncan (2004), and Frumkin (2003) have endeavored to understand and describe highly engaged and proactive donors from a theoretical level by categorizing and describing their motivations and behaviors. Yet, the existing scholarly literature offers minimal empirical evidence to confirm the presence of attempted or actual donor influence within institutions, let alone the extent, nature, or impact of said influence (Drezner, 2011; Ostrander, 2007). Does donor influence exist within liberal arts institutions, and if so, how do its leaders experience the phenomenon?

Most participants in this study affirmed that donors do wield significant, albeit not unchecked, influence on the decisions and priorities of the small, private, residential liberal arts institutions they lead and manage. Every interviewee has personally encountered donors who influence some type of institutional action, ranging from restrictions on specific gifts to enabling or propelling mission change. Naturally, participants’ individual opinions and perspectives about how the phenomenon manifests
vary, possibly a reflection of tenure in their positions, their previous exposure to philanthropy and the practice of fundraising, the degree to which they discuss the phenomenon in their professional networks, and their institutions’ histories, cultures, and norms. However, nearly every participant affirmed that donor influence is a real phenomenon within higher education institutions. As Peter Marvel, vice president for advancement at Mulberry College pointed out, “I think almost any donor who's given a major gift is trying to impact the institution. If they're not, I haven't met them yet.” Marvel suspected that the motivations of donors to influence institutions include their desire to assist “someone they trust in the institution,” their sense of “loyalty” to the institution, or their desire to leverage their expertise in ways that are “impactful for the good of the mission.” President Bradley Bartlet of Emerald University, whose career has included leadership positions at four different small liberal arts colleges, concurred, noting that donors had exerted some manner of influence “at every place I’ve been.”

When asked about the overall prevalence of donor influence at their institutions, a small minority of participants initially reacted that the phenomenon is relatively rare at their institutions. At first blush, such reactions appear to reflect Peter Schervish’s (2007) view that not all donors are “self-serving, controlling by disposition, and…on the lookout for their own desires” (p. 376), as well as that donors often wish to “create effectiveness and significance in the lives of others” (p. 376). However, not every institutional leader would necessarily view fairly routine donor actions, such as applying restrictions to their gifts or providing input in a strategic plan, as examples of donor influence, given their prevalence in modern philanthropic culture. Moreover, the field of philanthropy research
is inherently “complex, value-laden, and burdened by issues of the unequal distribution of power in society” (Walton & Gasman, 2008, p. xxiii). It is therefore possible that, for some individuals, questions about the nature of donor influence automatically conjure negative images of philanthropist “foxes” guarding the academic “henhouse” and subsequently leading institutions to make decisions or take actions that run counter to their missions, cultures, and sensibilities. Institutional leaders could conceivably have a vested interest in denying or underplaying any such instances of donor influence if they occurred. As President Christian Schiff of Honey Hill College jokingly quipped during the first half of his interview, “Nobody's asking me to change the way we govern the college or fire anybody or add a program in ice cream studies or whatever.” Yet, as the interview progressed, and as President Schiff heard anonymized examples from other institutions and received time to reflect, he ultimately went on to describe eight different categories of donor influence at his institution, some of which occurred during his tenure and some of which occurred in the previous administration of the college.

One interviewee, President Harwell Coldren of Walnut Plains University, indicated several times throughout the interview that his institution experiences extremely little donor influence. As he noted,

There’s very little ambiguity with me. I am very definitive on what's going on. So maybe it's the case that people just don't feel comfortable in even kind of going beyond that, or maybe it's the case that people are kind of exceptionally sensible and realize that it's the job of the CEO or president to…set the vision…I have to say that I don't think I've experienced [a donor] that tries to push [an] agenda through philanthropy.

However, President Coldren did identify four relatively subtle and common types of donor influence at his institution, including donors applying restrictions to their gifts.
Additionally, Walnut Plains University’s website refers to a donor who helped eradicate the institution’s debt and build its initial endowment in the early 1900s. Corroborating documentation pertaining to that donor’s estate revealed that the donor offered a six-figure bequest if the institution retired its entire debt and raised an additional sum for the endowment. The university met the donor’s challenge and received the gift, and the institution’s website marks the episode as a milestone in cementing its financial vitality and building its philanthropic culture.

Significant donors are progressively viewing their philanthropic gifts as investments and increasingly expecting recipient institutions to treat them as partners, to leverage their wisdom, and to measure and report performance (Backer et al., 2004; Blum, 2002; Briscoe & Marion, 2001; Grace & Wendroff, 2001; Morino & Shore, 2005; Ostrander, 2007). Moreover, most high net worth individuals who give to charities now report that the opportunity to make an impact is an overwhelmingly powerful source of motivation (U.S. Trust, 2017). Susan Ostrander (2007) believed these perspective shifts amounted to the rise of “donor-controlled” philanthropy, whereby a donor “intentionally determines” his or her own agenda and subsequently “sets out to create a new philanthropy project or to influence a new direction for some existing project” (p. 362). In an extension of those trends, several liberal arts college leaders interviewed for this study perceived a recent and continuing upsurge in the number of exceptionally proactive and engaged donors involved with their institutions. Anne-Marie Shin, a longtime vice president for advancement, has witnessed this phenomenon throughout her tenure with Crimson College. As she noted, “I’ve seen [donors] engage more and more over the last
[omitted] years here than I've seen the previous 10 years at another organization. I don't know if it has to do with [our] organization or if it's just that…donors…have more savvy and are more expectant now.”

President Patrick Simms of Indigo College viewed a particular donor as a bellwether of the rise of donor-controlled philanthropy at his institution and, more broadly, of the changing nature of his donor relationships. According to Simms, this individual,

Takes great pride in the fact that he has never said “yes” to a [gift request] that we made of him. I would call it a perverse pride to his face that he does not accept the offers or express willingness to fund the things we want him to fund.

Rather, this donor leverages his experience as a venture capitalist to search for and select areas “where he believes investment needs to take place.” Thus far, this donor’s philanthropic leadership has led to an investment in software; the creation and placement of a new cabinet-level executive position; and the recruitment of a new faculty member whom the institution anticipates will design a new major in a high-demand field. Typically, the donor makes these investments over a two- or three-year period and requires the institution to submit performance goals and regular reports. The college can then determine whether it wishes to self-fund the project, and it has opted to do so for its first two projects. President Simms reported feeling “pretty comfortable with that model because of the success that we've seen.” He also anticipated that this donor represents the tip of the proverbial iceberg, forecasting, “I think we're going to see more and more of this… because folks want to know where their money's going.” Mulberry College’s vice
president for advancement, Peter Marvel, concurred, proffering that “activist donors are a big thing” and are playing a growing role at his institution.

This study suggests that institutions are not only cognizant of the rise in donor-controlled philanthropy, but that they also often enthusiastically seek to leverage that dynamic to maximize fundraising outcomes. For example, a particularly strong theme among participants was a desire to invite potential benefactors to participate early on, as insiders, in strategic and master planning processes to achieve a sense of ownership and buy-in from those individuals. As Cecil Spencer, president of Pinewood College, explained, significant donors are “big influencers” in institutional decision making, especially in various forms of planning, “because we want to make sure that they’re going to invest in the vision. It’s really about crafting something that they can get excited about and invested in.” Likewise, Crimson College vice president for advancement Anne-Marie Shin explained that the institution’s leadership maintains a “be engaged, stay engaged” motto when it comes to philanthropy. She elaborated that her advancement office staff members tell donors, “If you give, don’t just write a check; be involved.” She also observed that if donors “are involved, and they come and see what our students do, they give more...So we want them to be engaged, and our...president, says, ‘Invite them to everything.’” Ultimately, as President Spencer noted, the driving philosophy behind this strategy is not to appeal to donors’ “sense of altruistic love for [the] institution,” as he does not believe that “people buy that anymore.” Instead, the aim is to work with donors as partners to “solve problems” and to “translate the philanthropy into the solution.”
Scholars differ over whether true altruism even exists, and the majority of scholars have found that donors derive their motivation from “a blend of true altruism and self-motivated motives, or impure altruism” (Drezner & Huehls, 2014, p. 1-2). Impure altruism manifests in an assortment of ways, depending, of course, on the widely varying levels of self-interest and egoism possessed by individual benefactors. For example, some donors find motivation in their personal belief in institutions, their sense of duty, their wish to address community needs, their desire for self-fulfillment, or their need to nourish their egos (Pickett, 1986). For some, philanthropic investment results in a “warm glow” (Andreoni, 1989). Akin to the act of giving, donor engagement is the amalgamated result of a desire to have a positive impact and to achieve some measure of personal gain (Clary & Snyder, 1990). Participants in this study widely agreed that the vast majority of their donors both give and engage with a mostly benevolent intent and a desire to improve the academy in some significant manner. As President Miguel O’Day acknowledged, Primrose University’s donors “love the institution but also think we could do better…and [highly philanthropic and engaged donors] have been tremendous resources for us.” In other words, participants clearly saw some types of donor engagement and influence as inherently constructive and valuable to the mission and life of their institutions.

Institution representatives typically balanced their belief in their donors’ prevailing positive intent with a firm recognition that pure altruism does not necessarily imbue every act of philanthropy or engagement. As President Scott Campbell of Crimson College reasoned,
I come at [the topic of donor influence] understanding we can't live without donors. And so, you have to start with a premise that…a donation is…at its core a good thing. It doesn't mean—because we're all imperfect humans—that people don't stretch…the quid pro quo aspect [or] that the recognition aspect…may get blown out of proportion. And then, of course, some issues of fraud and other things [arise] where donations haven't been what they were supposed to have been. But my overwhelming experience has been that most donors are good people doing…things for the right reasons. All donors aren't philanthropists in the sense of…being truly motivated to give away and help. But there are a lot of them out there.

Thus, as Noah Drezner (2011) suggested, “personal self-interest cannot be removed from our understanding of philanthropic motivations” (p. 81) and, by extension, our understanding of the nature of donor influence and control on institutions. While interviewees frequently volunteered value judgments, such as “good,” “bad,” “positive,” and “negative” to characterize instances of donor control and influence, this study aims to apply a relatively clinical lens to the topic, focusing less on judging donor intent and instead concentrating on the experiences and reflections of the study participants.

**Spheres of Donor Influence**

Susan Ostrander’s aforementioned notion of donor-controlled philanthropy hinges partially on the concept of “high-engagement” or “high-impact” philanthropy, where typically wealthy benefactors forge tight partnerships with recipient organizations “that go far beyond simply providing financial support” (Ostrander, 2007, p. 367). Examples of such “strategic assistance” that extend beyond gift transactions include serving as board members, providing leadership to fundraising initiatives (Morino & Shore, 2005), and aiding institutional and facilities planning efforts (Webster, 2014). However, little academic scholarship supplies details regarding the expectations, goals, and other circumstances underpinning such collaborations. The available literature lacks a rich
supply of purposeful storytelling and examples that contextualize the nature and impact of donor influence, especially from the perspective of colleges and universities. Moreover, few, if any, studies have intentionally aimed to explore the broad range of areas in which donors typically engage. This study strives to address these gaps in the literature and to expand the known universe of spheres in which donors exert influence through both purposeful storytelling and the analysis and presentation of empirical data gathered from interviews and supporting documents.

Participants in this study discussed, largely through storytelling, at least 18 different areas, or spheres, in which they or their institutions had experienced some type of influence or attempted influence from donors. I use the phrase “at least” because I presume that other researchers conducting the same study might reasonably disagree over my criteria for a sphere, or category, of influence. For example, another researcher could theoretically argue that a particular area of influence should be split into standalone pieces. Likewise, a researcher might conceivably find some spheres to be redundant in nature, and indeed, to some degree, they are designed as such. For example, a forthcoming story from Mulberry College illustrates how a donor helped to influence curriculum change, introduce performance metrics, and shape fundraising plans for the institution’s current capital campaign. Under my construction of the spheres of influence, the Mulberry College example touches on three distinct spheres of donor influence. Yet, further examples illustrate how donors can exert influence in each of those three spheres in isolation from any other sphere or in combination with an entirely different sphere. Thus, I anticipate that further testing of this proposed construct for organizing
occurrences of donor influence would result in additional, rather than fewer, spheres, along with other refinements and nuances.

My process for identifying individual spheres of influence involved documenting each new potential area after every direct mention by a participant during an interview. A sphere’s status became official once more than one participant mentioned it. Some areas of influence became divisions within spheres, or sub-spheres, but only if two conditions were met:

1. Their descriptions fit neatly within the confines of that sphere’s definition but did not encompass the range of possibilities for that sphere, and
2. If another subcomponent was present.

For example, the “Quid Pro Quo/Personal Favors” sphere housed any type of arrangement between an institution and a donor in which the former grants the latter any kind of favor or special consideration of a personal nature in acknowledgment of past, current, or potential future gifts. The “Quid Pro Quo/Personal Favors” sphere contained six separate sub-spheres:

1. Business arrangements (e.g., preferred access to students for employee recruitment);
2. Participation in activities with students or faculty;
3. Preferential seating at campus events (e.g., extra tickets for commencement ceremony);
4. Access to facilities for personal purposes;
5. Preferential parking; and
6. Special admissions or financial aid considerations.

Details on sub-spheres follow in the next section of this chapter. Ultimately, the decisions and choices I made in building this framework for understanding the scope of donor influence amount to a judgment call rooted in my positionality, including my experience as an advancement professional. I attempted to mitigate the effects of my personal biases.
by including spheres and sub-spheres of influence that participants specifically mentioned and by reviewing transcripts multiple times for accuracy. I intentionally avoided adding any of my own experiences with donors unless participants repeated them.

In Table 2, check marks show the occurrence of spheres in which study participants acknowledged that they or their institutions have experienced some type of influence or attempted influence from donors. Spheres of influence appear in an order based on their repeated appearance as a theme during interviews. Specifically, the most frequently mentioned spheres appear in the top rows and follow a descending order. I do not distinguish between influence and attempted influence by donors since the difference between the former and latter is fairly subjective and difficult to prove. The overarching goal of the table is to illustrate the range of areas that donors have attempted to influence in some manner and to assist institutional leaders, scholars, and others interested in philanthropy to better understand and recognize that behavior.

As previously mentioned, I do not claim that this table represents an exhaustive list of the possible spheres of donor influence within liberal arts institutions. However, this study did achieve a point of “recurring patterns and concepts” that yielded sufficient data to answer my research questions (Ravitch & Carl, 2015, p. 265). Therefore, while the lack of a particular sphere of influence in the table does not necessarily suggest the impossibility of said sphere, it could imply that the donor behavior in question is relatively infrequent or uncommon across similar institutions. Similarly, an institution’s lack of acknowledgment of a particular sphere of donor influence does not necessarily indicate a lack of experience with that same sphere. The goal of this study was not to
quantify donor influence spheres, and interviews with participants, therefore, followed a semi-structured format. Study participants received anonymized prompts, examples, and stories of donor influence at other institutions upon request but were not requested to respond to a rote checklist. Rather, this study aimed to draw out as many expressions and realms of donor influence as possible and to report the relative strength of each as a theme. A potentially interesting follow-up to this study could involve the quantification of spheres of influence to furnish readers with even more precise insights as to the prevalence of each sphere of influence.
Table 2

Spheres of Donor Influence Experienced by Participants

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<th>Sphere of Influence</th>
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<th>Crimson College University</th>
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Exploring the Spheres of Donor Influence

As previously noted, few academic sources detail the expectations, goals, and other noteworthy circumstances behind instances of donor influence, especially within the context of higher education institutions. The existing scholarship lacks purposeful storytelling and clear examples that contextualize the nature and impact of donor influence, especially from the perspective of college and university leaders. Building on Table 2, the following section aims to contextualize and provide additional clarification to many of the 18 spheres of influence mentioned earlier through select stories and the presentation and analysis of empirical data gathered from interviews and supporting documents.

Gift Restrictions/Recognition Sphere

Today’s donors are placing more conditions and expectations on the use of their charitable gifts (Brandt, 1990), and control over philanthropic revenue is shifting more and more “from nonprofits (and their professional staff) to donors” (Barman, 2007, p. 1447). Such conditions on gifts include restrictions for “particular departments, causes, or beneficiaries within the recipient organization” (p. 1418). The Donor Bill of Rights, created in 1993 by the Association of Fundraising Professionals, the Council for Advancement and Support of Education, and the Giving Institute, helped to ingrain gift restrictions as commonly accepted practice by donors. In fact, the Donor Bill of Rights explicitly entitled donors “to be assured [by recipient institutions that] their gifts will be used for the purposes for which they were given” (Association of Fundraising Professionals, 2019, para. 6). This study supports the notion that gift restrictions are exceedingly common within higher education philanthropy. Every participant institution
acknowledged having experience with donors who place restrictions on their gifts and seek some sort of recognition.

Participants reported working with a wide range of gift restrictions and recognition requests, some of which proved straightforward, and some of which presented institutions with concerns and potential legal issues. Gifts to secure gift recognition within new capital construction projects, often called “naming opportunities,” proved quite common. As President Dwayne Whitford at Red Robin College reported,

We've had unbelievable success with [naming opportunities for] capital projects. I mean, people like to name stuff…I just came from a project [where] we had a young alum…die suddenly. And…he was the leading scorer in [his sport] in the history of [Red Robin College]. And [his family] wanted to create a practice facility in his honor. We showed them what it would look like, we told them what it would cost, and they wrote a check on [that] day. And it has happened over and over and over on projects, kind of not small, but medium and big. And so, [naming opportunities have] become kind of a go-to for us.

Indigo College’s president, Patrick Simms, felt similarly and noted that, in his experience, donors also sometimes use naming opportunities to honor someone else whom they find meritorious of distinction or honor. He recounted a story about his former board chair who made a $1 million gift for a future capital project and waived his right to any personal recognition. Instead, he requested that the college rename an existing building to honor the legacy of Indigo’s past president, with whom he served. The gift marked the donor’s first seven-figure commitment to the institution.

Participants also described instances in which donors wish to honor a beloved figure at an institution but do not offer sufficient funds to secure their desired gift recognition opportunity. Yet, they sometimes press officials to make an exception for
their cause. As Anne-Marie Shin, vice president for advancement at Crimson College, recalled,

We had a [sport omitted] coach that passed away that had coached here in the fifties and sixties, and at the time, we were building a new [athletics complex]. A couple of [alumni from that athletics program] got together and gave… $100,000. Well, the naming for the [facility] was like a million dollars. Well, they just could not understand why we would not name the field [name omitted] Field and… really got up in arms about that. And you know, we were just awful people because he had just passed away…So there's some entitlement there.

Ultimately, the institution’s advancement office suggested that the alumni group use the money to establish an endowed fund in honor of their beloved coach. They also invested staff time and other institutional resources to assist the group in raising additional funds. The annual proceeds from the newly established endowment would support the athletic program that their revered coach once led. It also represented an agreeable compromise for all parties since the minimum amount required to establish a new endowment at the institution was $50,000. The institution hosted a special event to commemorate the gift and to honor both the namesake coach and the volunteer leaders and donors who supported the fundraising effort. The institution’s advancement website celebrated that event with a press release and photo of the gift agreement signing process.

Study participants recognized endowment gifts as a particularly common focus for donors’ gift restrictions. The vast majority of such gifts were straightforward and in line with institutional policy, though some require additional thought by institutions. For example, Chantal Kayfetz, a senior advancement officer at Mulberry College, noted that donors of endowed scholarships sometimes request the annual proceeds from their endowments to be given to student recipients as an add-on to their financial aid packages.
In other words, the gift would not underwrite the cost incurred by the institution to provide a student with a scholarship, which is Mulberry’s preferred manner of managing endowed scholarships. Rather, the proceeds would create—and fund—an additional scholarship for a student instead of effectively reducing the net cost of its existing financial aid obligations. President Harwell Coldren of Walnut Plains University had also experienced donors who asked for their endowed scholarships to “be…on top of what [the student] would normally get.” He also added that donors have occasion to endow named faculty positions, where the funds underwrite the cost of salaries but that the preponderance of the endowment giving he sees “tend[s] to be in support of students.”

For the most part, institutions typically attempt to accommodate their donors’ wishes. As President Anderson Rutigliano of Jade Mountain University explained,

> On the scholarship side, sometimes you can get restrictions that are so constraining that you can't find students who will necessarily meet the criteria. So, in those cases… we've gone back to donors and tried to recraft those…gift agreements in order to give greater latitude. So, first preference might go to [one particular area of interest], but then there's wider preference after that.

Kayfetz summarized the viewpoint that most institutions expressed when it comes to their process for negotiating gift restrictions. The art of dealing with donors in such situations, she said, lies in “balancing…what the donor wants and what we, [the institution], can do.”

> On occasion, donors propose restrictions that the institution cannot accommodate. At the time of her interview for this study, Vice President for Advancement Anne-Marie Shin of Crimson College was working with a donor who said,

> He’s going to leave [the college] his estate, which was several million dollars. He wants to create five… full scholarships until they run out. But he wants it only to
go to… [White] males. Then he finally said maybe one female, okay, whatever. And he wants it to only go to students that…are conservative thinking, who believe in the sanctity of life. In other words…anti-abortion, [among] other criteria…Well, first of all, I said to him, just practically, how do we find this in a student's application? [The donor said], ‘Well, they can write an essay.’ So I'm trying to say, listen, we just can't. We can't do that.

Shin went on to explain that the circumstances presented institutional leadership with something of an ethical dilemma. On the one hand, she reasoned, the institution could accept the gift and then manage it in accordance with their values upon the donor’s passing. On the other hand, Shin felt a moral obligation to remain truthful and transparent with the donor. Ultimately, Shin coached the donor to write a “preference letter,” to the institution, in which he would delineate his hopes for the use of the scholarship while simultaneously acknowledging that the institution would not be bound to follow those restrictions strictly. At the time of my interview with Shin, she noted that the discussion with the donor had “stalled” and admitted, “I don’t know what he’s going to do. The ball is in his court.”

With regularity, institutions work with donors who wish to apply patently illegal restrictions to their gifts, usually owing to those individuals’ ignorance of tax law. For example, President Benjamin Supple of Sage Lake University described a recent encounter with a donor who wished to designate his scholarship gift for a specific student, a clear violation of federal tax law (Internal Revenue Service, 2018). Supple indicated that the typical response to those individuals is, “We are in violation of tax laws. [It is as] simple as that.” Roderick Barnes, a former major gift officer for the institution, noted that the advancement office would typically explain to the donor that it was possible to “develop the [scholarship] criteria and get pretty targeted to a certain
population.” In some cases, the donor would follow the institution’s guidance, and in other cases, the donor dug in their heels and requested the accommodation, but “the university was not supportive of that.” Ultimately, President Anderson Rutigliano of Jade Mountain University felt similarly, noting that it was “easy to point out the IRS issues” in such cases.

**Vision/Major Initiatives Sphere**

This study found numerous instances of donors engaging with institutions in ways that extended “far beyond simply providing financial support” (Ostrander, 2007, p. 367). In fact, the vast majority of participants willingly, if not eagerly, partnered with individual donors in setting or pursuing a new vision for their respective institutions’ futures. In some cases, vision setting took the form of launching an ambitious new program that would seek to cement the institution’s status as a world leader in a field, as an exemplar for other institutions, or as a change agent for some type of social good. In other cases, vision setting assumed a more general form and involved a progression or shift in an institution’s view of its future relevance. Some institutions thought of strategic planning and setting a vision as essentially equivalent processes, while other institutions viewed those as two distinct procedures. Ultimately, instances of donor influence qualified for inclusion in the “Vision/Major Initiatives” sphere when they involved working toward the institution’s future and occurred separately from a formal strategic planning process. By contrast, for this study, the strategic planning sphere refers to influence exerted by donors during or in direct relation to the strategic planning process of an institution.
Sebastian Gill, vice president for advancement at Blue Forest College, spoke about a donor who almost singlehandedly cemented his institution’s status as a national exemplar for work on a particular social issue. This individual, a trustee of the college, initiated dialogue with Blue Forest’s then-president and leadership team with “the idea of doing something around the theme of [a specific social issue].” While the college was not necessarily a significant player in that realm at the time of the initial conversation, the idea did “match the institution’s values.” After receiving an initially warm reception to the idea, the donor said, “You ought to talk to my team at…[my] foundation and dream big.” Representatives of the college and foundation subsequently met with “a blank slate” and “put together a pilot program” for the new initiative with the help of a committee of experts on this particular area. The donor’s foundation provided “soft funding” for the pilot phase, and after an initial test, both organizations began to discuss a financial plan for the establishment of an endowed center. Meanwhile, the donor that launched the discussions remained out of the day-to-day negotiations, remaining “apprised of the progress” yet “letting people do what they needed to do… There was a lot more conversation between the college and the foundation about the nuts and bolts than there ever was [between the college and the donor].” Gill sensed that the donor simply knew his range of expertise and maintained what he felt was an appropriate level of distance. Gill also felt that the donor acted out of a fundamental desire to improve society, acknowledging that “there’s a role for [Blue Forest College] to play,” a role that serves as “a logical extension of the mission of the college.”
The gift negotiation process concluded with the donor’s foundation providing the college with one of the largest donations to a private higher education institution in the history of its home state. Thus, with the strategic assistance of an individual trustee, his team of experts, and his foundation, Blue Forest College built a center focused on a specific social issue that almost instantly became a point of distinction and pride for the institution. As Stanley Fleming, the institution’s president noted, the center “has amazing resources” and played a significant role in his decision to assume the chief executive role.

**Facilities/Master Plans Sphere**

The next chapter in the development of an identity-defining center at Blue Forest College involved the trustee-donor mentioned earlier as driving the location and scope of the facility housing that center’s activities. As Gill recollected, original plans called for an older house, one which had served “a couple of different purposes,” to house the center. The donor “initially thought that would work,” but “the more he walked through the house, the more he realized…that it isn't going to achieve the things he wanted to achieve.” Thus, he told the administration, “Let’s build a new building, and I’ll fund [it].” The donor invited the college to select an architect for the project, and the institution built a facility for the center that was “really intentionally designed in certain ways to encourage the kind of open conversation and working relationships that we believe make for good [work]” in that field. Gill admitted that the donor’s offer came by surprise, “surfacing midstream” during the planning phase, and he credited the college’s leadership for being “flexible enough to consider” a change in plans.
Consonant with Blue Forest’s experience and Wayne Webster’s (2014) findings, numerous participants in this study acknowledged that donors tend to influence the prioritization, sequencing, scope, financing, and implementation timelines of major facilities projects to a significant degree. Such instances of donor influence fall into the “Facilities/Master Plan” sphere. At Hazel College, President Vincent McNealy noted how a donor successfully incentivized him to look beyond the immediate priorities within his official strategic plan and consider conducting a facility renovation project that the institution did not plan to address for many years. As McNealy recalled, he visited a potential donor to request support for a particular student organization, precisely because that individual had previously supported that student activity. However, after making a gift request, the individual “politely listened and then moved my proposal aside and said… ‘Think bigger, [Vincent]. What about [an athletics stadium]? My friend was recently at your…stadium. He said it’s one of the worst…he’s seen.’” McNealy responded that the athletics project did not appear on the institution’s strategic plan, pointing out that it was “actually on the campus master plan, [which is] the listing of [longer-term] facilities renovations.” He explained that the potential donor would need to fund the entirety of the project, which he estimated would approach many millions of dollars. Upon the request of the potential donor, McNealy dutifully returned soon after the initial meeting with a modestly ambitious proposal for a new stadium. Ultimately, the potential donor made the plans “a lot grander,” and Hazel College “happily” built a “Cadillac of a stadium.”
More than a decade ago, the leadership of another institution, Primrose University, received strong encouragement from a small group of wealthy donors not only to build a particular academic facility but also to conduct the requisite research to develop a best-in-class plan for the structure. As now-President Miguel O'Day reported,

What happened...was a [group of powerful donors]...knew that the [institution’s] faculty and academic leadership recognized that the pedagogy we were practicing really didn't work very well in the buildings built for another kind of...teaching and learning. And what these people did was to say, look, let's set our sights high. And they funded travel to other institutions...So the...donors said... let's [not] make this up [ourselves]. Let's go...see what other schools have done and see what we like [and] what we think we might be able to do better...That was such a cool thing to have them say, hey, look, we'll pay. We'll fly you all around. Just tell us where you want to go, [and] we'll pay for [everything]. And then...these people became critical to the funding of the building itself.

**Strategic Plans Sphere**

Mario Morino and Bill Shore (2005) indicated that high-engagement donors provide “strategic assistance” that includes participation in strategic planning processes (p. 11). This study provides support for that point and suggests that most small, private liberal arts institutions actually expect and promote donor involvement and influence in strategic planning processes. As President Scott Campbell of Crimson College explained, donor involvement is a net positive but requires a watchful eye. He noted, “I, for the most part, welcome a donor's involvement in strategic planning...Now, you don't want them pushing you down a track that clearly won't benefit the institution, so you do have to balance that.” Hazel College’s President Vincent McNealy concurred, acknowledging that “donors do influence our strategic plan...and at many colleges, and I actually think that...is the way it should be.” Furthermore, he pointed out that significant donor engagement in strategic planning “has the ancillary benefit...of creating ownership...and
to the extent that they feel ownership…fundraising [becomes] much easier.” President Dwayne Whitford of Red Robin College placed an even finer point on the importance and benefits of donor engagement in strategic planning by pondering hypothetical projects that could come about given donor influence over the strategic plan. In likening Red Robin’s strategic plan to a “menu” for donors, he speculated,

I could imagine that we might have a [standalone pre-professional school] here… If that were to happen, it would be the result of a $100 million gift… It will cost us significant amounts of money to do it right. We would need to build a new…building to house that unit…but we're not going to build that [cost] into the tuition and fees of the students coming our way. We need a gift. I could [also] imagine [Red Robin College] building what would effectively be a sports center. [More than 40%] of our students compete on intercollegiate teams right now, both men and women. So being a student-athlete here is a big deal. We've got good facilities…The next level up would be to put in place a sort of an indoor facility that probably would cost between $30 million and $40 million. That would probably be in our next strategic plan as an objective. That'll be paid for by an outside donor…. I'm not going to go out and borrow money and basically charge that against our current and future students’ price in order to build that. We're going to get a donor to build it. And so my point is, you can say, well gosh, then it's not really a strategic goal. I would argue back: yes, it is because it would be profoundly good for the strength of the institution for that to be in play. But, it's something that should only happen if we can get a donor to agree to that commitment and then meet it.

Institutional leaders interviewed for this study mostly believed that donor input and engagement in strategic planning processes lead to greater levels of philanthropic support. Sebastian Gill, vice president for advancement at Blue Forest College, had seen multiple strategic planning cycles throughout his career. As he summarized, the primary objective is for donors to “have a candid conversation about what they hope to see in the new strategic plan and what they hope to see in the organization once the plan is implemented.” While disconnects between donors and the institution arise, when “donors want to take the organization in a different direction,” the process is about building
excitement and shared ownership and creating synergy. As President O’Day added, “It’s all about adding strength and adding quality to the institution and how donors can and should play a major role in moving that forward.”

**Curriculum/Pedagogy, Performance Metrics, and Fundraising Efforts Spheres**

Overall, colleges and universities have given limited consideration to the role that shared governance can or should play in mediating donor influence on the curriculum (Merchant, 2014). Philanthropic support can catalyze creativity, open new pathways, and facilitate “nimble” action on the part of institutions, but institutional leaders can risk appearing to campus constituencies to make decisions in a “vacuum” when taking opportunistic action (Webster, 2014, p. 142). The impact of donor influence on curriculum appears to vary by institution. While Wayne Webster (2014) found donors to have “limited impact” on the curriculum and to exert “no influence on core academic values” (p. 127) at one unnamed institution, the “connection between philanthropy and the curriculum is uncontestable in the history of Spelman College” and continues as such (Peeples, 2010, p. 258). This study supports and, in some ways, extends the existing literature by affirming that institutions commonly encounter the prospect of donor influence on the curriculum and pedagogy. Moreover, the stories of participants suggest that following an institution’s shared governance procedures when considering philanthropically inspired ideas for the curriculum or pedagogy represents a necessary but not sufficient criterion for success. By contrast, shirking shared governance principles appears likely to invite political unrest, faculty morale issues, and other difficulties to campuses (Valbrun, 2018).
Mulberry College’s protracted discussions with a donor over a fundamental rethinking of the curriculum for a signature pre-professional program highlights the often tenuous, push-pull nature of philanthropic influence on the core academic mission of an institution. More than 10 years and two presidents ago, a Mulberry College trustee and alumnus, “Jason Hartley,” stepped away from his role on the board, partially due to the institution’s refusal to reimagine a particular pre-professional program historically viewed by the Mulberry community as a point of pride and distinction. According to Former President Bradley Bartlet, who now serves as chief executive of Emerald University, Hartley’s concern was that “education [in that pre-professional area was] changing, and [Mulberry was] not changing its approach.” Hartley complained that the institution kept asking him for major gifts in what he felt was tone-deaf fashion. President Bartlet recalled that Hartley had said many times, “I’m not making a major gift until I see evidence that [Mulberry] is going to think differently about…education [in this pre-professional area].” Hartley had taken his message directly to top administrators and faculty members to no avail. He heard a forceful reply about the inability of a donor to influence change on curricular or pedagogical matters. As Vice President for Advancement Peter Marvel explained, “At the time, I think everybody who was approached said, ‘you can’t impact curriculum…This has to be driven from the inside, not from the outside.’” Additionally, “the faculty probably wasn’t aware enough of the massive change that was happening in…education [in this pre-professional area].” Hartley’s departure from the board ultimately occurred after he developed a clear
impression that he “[could not] give a gift tied to curriculum,” even if he was not leading the change but just “encouraging it.”

Several years later, President Bartlet successfully convinced Hartley to rejoin the board, shortly before Bartlet left the university to assume a different role at another institution. Eventually, President Trent Underwood took over, and as he explained,

It was a well-developed situation when I arrived…[Jason Hartley] had a vision… for education [in this pre-professional area]….He was absolutely convinced that undergraduate…education [in this pre-professional area] could be done better than it [was]. He didn't know exactly what it should look like, but that it should look different than it does. I think part of that interest [was] because he was a professor in [the same pre-professional area], and he saw students struggle as they came in [to graduate school in that area]….And there was this disconnect because the [graduate] schools [were] doing something new…but the undergraduate colleges were doing something old-fashioned.

In Underwood’s mind, Jason Hartley felt that somebody needed to change the nature of undergraduate education in this pre-professional area, and he supposed, “I guess that needs to be me…because I’m a trustee at [Mulberry College] and I went to [Mulberry]…and so they’re probably the right vehicle, and I’m probably the right person.” President Underwood’s new vice president for advancement, Peter Marvel, led the institution’s efforts to restart conversations with Hartley, noting,

It took a while for [Hartley] to believe that we would actually be interested in this. And how we did it is we brought science faculty to [Hartley] and looked eyeball to eyeball and said, “We're here…we believe it's the right time, and we believe that this has got to change.”

Marvel explained that he made the appropriate introductions between faculty members, many of whom were new to the institution since Hartley’s return to the board, and then he “stepped away.” Specifically, over the next two years, he became a facilitator between the faculty and Hartley, taking notes during meetings, ensuring follow-through, and
supporting the advancement of negotiations. As he remembered, “I wanted to make sure there [was] follow-up…and…as much faculty interaction [with Hartley] as possible,” making special accommodations to provide time for interactions that were “unsupervised” by an administrator. Although Marvel felt the move was “hugely risky,” he also believed that if a potential gift were to fall through, “Let that come out.” It would ultimately mean that the partnership was not a good fit for the institution. The driving goal of the institution was to facilitate candid dialogue and to build ownership and excitement among the faculty and Hartley.

Initially, Marvel hoped that the negotiations might result in an endowed gift, such as a professorship. However, the faculty wrote “the entire proposal…so [there] was great ownership around the process.” Ultimately, “It couldn’t be [President Underwood’s] gift. It had to be a faculty gift because it had been tried [the other way] before.” President Underwood, for his part, observed that “something had fundamentally changed” in the conversations with Hartley “in the last few months before the gift.” The change was that Hartley had connected with Mulberry’s more recent alumni, “who[m] he knew well…and who had gone through the undergraduate [pre-professional program] curriculum” but were not served well by it. Hartley also spent time speaking with “places where the curriculum serve[d] [students] well,” so the discussion “went from a theoretical construct” involving “nameless people” to one with real implications for people for whom he cared.

Hartley, the faculty, and the administration finally agreed to terms on a gift of several million dollars, the largest by an individual in school history, to reimagine the
existing pre-professional institute and transform it into one that uses a well-researched, modern curriculum endorsed by several of the nation’s elite graduate programs in that area. The gift also came with important expectations. Chantal Kayfetz, a senior advancement official, pointed out that the Hartley gift required a specific fundraising plan because “he want[s] others to join him” in the effort. Kayfetz believed that Hartley expected the plan “to come from [the institution]...and [the staff] is already working on [that plan] as we speak.” Marvel added that Hartley wanted the new institute to officially launch within three years and that Mulberry had new goals for graduate school test scores, admissions placement rates, and other performance areas. As Hartley himself posted in an interview on Mulberry’s website, the institution will know within a decade if this experiment was successful. Ultimately, Marvel concluded that this gift and the initiative it sparked occurred due to a combination of favorable timing for the donor, new leadership in the administration, the infusion of new faculty members who were open to change, and especially the fact that “the faculty drove this.” Marvel also suspected that another essential consideration was allowing Hartley to get “past the hurt” and to believe that the institution was “buying into” the curriculum change and not simply “buying the dollars.”

**Institutional Policies Sphere**

Another strong theme from this study is the tendency of some donors to attempt to influence specific institutional policies in various ways. Study participants admitted experiencing five different areas, or sub-spheres, of attempted donor influence over institutional policies, including:
1. Determining who in an institution may spend gift resources;
2. Mandating how much the institution may draw annually from an endowment;
3. Controlling the institution’s investment practices;
4. Changing or securing exceptions to gift acceptance policies; and
5. Influencing other institutional decisions and policies.

**Determining who in an institution may spend gift resources.** Several such attempts at donor influence revolved around the management and control of an institution’s endowment. For example, Emerald University President Bradley Bartlet described a situation in which he rejected the restriction of an endowed scholarship donor who demanded that a specific department chair, rather than the financial aid office, make scholarship award determinations. As Bartlet noted,

> The department chair should not be the one assessing [the] financial need of students. If we’re going to make awards based on need, we need to have a consistent process…and that resides in the financial aid office, but that doesn’t reside in the biology department…or whatever.

President Bartlet shared that his view represented a change in direction from past administrations and that the institution “just needs to get better” at ensuring discipline within gift negotiation and administration processes.

**Mandating how much the institution may draw annually from an endowment.** Along similar lines, President Cecil Spencer of Pinewood College and Mulberry College’s vice president for advancement Peter Marvel noted that donors have occasion to request a change to the endowment draw policy of an institution. An endowment is a pooled fund that maintains its principal in perpetuity and pays out a small portion per year for specific purposes, such as a scholarship. Both Pinewood and Mulberry have seen donors ask for the annual draw to be higher or lower than the predetermined rate, which is five percent at both institutions. Spencer and Marvel both
indicated that their institutions do not make exceptions to that policy. Consequently, they include specific language about the spending policy as they craft written agreements with donors. As Marvel explained, a change to this policy is “not up to [the donor] but is a matter for trustees.”

**Controlling the institution’s investment practices.** Some institutions reported encountering donors who attempted to micromanage the investment choices of the institution. Specifically, they wanted to direct the institution to invest their support in precise ways. At Blue Forest College, Vice President for Advancement Sebastian Gill sensed “a growing move toward” such requests, with several such donors demanding investment only in “green funds.” President Spencer at Pinewood College concurred, having experienced requests for investment that avoids fossil fuels. Most institutions in such situations indicated that they typically do not make exceptions to such policies. As Gill explained, “We don’t allow [donors] to pick and choose [investment choices]. It’s all or nothing.”

**Changing or securing exceptions to gift acceptance policies.** Gift acceptance policies marked another subject of back-and-forth nature between institutions and donors. At Honey Hill College, President Christian Schiff recalled a case where a handful of donors railed against the institution’s “decision to sell [several] pieces of art out of our…collection.” He acknowledged that it was “a very controversial thing to do” but also noted that the institution felt compelled to take that action to “replenish the endowment, which had been running down” in recent years. After the first painting sold, the institution
faced a lawsuit in which it ultimately prevailed, affirming its right to sell the paintings.

However, when the institution looked to sell its final two pieces of art,

A donor presented herself...and said, “I understand you have two paintings left. I want to buy them both, and then I’m going to give them back to you on permanent loan. But if you ever sell another painting, then I take the paintings back.” Well, in fact, I had already sold [one of those paintings]...and there had not been a public announcement yet. So, all I had was one painting left, and I sold it to her for [amount omitted], and she gave it back to us on permanent loan. We can keep it in our collection forever...as long as we don’t ever sell another painting.

However, Honey Hill’s policy is to avoid entering into agreements in which the college is not permitted to liquidate an asset. President Schiff, therefore, asked for guidance from his board members, who advised him to accept the gift but to negotiate with the donor. They came to an agreement in which Honey Hill keeps the paintings, and if the institution ever sells one of them, it loses the other. Ultimately, Schiff does not imagine selling the art in the future but, along with his board, felt the need to retain flexibility in case the institution encounters a financial crisis.

**Influencing other institutional decisions and policies.** Participants recounted a variety of stories about donors who advocated for—or in some cases, demanded—other types of changes to institutional policies or decisions. For example, in recent years, President Benjamin Supple at Sage Lake University experienced pushback from a group of alumni donors who disliked a new marketing campaign that involved a new twist on the institution’s name meant to disambiguate it from a similarly named university. Sage Lake’s vice president for advancement, Clementine Ackerman, recalled the episode as a “scary” time that involved public “campaigning” by a group that eventually came to include multiple members of the board of trustees. Importantly, Supple and Ackerman
observed that, in general, the younger alumni, and therefore the typically lower end donors, supported the marketing move, while the older, more financially established, and higher-end alumni and donors tended to reject it. In the end, for President Supple, it came down to a “market decision.” The institution would tamp down the general use of the marketing messages, especially with older alumni. Traces of the new marketing messages are still visible on the institution’s website but to a lessened degree.

**Religious Identity/Adherence Sphere**

A key common aspect of each institution participating in this study—and of the preponderance of small, private liberal arts institutions across the country—is their religious founding. Institutions vary in their modern-day expressions of those religious underpinnings and the role that those religious roots play in shaping donor relationships patterns commensurately. Participants in this study described three different categories of ongoing relationships with their founding religious orders. In the first category are institutions that see their historic ties with the religious order as having declined substantially over the last several decades. Such institutions may have once enforced mandatory chapel attendance by their students. At one point in the last century, they likely accommodated a significant number of students who grew up in that same order of faith. Alumni and donors of these institutions may hold dear certain vestiges of the historic religious affiliation, including but not necessarily limited to a chapel facility, a religious education program or major, an agreement with the founding religious order, or the observation of certain elements of religious doctrine. Religious considerations play a vital role in the philanthropic decision making and behavior of a declining pool of donors.
at such institutions, though those donors sometimes have considerable resources and
giving potential or have sometimes already given extensively. This category applied to
the vast majority of institutions represented in this study. The declining pool of aging
donors who support such institutions sometimes exerted or attempted to exert influence in
noticeable ways that reflected their passion for the religious element of their school. For
example, when Emerald University publicly announced the election of Bradley Bartlet as
their president, a handful of devout Lutherans made threats with philanthropic
implications given concerns over Bartlet’s personal faith. As he recalled,

There were some nasty letters to the board when they selected me as president
from people who were really disappointed that [Emerald] hadn’t gone back to
requiring the president to be a Lutheran. You know, I’m not the first president [to
not be Lutheran], but there are people, oh gosh, 15 years later [after the removal
of that requirement] who still want [Emerald] to go back to that…so…there’s that
dynamic out there.

Study participants fitting this category also acknowledged that, despite typically
receiving declining, or no, philanthropic support from their affiliated religious order, they
still saw opportunities for meaningful partnership and long-term engagement. For
example, as President Bartlet pointed out,

One of the things we’ve really neglected [in terms of our relationship with the
church] is more on the admission and enrollment side. We’ve neglected using the
network of Lutheran pastors, many of whom attended the seminary that used to be
on our grounds, as sources for referrals for prospective students. And we’ve…
created a new constituent relations position in [the admissions office] to connect
with pastors and [alumni]…Those who are leading congregations…and who are
teachers in schools can help us with [prospective student] referrals.

A handful of participants whose institutions fit within this category indicated that,
while their college or university retains a loose relationship with the founding religious
order, they are transitioning to take an interfaith approach to feed their enrollment
management and philanthropic strategies. President Patrick Simms of Indigo College referred to this type of transition as “a way toward [the] renewal we need.” Indigo’s path toward transitioning to an interfaith message in enrollment and philanthropic work involved hiring a new chaplain who preaches to and regularly interacts with large faith communities, as well as renovating the chapel facility to accommodate individuals from more faith traditions. That said, Simms acknowledged that Indigo’s most significant living donor was once unaffiliated with the institution and decided to reach out to the past president given his connection as a practicing Presbyterian. Meanwhile, President Miguel O’Day, who described Primrose University as “a national exemplar in the interfaith sense,” described a “tricky” dynamic in which he contended with donors who “[implied] that they might be more generous” if the institution became more conservative or more progressive in its expression of Lutheran principles, depending on the individual.

The second category of institutions comprises those that experience their founding religious order as a vibrant and continually relevant aspect of their work with students and with their philanthropic partnerships. Sage Lake University, a Catholic institution, falls into that category, despite the fact that its Catholic student body comprises about a quarter of its population. As Sage Lake’s vice president for advancement, Clementine Ackerman, noted,

We are, [myself] included, some of the most Catholic, non-Catholic people you ever want to meet because we respect the Catholic Church. And we go…to Mass, and we know all of the functions. So we actively participate in Catholicism, whether you [are] Catholic or not.

Despite this deep Catholic connection Ackerman described, she also acknowledged that the institution features a recently added interfaith ministry program and that the
“Christian foundation” is the real common religious glue of the university. From a donor relations perspective, such decisions “either [work] to our advantage, or we leave it alone, or we don’t speak of it at all…So when it works for us, we use it…but other than that, we stay away from it because it can turn people off.” President Benjamin Supple offered an even broader analysis, noting that the Catholic nature and Christian foundation of which Ackerman spoke ultimately point to a “commitment not only to…faith but to…the larger society.” From Supple’s perspective, that philosophy and identity have wide appeal amounting to a net positive.

The third category of institutions included those few that saw essentially no redeeming value—or potentially even harm—coming from their religious founding. As President Cecil Spencer of Pinewood College observed, “There are some that just don’t believe we’re…church-related at all. There’s some…faculty, staff…and trustees [who], when our chaplain retires at the end of this year, will question…[the decision to hire] another. At Blue Forest College, Vice President for Advancement Sebastian Gill noted that religious affiliation is far from serving as “the defining aspect of the college.” While occasionally “there are some tense conversations about the relationship,” their founding religious order is “pretty small now.” President Stanley Fleming concurred, indicating that the institution has “become so secular over time that, really, the ties to the [church]” are now only meaningful to a small “handful of donors.” Typically such interest on the part of that small group of donors is concentrated on the chapel and sustaining campus spiritual life programs.
Quid Pro Quo/Personal Favors Sphere

Institutional representatives experienced a range of instances in which donors attempted to secure a favor or special consideration of a personal nature in acknowledgment of past, current, or potential future gifts. This study recorded five subcategories, or sub-spheres, of quid pro quo arrangements:

1. Business arrangements (e.g., preferred access to students for employee recruitment);
2. Preferential seating at campus events (e.g., extra tickets for commencement ceremony);
3. Participation in activities with students or faculty;
4. Access to campus facilities and parking;
5. Special admissions or financial aid considerations.

Business arrangements. Institutions occasionally reported vendors that voluntarily offered financial support—proposed as philanthropy—in exchange for preferential treatment in business dealings. Roderick Barnes, a former major gift officer at Sage Lake University, recalled when a vendor with a significant on-campus presence offered a seven-figure commitment in exchange for a long-term contract, a length of time that was not customary for the institution. As he described the scenario, “I think the university…[was] not…used to seven-figure gifts” and were therefore “just over the moon” and inclined to furnish “whatever the donor wants.” As Barnes reflected on the decision by Sage Lake to accept the commitment, he felt that “it…probably wasn’t in the best interest of the university,” saying, “I think they got steamrolled into [the deal]” given the relative scarcity of gifts at that level. However, such arrangements are sometimes viewed by institutions as mutually beneficial. As President Miguel O’Day of Primrose University explained, his institution once received a substantial scholarship gift from a
nearby, multibillion-dollar healthcare system in return for preferred access to students to recruit them into open positions with the company. The donor placed no obligation on students to take roles or on the institution to unduly influence the employment choices of students or graduates. Rather, the firm and university simply worked together to facilitate introductions and promote opportunities. O’Day viewed the agreement as a “fruitful arrangement,” even though he was certain that auditors would treat it not as philanthropy, but as a quid pro quo deal. Later, to the university’s surprise, the healthcare company provided a multimillion-dollar gift for a new science project.

**Preferential seating at campus events.** As President Anderson Rutigliano of Jade Mountain University noted, some forms of quid pro quo proposals are relatively common and typically do not give institutional leaders much pause. One example of such arrangements were requests for preferential seating or extra tickets at major campus events, such as commencement. As Rutigliano explained,

> We’ve had donors that maybe [have] a relative that’s graduating…and the family wants to bring more people to the president’s commencement dinner…than you would normally have…I guess there are those sorts of things that, you know you do…because…you…try to do what you can to stay on the good side of people without necessarily…treating them…any different[ly] than you treat anybody else.

**Participation in activities with students or faculty.** Vice President for Advancement Anne-Marie Shin of Crimson College described a similarly straightforward and easy-to-accommodate type of request: donors who wish to spend time with students or faculty members. Shin explained that some donors simply “want to be involved more with the students” to see, first-hand, the “impact of their gift.” Such donors like to “take trips with the faculty and students,” especially if they are sponsoring that excursion.
Other donors who sponsor student research projects enjoy being “present when the student presents [their findings] at the end of the term.” Shin concluded that she “never saw” such requests 20 years ago but that they occur with growing frequency today. Typically, institutions describing such scenarios tended to err on the side of acquiescence to the donors’ wishes. As President Cecil Spencer of Pinewood College agreed, such accommodations are generally “doable” and essentially amount to nothing more than simple “donor benefits.”

**Access to campus facilities and parking.** Sage Lake vice president for advancement, Clementine Ackerman, described a similarly straightforward circumstance with requests for campus facilities for personal use by donors. She explained that, typically, most people would incur a financial cost to secure space on campus. However, she left an explicit request with her colleagues in the facilities department to “check with [her]” when a graduate or donor calls to rent space. While she acknowledged that individuals are often not “looking for the giveaway,” they sometimes are. She frequently finds herself accommodating such requests as “a small courtesy” and as an opportunity to express gratitude for past and future support. Along similar lines, Crimson College’s vice president for advancement, Ann-Marie Shin, joked that for “every single advancement officer, the bane of their existence is parking,” noting that the topic amounts to a source of serious, yet unneeded stress. As she explained,

> I have done a lot of things in my life, including arguing before the [state name omitted] Supreme Court…But the thing that gives me hives is parking because every single donor from the lowest to the highest [giving levels] has an expectation that their gift entitles them to…the prime parking place. And…we don’t have parking places for everybody. So to me, it’s a silly thing, but it’s the thing that gives me the most angst. It’s crazy.
Special admissions or financial aid considerations. This study suggests that small, private liberal arts institutions frequently deal with requests and demands from donors to provide special admissions or financial aid discussions for prospective students with ties to those donors. On occasion, such appeals from donors are clear, straightforward, and blunt. As President Cecil Spencer noted, he once encountered a multimillionaire parent of a prospective student who wanted to “get his son into” the institution. Unfortunately, the student’s academic record and test scores made the prospect of admission very unlikely under normal circumstances. Spencer explained, “But if I accepted him, [the donor] would have paid for the [new athletics stadium], which was at $3 million. I mean, he came right out and said it.” Study participants, including President Spencer, uniformly indicated that they did not accept such gifts. However, admissions requests from donors could appear more subtle in nature. President Anderson Rutigliano of Jade Mountain University explained that his admissions office sometimes receives calls from benefactors who say, “There’s a family friend that’s coming to an admissions review, and we’d like you to take good care of them.” On occasion, such conversations include requests for “an attractive financial aid package.” Additionally, Rutigliano experienced donors offering to provide the institution with “property in exchange for the ability [of] their descendants to attend, tuition-free.”

Institutional leaders typically reported turning down requests, proposals, and demands from donors who asked for admissions or financial aid consideration for a family member, friend, or acquaintance. However, President Vincent McNealy of Hazel College described an offer received by his previous institution that generated weighty
philosophical questions. That institution received an indirect offer of a donation of $1 million from a donor in exchange for his son’s admission to the school. The institution denied the request; however, unrelated to that previous conversation, it admitted the donor’s son on his own merits. The donor “was so grateful that…there was a donation, I think, three or four years later,” after the son had graduated from the school. McNealy reported that he still reflects on the episode and how he recently used it to spark an ethical debate among his admissions staff members at Hazel College. Specifically, he asked his staff if the institution should admit a student for a gift of $1 million. He continued, asking his staff to consider the scenario at $100 million: “What if it would secure the future of our…school for…a generation? Would you do it or not?” Finally, he asked, “What if it were $1 billion?” According to McNealy, “opinions were all over the board.”

**Personnel Matters Sphere**

While participants were often quick to note their disapproval of donor involvement in personnel matters, this study suggests that donors at least aim to exert some influence in that sphere, and sometimes those attempts prove difficult to manage. Importantly, not all instances of donor influence within the personnel sphere ultimately proved unwelcome by the participants of their institutions. During the course of the study, participants described three subcomponents, or sub-spheres, of donor involvement in personnel matters:

1. General management;
2. Compensation; and
3. Inspiration.
**General management.** President Sergio Bird of Lemon Woods College described an obvious example of donor influence in general matters of personnel and management. He explained that he had a donor who was “also…quite an influential member of the board of trustees.” The donor demonstrated a particular interest in physical plant operations, including the “hierarchy” of the organization and “where people’s desks were arranged,” to the point of asking “where was the boss sitting with respect to everybody else.” One day, the donor,

Took it upon himself to come up here, unbeknownst to me…and just start telling people where they were moving their desks. And desks got moved, and chairs got moved, and bulletin boards got pulled down and repositioned…When I found out about it, you know, I went nuts…and went to the board chair and others that were influential, and I just said there's absolutely no way. And I said to people whose desks that they moved, you need to let me know immediately if this were to ever happen again. And so it wasn’t good.

Eventually, the donor, who was “very upset” with Bird, halted his giving and “quit the board.” Now, he is “almost persona non grata on our campus.”

**Compensation.** Sometimes institutions see philanthropic influence over matters of compensation, although, during this study, each instance reported by participants occurred as a result of donors who were also trustees. President Cecil Spencer of Pinewood College shared that as a vice president at a liberal arts college, he saw trustees,

Who are donors…make decisions and then run [them] through the board for pay raises with the president right in the room, never asking the president for [an] opinion. And then [they] turn to the president and say, “This is what you’re going to give these people.”

President Patrick Simms of Indigo College also acknowledged an experience with donor-trustee involvement related to matters of staff compensation. When Indigo’s leadership announced that they would be able to provide faculty and staff with a one percent raise, a
trustee “came up with [a six-figure gift]” and challenged fellow trustees to match his investment to “ensure that we got to a two percent raise.”

**Inspiration.** Some institutional leaders reported drawing such considerable inspiration from donors so as to significantly impact their own employment decisions. For example, President Stanley Fleming recalled that when he was a candidate for his position at Blue Forest College, the institution’s most generous living donor, 

Actually flew his plane with a couple of members of the search committee to go to visit me in [city omitted] after my first interview to tell me how interested they were in me. That convinced me. I mean, this [was] the place for me. He told me, “[Stanley], I'm going to support you.” And obviously coming from [that donor], that had tremendous impact... So in terms of my relationship with him, it's a really close relationship. I try to go to see him every three months or so in [city omitted], and that's sometimes just to tell him what is [happening] on campus.

Career-related inspiration from donors is not limited to institutional chief executives. As Crimson College’s vice president for advancement, Anne-Marie Shin, pointed out, she developed a close friendship and partnership with her institution’s most significant donor. So strong and meaningful was that relationship to Shin that she now can no longer envision herself working for another institution, even though that donor passed away several years ago. In fact, she even turned down the opportunity to apply for a far more lucrative position as chief advancement officer for her undergraduate alma mater, a setup that would also reduce her commute time. Crimson’s president, Scott Campbell, felt similarly about his relationship with that donor. He noted that the chance to “live up to [the] legacy” of the donor and his desire to ensure that the donor’s gifts are “utilized at the highest and best level” are “partly what [get Anne-Marie and me] up in the morning.”
Mission Sphere

Philanthropists have influenced, shaped, and even created colleges and universities in the United States at least since the 1700s (Drezner, 2011). Influencing mission, while perhaps less common than many of the other spheres of influence discussed in this study, is also a centuries-old phenomenon. For example, 19th-century industrial philanthropists, such as Paul Tulane, William Marsh Rice, Leland Stanford, Benjamin Duke, and Cornelius Vanderbilt, engaged in perhaps the purest form of mission influence: establishing a new, and often eponymous, institution (Thelin, 2011). Donors continue to influence core institutional missions today. A noteworthy example of that point exists in the example of Sweet Briar College, a Virginia-based institution that remains operational today due in no small part to the philanthropic efforts and clout of numerous alumnae and friends (Jaschik, 2015). In a sense, the Sweet Briar case represents a testament to the ability of motivated and philanthropically capable individuals to force the continuation of an institution’s mission.

While influence over a mission did not amount to a widely visited theme in participant interviews, two institutions did report experience with donors who engaged in and affected their missions in some manner. As President Christian Schiff explained, Honey Hill College is one of the numerous institutions in the United States that have transformed from a single-sex focus to a coeducational mission. He noted that the “pressing question at the time we went coed was whether the college could survive, frankly.” It was “a different world,” and that world did not have “any demand” for the type of student that Honey Hill was producing as a single-sex college. The board had
“looked at the college’s financial situation, which was deteriorating…because of low enrollment and ever-increasing draw from the endowment.” The college hired a consulting firm to prepare an assessment of its long-term viability, and the report indicated that the institution had “less than six months” if it remained as a single-sex institution. The college’s full analysis pointed to a move toward a coeducational mission as the only viable option for the institution.

Despite the fundamental essentiality of the college’s move toward a coeducational mission, President Schiff acknowledged that board members were “very concerned” about whether alumnae and donors would accept the decision, and it was “not clear” that they would. The institution had just finished a nine-figure capital campaign the year before the big announcement, and “it was not understood while that [initiative] was going on…that coeducation was a possibility.” Donor backlash in the form of rescinded gifts, unpaid pledges, hostile public reactions, or severely contracted, budget-relieving, annual giving would have resulted in a “devastating” impact that could ultimately have led to the institution’s closure. However, the particular donors on which Honey Hill completely depended came through. While overall alumni giving participation fell from more than 30% to less than 20%, and although the move was clearly unpopular with many individuals, “the biggest donors stepped up” and largely held philanthropic revenues levels in line with expectations. The support of major gift donors had effectively enabled the survival of the institution following a fundamental shift in its mission. Those who had given the most gold had made the rule—a rule that enables Honey Hill College to exist today in its new form.
Donor Influence Methods

Small, private liberal arts institutions experience a minimum of five distinguishable methods by which donors exert or attempt to exert influence:

1. Making or offering a charitable gift;
2. Not giving, disengaging, or rescinding past philanthropic support;
3. Issuing threats;
4. Leveraging relationship capital; and
5. Coalition building and public action.

I use the qualifier, “a minimum,” to characterize the range of possibilities of donor influence methods because other researchers conducting the same study might wish to organize the data differently. Moreover, I anticipate that further testing and exploration of the phenomenon could conceivably produce more examples, and thus more methods, of donor influence. In other words, I do not claim that this construct represents an all-inclusive list or explanation of the universe of methods used by donors to exert influence in colleges or universities. However, this study did achieve a point of “recurring patterns and concepts” that yielded sufficient data to answer my research questions (Ravitch & Carl, 2015, p. 265). Therefore, while the apparent absence from this study of a particular conceived method of influence does not necessarily imply the impossibility of that concept, the absence could allude to the infrequency of its occurrence.

This study did not aim to quantify the frequency of donor influence methods, and interviews with participants, therefore, followed a semi-structured format. Study participants received anonymized prompts, examples, and stories of donor influence methods experienced by other institutions upon request, but participants were not
requested to respond to a rote checklist. Instead, this study aimed to draw out as many examples of donor influence as possible, along with the methods employed by donors to exert that influence. A potentially useful follow up to this study could involve the quantification of donor influence methods to shed additional light on the relative prevalence of each method.

**Making or Offering a Charitable Gift**

The preceding stories shared by study participants supply numerous examples of donors making gifts and pledges in support of new facilities, projects, programs, and initiatives. Institutions often received gifts or pledges that created new priorities or significantly rearranged existing priorities. In extreme cases, institutional priorities vaulted from off-the-radar status to imminent or even exigent in nature at the hands of a donor willing to fuel action. Gift making also demonstrated the power to enable mission change and continuation; shape and inspire personnel and management choices; secure favors and concessions; permeate the academy’s venerated system of shared governance; and achieve many other notable feats. A twin sibling of direct gift making involves what President Anderson Rutigliano of Jade Mountain University characterized as “dangling” financial support to achieve some donor-driven purpose. As an example of this method, Rutigliano explained that donors and potential donors have occasionally “dangled” resources to influence the political stances and practices of his institution. As he recalled,

I encounter…folks that have a particular… perspective of the university as a place that fosters liberal thinking. And [a] donor might wish to have a stronger influence on more conservative thought or to get the institution to…stake its place in the current discourse rather than be a university, which is a marketplace of ideas, which come in conflict with each other.
Not Giving, Disengaging, or Rescinding Philanthropic Support

As previously discussed, participants shared a range of stories involving donors who opted to cease supporting the institution to demonstrate disagreement or a lack of support over some matter, as well as to affect institutional decisions or behaviors. Meanwhile, prominent examples of donors rescinding gifts have made newspaper headlines in the 21st century. A noteworthy, precedent-setting example involved a 2007 case in which the heirs to the A&P grocery store chain asked Princeton University to reimburse them for failing to abide by the family’s intent for a $35 million gift made in 1961 (Hechinger, 2008). The family sought to reclaim the endowed gift, which had grown to a value of between $700 million and $900 million. Princeton ultimately settled with the family, agreeing to refund about $100 million, in what amounted to a “key test of how closely schools must adhere to donors’ intent” (para. 2). During this study, President Christian Schiff of Honey Hill College provided an edifying example of a donor completely disengaging to make a point or advance an objective. As Schiff recalled,

I have one very large potential donor, somebody who...has hundreds of millions of dollars [and] for whom a $10 million gift would not affect their net worth in...any noticeable way. [She] is very angry that we ran a cover picture [on the alumni magazine] of a student in a [politically charged article of clothing] at [a] women's march. And [she] will not talk to us now because she thinks...we are a politically motivated campus. To give you a little bit of context, our students organized themselves to go to the...march last year. We didn't put them up to it. We didn't sponsor them. We didn't organize it. And we wrote a story about them doing that spontaneously and on their own. But this big donor is angry at me, and I think [she] wants some kind of promise from me that we're a politically neutral campus. But no matter what I say to her, it doesn't affect her, and she just seems to get [angrier]. So that's money that I wish I had. I could really use it for some projects. And I'm not supposed to know why she's angry, but she knows I know why she's angry. It's one of those things.
Issuing Threats

This study offered examples of donors who issued threats to advance a particular objective. Interpreting threats is a relatively subjective process, and institutional leaders experiencing them may not know in the moment whether or not the threat is real or empty. When threats become fulfilled, they often fall into the “Not Giving, Disengaging, or Rescinding Philanthropic Support” category of donor influence methods. For some study participants, implied threats had become a fairly normal occurrence. As Roderick Barnes, a former major gift officer at Sage Lake University, explained, “I can’t tell you how many times a board member would tell us… ‘You’re out of my will.’ It never happened.” At Mulberry College, Vice President for Advancement Peter Marvel explained how one family leveraged their interaction with a different charitable organization to imply their need for appeasement. As Marvel recalled, the donor pointed out that they had left “a substantial amount of money” to their church in their will and gave that organization “a lot” of cash on an annual basis. The donor then explained how their church had decided to move its Sunday worship service from 10:30 a.m. to 11:00 a.m. When the donor went to the church’s leadership to express their concern, the pastor explained the reasoning for the adjustment and ultimately declined to revert to the donor’s preferred time. The donor then told the church, “You’re not listening to your customer, and by the way, we have this big gift for you… in our estate, and we give… generously every year.” The donor then went on to explain that they “have not attended [that] church again” and “found another church” that observes their preferred
worship time. They also rescinded their estate gift and announced their intent to provide it to Mulberry College instead. As Marvel reflected,

So…what does that communicate to me? …He's telling me this story because at some point in time, [Mulberry] will do something that will make him unhappy. And he wants us to know that if he says he's unhappy, then his gift goes with him. What can we do as fundraisers when we hear that? We can factor it in so that we communicate and steward well. But, you know, in my mind, I just have to make a mental note that this gift may not be a real gift….We haven't closed it yet, by the way….He hasn't [yet] documented that he's doing this. I'm not really after him to encourage him because…my sense of it is we'll probably at some point in time lose it too.

**Leveraging Relationship Capital**

This study suggests that institutions routinely encounter donors and potential donors who seek to influence a college’s or a university’s behavior or decisions based on their perception of their accumulated personal capital with the institution. Participants presumed that such donor perceptions of their own accrued personal capital with an institution hinged on past giving or their potential for future philanthropic impact. Stated differently, as President Cecil Spencer of Pinewood College said, donors and potential donors “utilize what they’ve done as leverage, what they could do as leverage, or what they want to do as leverage.” Participants largely believed that individuals engaging in such behavior tended to exhibit a strong sense of entitlement. In one edifying example of the phenomenon, President Sergio Bird of Lemon Woods College explained,

I find donors to be like house shopping to some extent, which is to say there's always another one just around the corner…so…I try not to get too caught up. I've got a donor right now who really is a pain. He's…somebody who wants to micromanage everything. He’s a big name dropper. He's a guy who thinks he's a lot more important than he is. And so, for example, he called my secretary yesterday and said something akin to “I need to talk to the president this week. Tell him to call me on Friday. That's when I'm available.” And I told my secretary, “Don't even get in touch with [him] until next week. Give [this] a couple of days.
Then I might be able to talk.” But I really try to avoid these people. I find it not worth it.

**Coalition Building and Public Action**

The mission-oriented episodes of donor influence that transpired at Sweet Briar and Honey Hill Colleges offer clear examples of individuals who leverage their combined support and influence to advance a specific agenda. In the case of Sweet Briar, alumni and donors banded together to force the institution to continue operations. At Honey Hill, benefactors worked together collectively to enable the institution to continue after a mission change. Vice President for Advancement Clementine Ackerman described a third variant of coalition building and public action that was beginning to take shape at Sage Lake University. In that case, Ackerman suspected that Sage Lake alumni and donors were beginning to mobilize a campaign to pressure their relatively new president, whose predecessor enjoyed a celebrated, decades-long tenure, to keep the institution’s organizational structure intact and avoid staff restructuring efforts. Ackerman, who is a graduate of the institution and who is well known throughout the alumni community, sensed unrest among the alumni base when she perceived “silence” following the announcement of some major personnel decisions. As she recounted,

> The silence is actually scary for me. “[The alumni are] building their case. They're building alliances. They're documenting things, and… I'm waiting for the day… when they're ready to present their case. So who are they talking to? There's always an insider [in the administration], and you never know who that is…. And [the alumni] typically… try to protect the insider…. Right now, I feel like… “What's going to happen?”

Ultimately, Ackerman suspected that the alumni were “trying to build a coalition… to build strength” to maximize their “influence.” She also imagined that it could turn into an
effort to sway several board members, paired with an initiative to place calls to administrative offices and express opinions. The university had recently experienced a somewhat similar type of campaign in which alumni and donors succeeded in convincing the institution to tamp down a marketing effort to give a new twist to the university’s name. Ackerman planned to pay careful attention to the ensuing developments, noting, “We have a powerful enough alumni base that if they feel like they’re not being respected, they can do some things,” especially if their group involves trustees.

**Perceptions about Donor-Influencers**

In a number of the cases of donor influence outlined in this study, participants acknowledged that the benefactors in question were currently, or had at one point served, as members of their respective institutions’ board of trustees. Yet, such is not always the case, and participants’ perceptions varied somewhat regarding the common traits of donors who attempt to exert influence. Of course, the characteristics of donors who exert influence on institutions vary considerably based on the type of influence in question. Certain activities, such as strategic planning, setting a new vision, and crafting or reshaping a program, naturally lend themselves more to trustees and elite-level donors than to supporters at other levels. Moreover, significant giving potential is a common criterion that institutions seek when recruiting individuals for their boards of trustees. As President Vincent McNeal of Hazel College noted, donor-influencers are “usually on the board, have been on the board, or are on our president’s advisory council, [so] they’re insiders, and they know how things work.” The concept of the Golden Rule of Philanthropy, proposed by Mulberry College’s President Trent Underwood, favors the
notion that the most powerful donor-influencers hail from the ranks of the board of trustees and the list of highest-end donors and potential donors.

The second school of thought holds that individuals who attempt to exert influence on colleges and universities tend to provide those institutions with what some advancement professionals, like Anne-Marie Shin of Crimson College, refer to as “mid-range gifts.” As Shin explained,

I have found [that] typically it’s the donors of the mid-range gifts…between $50,000 and $200,000 that feel like they can be more directional…and…hands-on with their gift…and actually have expectations with how it's used and what they can be entitled to with their gift. And I don't know why this is, but it just is odd to me that those that are making the…largest gifts often don't ask or expect or want to be involved at all.

In the experience of Shin, donors of the largest gifts typically say, “Just, here it is. I want to do it. I'm thankful that I can do it, and I hope it helps.” By contrast, “it's often [the donors of] those mid-range gifts, at least here at [Crimson College], that [are] the most demanding.” President Sergio Bird of Lemon Woods College concurred that significant donors can be less demanding than those who give at smaller levels. In his words, “Most of the time, the biggest donors…are the people that…say the least in the room.”

Moreover, “When I think of my…five, or six, or seven biggest donors…they’re the ones in the room that you never really hear from.” President Bird surmised, “Maybe if you’ve made it, you don’t need to tell people you’ve made it.”

A third opinion on donor-influencer characteristics is that the most demanding individuals tend to be the donors of the smallest gifts, or even non-donors. As President Harwell Coldren of Walnut Plains University suggested,
I have experienced...the situation where, because of a decision I made or an action that the university has taken, I would hear from a disgruntled individual saying, “Well, because of that, I'm never going to give anymore.” So I have experienced that, in those cases, when I have my team [conduct] research, it turns out that [the individual’s] giving is...at a level that I think we can survive without....And usually, in fact, those individuals are the ones that are probably our smallest donors...and so we're not going to get their $20 this year, and that's fine.

Despite the assortment of sentiments on, and experiences with, donor-influencers, most study participants concluded that at least some of their benefactors are becoming progressively overt in their efforts to shape institutional decisions and priorities.

Participant stories revealed at least 18 distinct spheres in which donors aim to exert some type of influence, or in which they attempt to use gold to make some of the rules. Not all forms of donor influence and control are immediate non-starters for institutions. Many participants consider certain forms of donor engagement— involvement in strategic plans and visions, for example— as signs of successful advancement operations and as catalysts to fundraising efforts. Interviews also highlighted at least five different techniques that donors employ to advance an agenda through philanthropy. While philanthropic motivations vary by individual, participants felt that most of their donors are well-intentioned, even as they acknowledged that benevolent intent alone does not supply donors with free rein or excuse improper behaviors or requests. In fact, every participant agreed that there are boundaries over which benefactors must not cross. What, precisely, are the limitations of donor influence at small, private liberal arts colleges? How do institutions respond to donor influence? The ensuing chapter explores those very questions.
CHAPTER 5 – INSTITUTIONAL RESPONSES TO DONOR INFLUENCE

The donor relations stories and examples shared by study participants, which Chapter 4 presented and analyzed, offer a sweeping view of the areas, or spheres, in which donor influence manifests at small, private liberal arts colleges. They also illuminate the methods employed by donors to advance their objectives and offer insights from institutional leaders about the common traits of highly engaged benefactors. Further, Chapter 4 detailed how—and to some extent, why—donors influenced or attempted to shape institutional priorities, curricular requirements, management choices, mission change, and other decisions, as well as to extract personal concessions and favors. Colleges and universities welcomed these donor influences to varying extents, presumably a reflection of the particular contextual circumstances at play. Institutional responses to donor influence also likely reflected, to no small degree, their organizational culture, or “the shared assumptions of [their]…actors” (Tierney, 1992, p. 16). What do those institutional responses to donor influence reveal about the shared assumptions of their actors? In other words, upon what guiding values do institutional leaders lean when experiencing donor influence, and how do colleges and universities implement those principles in their donor relations work? This chapter addresses my study’s second research question by exploring how small, private liberal arts colleges conceptualize the boundaries and limitations of their relationships with highly engaged benefactors and by ascertaining the strategies they use to mitigate or redirect unwanted donor influence.
The Northern Star: Framing Responses to Donor Influence

Polaris, or the Northern Star, which is “a much better guide to true north than any compass” (Berman, 1995, para. 1), has long served as a source of comfort, assurance, and encouragement for night voyagers. Perhaps initially popularized in part through its use in William Shakespeare’s *The Tragedy of Julius Caesar*, a more colloquial form of the expression has emerged in modern society. The more casual variant of the term has developed relative synonymy with notions of constancy, points of focus, and guiding principles. Many consultants, pundits, and thought leaders of all stripes now use the term liberally when encouraging or coaching individuals and organizations to engage in introspection for the purpose of clearer decision making and goal setting.

Findings from this study suggest that small, private liberal arts institutions have their own Northern Star when it comes to their work with highly engaged donors. Consonant with the commonly used five-point ideogram for a star, study participants consistently acknowledged five distinct, overarching cultural assumptions, or principles, that guided their institutions’ behaviors and decisions related to donor influence. Each of those fundamental institutional principles represents a single point on the metaphorical, proposed “Northern Star of Donor Influence,” as seen in Figure 2. While the relative weight ascribed to each principle varied by institution, the star showcases the five strongest overarching themes discussed by study participants when describing their responses to attempted donor influence. The five points on the star are:
1. Mission and vision;
2. Strategic plan;
3. Academic norms;
4. Legality and ethics; and
5. Context.

![Diagram of Northern Star of Donor Influence]

Figure 2. Proposed Northern Star of Donor Influence

Together, the five points of the star form what James Collins and Jerry Porras (1996) may have characterized as a type of “core ideology” that institutions closely observe above all else, either to their advantage or detriment (p. 66). A core ideology, which “provides the glue that holds an organization together” over time, is the amalgamated product of an institution’s “system of guiding principles and tenets” and its “most fundamental reason for existence” (p. 66). Like Polaris itself, the Northern Star of Donor Influence shines brightly, even if it is not always perfectly precise in illuminating the ideal path forward.

I do not presume that any particular principles carry greater inherent significance than the others in terms of their proclivity to drive institutional reactions to donor influence. I also do not claim that this construct represents a comprehensive listing or explanation of the universe of principles used by institutions to manage instances of
attempted donor influence. However, this study did achieve a point of “recurring patterns and concepts” that yielded sufficient data to answer my research questions (Ravitch & Carl, 2015, p. 265). Figure 2 depicts, by far, the most prominent principles acknowledged by participants in discussing their responses to donor influence. A potentially useful follow up to this study could involve the quantification of principles that institutions apply to instances of attempted donor influence, which would shed additional light on the relative prevalence of each principle.

**Mission and Vision**

Missions can play a significant role in the life of American higher education institutions, and speaking to the mission is a “central aspect” of the work of advancement offices (Hartley, 2014, p. 7). A well-defined mission can assist institutional actors in discerning “between activities that conform to institutional imperatives and those that do not” (Morphew & Hartley, 2006, p. 456). The “shared sense of purpose” provided by a mission “has the capacity to inspire and motivate those within an institution and to communicate its characteristics, values, and history to key external constituents” (p. 456). Moreover, “typically small” colleges and universities, whose mission statements formalize “priorities and future direction,” have demonstrated a tendency to draw inspiration and guidance from those missions when making key decisions (p. 456). However, institutions sometimes conflate terms like mission and vision when describing their intrinsic sense of shared purpose. Not surprisingly then, participants in this study repeatedly reinforced the importance of their missions and visions when describing their responses to episodes of donor influence.
Individuals interviewed for this study frequently noted that their first and predominant instinct when working with highly engaged donors is to educate those individuals on the mission and vision of their institution, an act that President Miguel O’Day of Primrose University characterized as a “vocation.” In concurring, President Bradley Bartlet of Emerald University pointed out that as donor involvement gains momentum and “lead[s] to greater giving over time…you’ve got to try to shape that engagement to the institutional priorities and make sure that [the] donor understands the mission and vision.” President Patrick Simms of Indigo College added that, although philanthropy involves plenty of back-and-forth discussions with benefactors, he feels compelled to “look back to the mission” and “have a clear sense of the [institutional] vision” when negotiating gifts with donors. President Benjamin Supple of Sage Lake University extended the notion of education to philanthropic outcomes, stating that institutions must, in turn, encourage donors to speak about the mission and vision. Doing so enables the institution and benefactor to “dream together” and “do something that advances that mission and that is fulfilling for the donor as well.” That process, he said, is “almost [like] a “Vulcan Mind Meld,” a reference to the television show, Star Trek, in which characters would fuse their minds through telepathy.

Why is the first instinct of many small, private liberal arts colleges to educate donors on the mission and vision when working with highly engaged donors and potential supporters? As President Anderson Rutigliano pointed out, doing so helps signal to donors “where the boundaries are” and ensures that institutions avoid “compromising [their] integrity” or following a path “that is not going to be sustainable or achievable.”
Donor conversations that are devoid of such boundary setting enable donors to “imprint an ideology on the institution” that may run counter to its sense of communal purpose. He concluded, “Nobody wins when that happens.” President Stanley Fleming indicated that he would not even consider accepting gifts or behaviors that do not fit neatly within the confines of Blue Forest College’s mission and vision. As he mused,

I don't want to bring donors to the college that are going to offer me millions of dollars to do things that the college should not be doing. And so for instance, if I find a donor that tells me, you know what, “I'm obsessed with surfing, and I want a surfing team, and I'm going to give you all the money in the world to start a surfing team”—well, [that] doesn't really fit who we are. And so I'm sorry; I will have to say no.

In setting up another example using extreme circumstances to illustrate the importance of mission and vision, President Christian Schiff of Honey Hill College explained that essentially no amount of money could encourage him to eliminate a program that is “antithetical to our mission.” As he illustrated, “If somebody came to me and said I’ll give you a $30 million gift if you get rid of that [description omitted] program…I couldn’t do that.

**Strategic Plan**

As Aaron Wildavsky (1973) observed of humans’ sometimes futile need for control amid an uncertain future,

> Alone and afraid, man is at the mercy of strange and unpredictable forces, so he takes whatever comfort he can by challenging the fates. He shouts his plans into the storm of life. Even if all he hears is the echo of his own voice, he is no longer alone. To abandon his faith in planning would unleash the terror locked in him (pp. 151-152).

Building on Wildavsky’s point, Henry Mintzberg (2007) observed that an organization’s engagement in the process of strategic planning is often driven less by a desire to manage
change than it is to maintain stability. In other words, organizations tend to use strategic plans as vehicles to sequence and implement existing “patterns” of behavior and thought (p. 4).

While participants in this study occasionally likened their strategic plans to menus of gift opportunities from which their donors could choose, most saw those plans as a type of boundary: a metaphorical moat that protects the academy against the sometimes ulterior motives of funders. As Hazel College President Vincent McNealy explained, “We try to stay away from donor influence[s]…that are end-runs around the strategic plan or inconsistent with our strategic plan.” President Stanley Fleming of Blue Forest College offered an even firmer stance, saying, “To me, where you draw the line is, you don’t want to go in a direction that the college does not consider to be strategic just to please a donor.” In a lighthearted extension of that notion, Mulberry College President Trent Underwood quipped, “We don’t want donors to be activist until we want them to write the next check, but then we want them to have been around all the time.”

Although colleges and universities often celebrate fundraising success as a sign of prowess, some participants appeared highly allergic to the notion of raising funds that they perceived as failing to fuel their missions or strategic plans. Underlining that point, Clementine Ackerman, vice president for advancement at Sage Lake University, stated, “I think it's important that we understand what our priorities are and [that] we're not raising money [just] for the sake of raising money.” For President Stanley Fleming of Blue Forest College, keeping gifts in line with the strategic plan provided the institution with a type of economic efficiency. As he explained,
If you deviate from [the strategic plan], you're going to get lots of money that [will be all] over [the] place. And it's not going to allow you to be better at what you want to do….We're not an institution that…want[s] to get kudos simply by raising $100 million. If we get $100 million in 500,000 buckets…that really have nothing to do with each other, I'm not doing justice to [the] institution. I'm not doing justice to the donor because the donor is not going to get excited…that [the money] is not going to get us anywhere.

Several study participants clarified that the strategic plan’s role in serving as a boundary for potential philanthropic partnerships does not necessarily imply that planning processes occur in sequestration or that benefactors have no role to play in shaping strategy. On the contrary, institutions often welcome donor engagement and ownership, but they typically insist that such involvement occurs toward the outset of those processes. President Cecil Spencer, for example, detailed a deliberate strategic planning and vision setting process at Pinewood College that hinged on robust early buy-in and participation from external stakeholder groups. Specifically, Pinewood “took the show on the road,” hosting committee meetings, “intimate breakfasts and lunches,” and “receptions and casual conversations” with potential donors and alumni. Collectively, these activities aimed to generate dialogue, foster interest, and “create alignment” in anticipation of the college’s forthcoming fundraising campaign. In echoing the notion that donors should “help frame the strategic plan,” President Vincent McNealy of Hazel College ultimately likened the plan to a donor relations “playbook” that drives all subsequent donor interactions. Ultimately, he said, “To the extent that donor desires do not align with the strategic plan, we need to have much more discussion about those contributions.” As President Sergio Bird of Lemon Woods College summarized, successful engagement of donors in the future of the institution “all begins with the plan.”
Academic Norms

Participants in this study routinely discussed three specific norms of higher education culture that shape their institutions’ responses to donor influence:

1. Respect for shared governance;
2. Aversion to donor involvement in management; and
3. Fidelity to institutional policies.

**Respect for shared governance.** Long valued as a fundamental principle of higher education, the term “shared governance” describes a management model in which faculty, administrators, and trustees each assume influence over institutional planning and decision making. It involves a “delicate balance between faculty and staff participation...on the one hand, and administrative accountability on the other” (Olson, 2009). The 1967 publication of the “canonical” Statement on Government of Colleges and Universities formalized the concept and noted that it is the foremost charge of the faculty to attend to instruction, research, and faculty promotion and tenure (Birnbaum, 2004). It also pronounced the need for faculty participation in broader matters of educational policy, such as “the setting of institutional objectives, planning, budgeting, and the selection of administrators” (p. 3). However, despite the relative ubiquity of shared governance as a higher education management paradigm, the concept itself remains ambiguous given the “lack of even rough agreement” on what it means or how it should manifest (Bowen & Tobin, 2015, p. 1). The diversity and complexity of each college’s and university’s individual circumstances ensure that “there will always be institution-specific answers” regarding how faculty, administrators, and trustees must collaborate (pp. 1-2), including on matters of donor influence.
The relative merits of shared governance are the subject of rigorous debate. For many in higher education, the concept conjures feelings of discord and assumes intrinsically antagonistic relationships (Minor, 2004). Critics of the practice of shared governance argue that undue faculty influence can prevent institutions from operating in sufficiently flexible, adaptive, and efficient ways to respond adequately to environmental threats and opportunities. More directly, “faculty participation in decision-making is ardently associated with institutional ineffectiveness” (p. 344). Proponents, on the other hand, reason that shared governance systems are working well and enjoy the support of all campus stakeholder groups. They also argue that key elements of shared governance systems, such as faculty senates, “consider important issues” and are “associated with good communications and trust between institutional constituencies” (Birnbaum, 2004, p. 3). Moreover, “the faculty are the primary upholders of the academic culture” (p. 26). Yet, while there is little argument that faculty participation in shared governance can complicate or decelerate change, “whether this is a good thing or bad thing is a matter of ideology” (p. 26).

Although the faculty play an essential role in the “intellectual enterprise” of colleges and universities, “research and theoretical knowledge about their involvement in campus decision-making is limited,” including the management of donor influence (Minor, 2004, p. 343). For their part, colleges and universities themselves have given limited consideration to the role that shared governance can or should play in mediating donor influence on the curriculum (Merchant, 2014). Philanthropic support can catalyze creativity, open new pathways, and facilitate “nimble” action on the part of institutions,
but institutional leaders can risk appearing to campus constituencies as making decisions in a “vacuum” when taking opportunistic action (Webster, 2014, p. 142).

The impact of shared governance in shaping donor-influenced curriculum change appears to vary by institution. While Wayne Webster (2014) found donors to have “limited impact” on the curriculum and to exert “no influence on core academic values” (p. 127) at one institution, the “connection between philanthropy and the curriculum is uncontestable in the history of Spelman College” and continues as such (Peeples, 2010, p. 258). This study extends the notion that the impact of donor influence on the curriculum ultimately depends on the institution in question. More so, this study appears to emphasize that donor-facing leaders of institutions often have a healthy respect for the principle and its role in mediating change. In one previously discussed example of donor influence at Mulberry College, Vice President for Advancement Peter Marvel recalled taking a back seat to discussions between a curriculum-minded potential donor and the faculty. Rather than pushing for the gift, he facilitated discussions between the parties, took notes, assisted with follow-up, and allowed the relationship between the faculty and donor to grow organically. Eventually, the faculty themselves prepared a gift proposal resulting in the largest gift in Mulberry’s history. Marvel concluded that a significant reason for the success of that gift and the curriculum change it sparked was the sense of ownership and buy-in felt by faculty members. Ultimately, the story reflects President Trent Underwood’s underlying philosophy that there is a “sacred trust that institutions develop with their faculty.”
A counterexample to the experience of Mulberry College demonstrated how the observation of shared governance does not necessarily guarantee that the faculty will permit philanthropy-enabled curricular change, even with a professor driving the conversation. As Anne-Marie Shin, vice president for advancement at Crimson College, recalled, their most significant living donor developed a friendship with a well-established member of the faculty. That faculty member had excited the donor about the possibility of establishing a new major, and the donor agreed to fund it to the tune of many millions of dollars. When the faculty member presented the idea using the established process, her faculty colleagues rejected the proposal, having,

Got[ten] wind that a donor was going to support it…They felt like it was a donor-influenced major…even though it really wasn’t…And they voted it down. And it was a nightmare for President [Campbell and] for me. I mean, we almost lost the support of the [our most significant donor] because [they] felt like it was a slap in the face…. And there was a period of time where we weren't sure if the [donor was] going to continue to give to us. Thankfully…we were able to get through that…

In the view of Shin, the perception alone of donor influence derailed the progression of a significant gift. However, as in the Mulberry College case, Crimson College displayed healthy respect for the role of shared governance in responding to donor influence. Of course, this study does not suggest that all institutions defer to their shared governance systems on matters of philanthropy-related curricular changes. Previously discussed literature indicates otherwise. However, this study does speak to the prominent role of shared governance in shaping responses to donor influence for some institutions.

**Aversion to donor involvement in management.** Closely related to the principles that institutions should follow their shared governance practices—and that
stakeholder groups should abide by the norms of their roles—many study participants felt that institutions should not permit donor influence over management decisions. Of course, as Chapter 4 details, such episodes can and do occur, but not always within the control of the institutions. The story told by President Sergio Bird of Lemon Woods College—when a trustee came to campus and rearranged people and furniture—serves as a prime example that such influence is sometimes difficult for institutions to predict or prevent. However, colleges and universities generally balk at the notion of permitting a donor to engage in management decisions. Influence over personnel, in particular, proved to be a common concern among study participants. As President Stanley Fleming explained, it is not uncommon for Blue Forest College to encounter donors who express strong opinions about coaches, both positive and negative, and to request institutional action, including termination. Articulating a strong theme of this study, Fleming indicated that in such cases, he responds with messages such as, “[Human resources] is a private matter, and I will not discuss it with you. If that is a deciding factor in whether you’re going to [support us] or not, I’m sorry.” Fleming continued, saying, “At the end of the day, I think most donors…appreciate the honesty, the high moral standards.” As President Christian Schiff of Honey Hill College summarized, “Donors don't manage the college. The board governs, and the staff manages. The board sets strategic policy, and the administration manages that strategic policy…It's not for donors to come in and tell you what to do.”

**Fidelity to institutional policies.** Chapter 4 delineated several cases in which donors attempted to change somehow or adjust institutions’ established policies, and in
the vast majority of those cases, policy prevailed. Those stories demonstrated how colleges and universities tended to quell requests from donors who wanted to change their policies related specifically to institutional spending authority, the annual draw from an endowment, and endowment investment choices. In other words, institutional actors participating in this study tended to ascribe a certain amount of reverence and deference to their established policies. That is not to say, however, that participants never saw a need for flexibility or exceptions. Context certainly matters. As a later portion of this chapter reveals, the relevant circumstances surrounding specific episodes of donor influence help to shape institutional responses and can result in exceptions to and leniency with otherwise firm rules.

While requests for exceptions to many policies represented a nonstarter, or “third rail,” for institutions responding to donor influence, study participants sensed that some policies allowed slightly more latitude for negotiation. The case outlined in Chapter 4, in which President Christian Schiff at Honey Hill College negotiated with a donor over a piece of art, provides an excellent example of such an exception. Technically, his gift acceptance policies did not permit him to accept a gifted asset with a “no-liquidation” requirement, but his trustees signed off on the move given the context at play. Chapter 4 also revealed how a newly minted president at Sage Lake University, Benjamin Supple, felt collective pressure from the older, more financially established end of his alumni base to halt a new marketing campaign. Feeling it best to avoid tipping over the proverbial apple cart at his new institution, he ultimately settled on a much more reduced, quieter, version of the effort.
Legality and Ethics

This study suggests that small, private liberal arts colleges are, unsurprisingly, strongly averse to actions by donors that would bring legal harm or jeopardy to the institution. Personal ethics and morality, two inherently value-laden and subjective terms, also drove participants’ thinking about various scenarios involving donor influence. As President Cecil Spencer of Pinewood College summarized for many participants, managing donor influence often simply “comes down to ethics and legality…I set the tone early on…this is how I work, how I operate.” President Scott Campbell of Crimson College offered an additional layer of pragmatism to the subject, adding,

You don’t want to get put into a position where you do something that's just not ethical, and then you have that person kind of controlling you because you're both co-conspirators, right? So you have to remain strong in that respect.

For some institutions, legal and ethical concerns were primarily about managing risk. For example, Sebastian Gill, vice president for advancement at Blue Forest College, explained that he aims to ask the questions, “Are we doing anything that puts the college at any sort of risk? Are we doing anything that [would get us on] the 6:30 news?”

Context

In a sense, small, private liberal arts colleges draw direction from the first four points of the Northern Star of Donor Influence—missions and visions, strategic plans, academic norms, and notions of ethics and legality—as a framework for saying “no” to donors who attempt to exert unwanted or inappropriate influence. In other words, those four points form a set of ground rules for their work with highly engaged donors and help mitigate, redirect, or otherwise safeguard against forms of influence that are unacceptable
in some way. Paradoxically, they may also represent some of the characteristics that endear donors to colleges and universities. Together, those four points arguably form the “core ideology” of institutions, or their “most fundamental reason for existence” and their overarching beliefs and values (Collins & Porras, 1996, p. 66), which all speak to the organizational identity of alumni and donors. Organizational identity, of course, is “the perception of oneness with or belongingness to an organization where the individual defines him or herself at least partly in terms of their organizational membership” (p. 109). In turn, that very sense of shared identity can activate an emotional response in individuals and induce them to give (Jackson, Bachmeier, Wood, & Craft, 1995).

Context, the fifth point on the Northern Star of Donor Influence, might be best understood as the “wild card,” the figurative “however” or “but,” in an otherwise uncomplicated episode of undesirable donor influence. When discussing their institutions’ reactions to unwanted or inappropriate donor influence, flexibility and an ability to view the broader context of a particular relationship and gift surfaced as critical points of reflection. As Indigo College President Patrick Simms pointed out, donors and colleges must collaborate within the context of the mission, vision, and values of the institution. However, Simms also acknowledged that philanthropy “is absolutely key” to the institution and that fundraising is ultimately a “no money, no mission” game. Context appears in the Northern Star of Donor Influence as an act of balance. It exists to help institutions negotiate the occasional gray areas in fundraising and the balance many small, private liberal arts institutions must strike between their priorities and those of their donors. Context enables institutional actors to apply a critical lens to complex donor
relations issues and answer several fundamental questions, including, but far from limited to:

- What is the donor’s potential philanthropic impact on our institution?
- How much does the institution need the donor’s money?
- How can the institution adequately reconcile its own needs with those of the donor?
- How much credibility, or relationship capital, does our donor have with us?
- How much can the institution flex without violating a core principle?

Only two institutional presidents felt that context has a minor role to play in guiding their interactions with donors. As President Anderson Rutigliano of Jade Mountain University said,

> There are some people that might disagree with me, but I don’t spend a lot of time chasing the money and trying to figure out how to get it and then… fulfilling whatever the donor… want[s] to get done…. I’ve been at plenty of places that just chased the money, and I’ve stayed away from that [at Jade Mountain] and … you know, maybe I’ve kept some money out of the institution.

President Harwell Coldren of Walnut Plains University espoused a similar philosophy when he spoke to the “very little ambiguity” he uses with donors and the “definitive” nature with which he speaks.

By contrast, for most participants in this study, the picture is not always as clear, and more reflection on the aforementioned questions – as well as on other questions – is required to successfully navigate a complex episode of attempted donor influence. In other words, the importance of context in mediating and resolving donor relations issues varies by institution. For example, some institutions suggested that a significant institutional need for philanthropy, coupled with enormous philanthropic potential, could grease the wheels of donor influence. As President Patrick Simms of Indigo College reflected on the lessons learned from his institution’s current campaign,
While it is true that we have lacked a certain discipline in some respects in [our current] campaign, [the effort] has also been wildly successful beyond our imagination, but because we were willing to say, “There's [sic] some things we're willing to do.” And a campaign for a college like ours, particularly at this time for this college, ought not be rigid, right? So I think…one of the lessons would simply be that we've got to be willing to be led by [donors] but within a framework.

Participants in the study also acknowledged a philosophy that amounts to the inverse of the Golden Rule of Philanthropy: that donors who do not give the proverbial gold do not get to make many of the rules. In other words, donors who do not give much, along with non-donors, do not tend to have much influence. For example, Clementine Ackerman, Sage Lake University’s vice president for advancement, explained that when she receives phone calls from individuals who issue demands, the “first thing” she does is research that individual in her database to ascertain past giving and other context. She asks hypothetical questions of the donor, such as, “Do you have any skin in the game here? How invested are you really?” Ackerman explained that when she realizes she is not speaking with a significant donor, with someone who is “not invested,” she uses the situation as “a teaching moment.” On the other hand, Ackerman explained that she does not “even have to go into [the donor database]” for “those who give.”

Reflections by President Stanley Fleming and Vice President for Advancement Sebastian Gill of Blue Forest College illustrate how misalignments between donor and institutional needs create pressures on campus and shape responses to donor influence. As Gill noted, “There is tension…here about why [it is] that our donors won't fund certain projects. So…the internal tension is not because of donors wanting to fund a certain project or initiatives; it's their lack of interest.” Acknowledging this phenomenon at Blue
Forest in a separate conversation, President Fleming explained that men’s athletics at the college “have [a] history of 180 years” and that “lots of alumni” support those programs for men. On the other hand, “women[’s] athletics have been around for a lot less…time,” and those teams “do not have that [same] donor base, so all [of a] sudden, you have these disparities.” To address those inequalities in philanthropic support, Fleming explained that he aims “to bring the other areas to the eyes of the donor.” In other cases, he must use budget allocations to “diminish some of those differences.” Ultimately, though, disparities between the “haves” and the “have-nots” on campus—disparities which span student organizations, academic programs, and even facilities—clearly play a role in determining the responses of some institutions to donor influence.
CHAPTER 6 – DONOR WHISPERING:
THE SYMBIOTIC PATH TOWARD MUTUAL VALUE

Henry “Hank” Rosso, the founding director of The Fund Raising School at Indiana University, who is considered a legend by many in the philanthropy field, outlined numerous core philosophies and principles undergirding the advancement profession. In the edited collection Achieving Excellence in Fund Raising, he explained that the act of making a charitable gift “is based on a voluntary exchange,” between a donor and organization (Rosso, 2011, p. 7). In providing philanthropic support, a donor “offers a value” to the recipient organization (p. 7). On the other hand, in taking a donation,

It is incumbent upon the organization to return a value to the donor in a form other than material value. Such a value may be social recognition, the satisfaction of supporting a worthy cause, a feeling of importance, a feeling of making a difference in resolving a problem, a sense of belonging, or a sense of “ownership” in a program dedicated to serving the public good. (Rosso, 2011, pp. 7-8)

Institutional actors “often misconstrue the true meaning of this exchange relationship” in ways that erode “the meaning of philanthropy” and “diminish the gift” as a symbol of “commitment to the mission” (Rosso, 2011, p. 8). At its core, charitable behavior is “voluntary action for the public good conducted through voluntary action, voluntary association, and voluntary giving” (p. 8). Those who facilitate and accept philanthropic support on behalf of organizations are not only “the prod, the enabler, [and] the activator to gift making,” but they also provide “the conscience to the process” (p. 9). In other words, advancement work is “at its best when it strives to match” the goals, objectives, and priorities of the institution with those of the donor (p. 9). A driving goal of
institutional fundraising, therefore, is to ensure the presence of mutual value in philanthropic relationships with individual benefactors.

Chapter 4 of this study described and analyzed ways in which donors act on their goals, objectives, and priorities by attempting to influence the decisions and priorities of the private liberal arts colleges they financially support. Chapter 5 provided a framework for understanding how the core ideologies of institutions shape their reactions to episodes of attempted donor influence. Chapter 6, in turn, explores how institutions aim to ensure the presence of mutual value in their partnerships with donors who exert unwanted influence. Or, in terms introduced earlier in this study, how do colleges and universities use their Northern Star of Donor Influence to navigate the Golden Rule of Philanthropy? This chapter addresses this study’s third research question by ascertaining how liberal arts institutions attempt to build productive, mutually satisfying, and beneficial relationships with highly engaged individual donors.

**Reconciling Institutional and Donor Priorities and Needs**

Participants in this study identified numerous instances in which they felt their institution’s needs, objectives, or priorities did not align with those of their benefactors. President Patrick Simms of Indigo College highlighted such an example when he recalled,

> Here we are [several] years [after my presidency began], just getting to the [signature fundraising] project. So there's a lack of discipline in that, one could say, because we've done all kinds of [fundraising] projects that we didn't envision at the beginning. But those are also great needs, and I think some balance of the two of those is what you have to strike.
In another illustration, President Stanley Fleming and Vice President for Advancement Sebastian Gill of Blue Forest College described how “internal tension” arises due to misalignments between donor and institutional needs. Specifically, donors at Blue Forest financially supported men’s athletics programs over women’s athletics teams to a much greater degree, resulting in the need for President Fleming to reallocate existing budget funds to address those inequalities. Fleming and Gill, along with study participants from other institutions, also acknowledged that philanthropic funding disparities exist across academic programs, non-athletics-related student organizations, and facilities. In yet another instance, President Benjamin Supple at Sage Lake University explained that his institution has a pressing need for financial support that can relieve its annual operating budget. However, he acknowledged, “We have a difficult time [getting] that….Most unrestricted funds are harder and harder to get.” Study participants detailed numerous other examples of when institutional and donor priorities and needs appeared to cross purposes with each other.

How do small, private liberal arts colleges attempt to reconcile sometimes competing institutional and donor needs, priorities, and objectives in ways that are satisfying and beneficial for both parties? Participants in this study frequently spoke to six specific techniques, each of which appears to echo strongly, or perhaps even derive directly from, concepts presented in the proposed Northern Star of Donor Influence framework:

1. Educate the donor;
2. Listen to the donor;
3. Negotiate transparently, patiently, and diligently;
4. Observe legal and ethical principles;
5. Let value, not money, guide the discussion; and

Educate the Donor

When faced with a complex episode of donor influence involving a potential misalignment over priorities and needs, the first instinct of many study participants was to fall back on the institution’s core ideology as a means of building common ground and relational momentum with that donor. A college’s “core ideology” represents the “glue that holds an organization together over time,” or its “system of guiding principles and tenets” and “most fundamental reason for existence” (Collins & Porras, 1996, p. 66). Specifically, study participants often pointed to the need to “educate the donor” on three particular areas, which happen to be on the proposed Northern Star of Donor Influence: the mission and vision, the strategic plan, and academic norms.

Chapter 5 documented in detail institutions’ motivations to establish or reinforce donors’ understanding of the mission and vision, strategic plan, and academic norms. However, further exploration of the technique as a donor relationship management tool provides additional insights on its utility in defusing issues of alignment between institutions and donors. For example, President Sergio of Lemon Woods College recalled a time when a lack of adequate funding for campus safety grew into a pressing source of concern. Specifically, he grew worried that a security system for [the] campus was “long overdue.” However, the system the college required was “a half million dollars, which was a lot of money for this place.” Although his trustees and other major donors appeared to have other philanthropic interests, he set out to educate those individuals on the severity of the circumstances at hand. As he explained,
I went to the board of trustees. I went to our major donor sources, and I said, “I need a half a million dollars, and I need it now because… the world is getting more dangerous, and we're getting bigger, and the town we're in… is having some issues.” And so… I think for us it starts with tying it back to the students, tying it back to student needs, tying it back to 20-second sound bites, elevator speeches, short stories, and really kind of painting the picture of how, you know, [this] is essentially a Norman Rockwell painting down here. The second most important thing we do with these kids is we educate them, and the first most important thing we do is keep them safe. And so, those are the buttons that we push with the donors to raise that money. And in fact, we did.

In another illustration of the value of donor education, Chantal Kayfetz, a senior leader in Mulberry College’s office of advancement, explained that she and her colleagues work regularly with endowment donors who make requests for special treatment of their endowed gift accounts. Such appeals can involve certain accounting treatments for their fund, the delivery of particular reports, adjustments to investment strategies, and changes to the annual draw rate on their fund, among others. Some of those requests can lead to a conflict between institutional and donor needs and priorities. Kayfetz indicated that in dealing with cases like those, her office first looks toward institutional policy as a guide and then leverages colleagues to help educate donors on the possibilities. As she recalled,

We have a particular donor who has questions about the endowment…and…[who] asks [for] certain things to happen with his particular endowment…. Some of those things we can do, and others we can't do because of policy. But… instead of just [dismissing the donor], we have him talk to [members of our] finance [office]…. So we use our campus partners, who are the experts in the field, to help us with those [who] might be micromanaging their gifts…

Kayfetz indicated that learning from multiple sources across campus about the boundaries of a particular policy can reduce a donor’s feelings of disappointment and can ultimately present a more compelling case about an institutional decision. Involving
campus stakeholders in helping a donor to understand the possibilities and limitations involved with their support can also make rejection of a request feel less personal to that donor. Moreover, leveraging another professional outside of the president’s office and advancement office, a non-fundraiser, to deliver “bad news” can help to preserve the health of the relationship between a president or fundraiser and the benefactor. President Cecil Spencer of Pinewood College agreed, noting that he is “real[ly] clear about what donors “can…and can’t legally do.” He added,

I have broken down, too, where in some cases…I thought [a situation with a donor] would get sticky…and therefore involved our university attorney and let [them] do the dirty work. And I shouldn't say dirty work, but—let them give the unwanted answers. I've done that.

As Peter Marvel, Mulberry College’s vice president for advancement, reflected, institutional representatives need to employ a gracious and considerate tone during such sessions with donors considering that they “have given…a lot of dollars for nothing but a good feeling.” Echoing the spirit of Hank Rosso (2011), he added, “The one thing we owe them is respect, and we owe them that time to walk them through [the thinking] and get them to understand…[the] decision,” even if it leads to “respectful disagreements.” In other words, the education process involved in philanthropy work serves not only as a means of retaining some type of control over a situation, but it also represents a fundamental courtesy to which benefactors are entitled.

**Listen to the Donor**

While many study participants articulated the imperative to educate donors when they sensed an issue of alignment, they also felt relatively equally as inclined to gather context, another concept discussed in the proposed Northern Star of Donor Influence
model. Specifically, participants expressed a strong desire to listen carefully to the donor. Listening enabled them to accrue the requisite context to understand and act in accordance with the unique circumstances at play. As Blue Forest College’s vice president for advancement, Sebastian Gill, reflected,

I better understand today than I used to the importance of really being careful…to listen to what donors want to accomplish with their philanthropy and seeing where there are areas of overlap or alignment. And when there aren't, don't try to force it.

President Trent Underwood of Mulberry College observed that careful listening is an instinctive act, even when he is not working with a donor. As he said,

The best [way] to start out is by listening because, in fact, they may have something really profound to say. And I would listen if someone said to me, “I've got a great idea for [Mulberry College]….Can I tell it to you?” And even if they weren't a donor, I would listen. Now, I might not jump on a plane and fly [across the country] and have dinner with them to hear that. I might say, “Talk to me next time you're in town.” But since you'd do that with anyone, you’d certainly do that with a donor.

Continuing that thought, Underwood acknowledged that whenever he is in conversations with a donor and discovers that the individual has ideas or priorities that run “counter to what the institution can do or should do,” he raises his concern immediately to avoid creating false hopes or expectations. In other words, careful listening equips institutional representatives to identify and proactively mitigate potential sources of strain on donor relationships.

As President Miguel O’Day of Primrose University indicated, an additional benefit of careful listening is the opportunity to provide the donor with essential context about the president’s or advancement officer’s authenticity and desire to connect on a personal level. As he noted,
I've learned to take [donors] seriously. What I've learned is that what other people think and feel [are] real. You know, it may be awkward for me. It may be…difficult or challenging or unfortunate, but it's real. And if they recognize that I take them seriously…even if we're in some ways not aligned…then the chances over time of [him or her] staying with us [as a donor] are good.”

**Negotiate Transparetly, Patiently, and Diligently**

While acknowledging the importance of both educating and listening to donors, numerous study participants observed that the process of securing alignment often boils down to transparent, patient, and diligent negotiation. President Christian Schiff of Honey Hill College helped to illustrate this point through his recollection of a somewhat tedious process in which his stamina and persistence resulted in a gift with an even more significant impact than he had first imagined. The process began when he received a call from two siblings whose recently deceased mother had a strong personal connection to Honey Hill. They “wanted to give a major gift to the college to celebrate and honor their mother, and they had already given gifts to honor [her] to [other] colleges that their mother…was involved with.” The potential donors had in mind the establishment of a particular scholarship program that would “help raise up low-income kids to become community leaders,” and they asked Schiff to prepare a proposal for the program based on similar concepts implemented at two nearby colleges. He likened this initial invitation to “playing tee ball,” in which potential donors “walked out and put the softball on top of the tee and handed [me] the bat” and “asked [me] to step back and swing.” However, the process of securing alignment was far from straightforward. Schiff put together a proposal based on the college’s existing community service plan. Even though he wanted to secure the gift, he felt compelled to include in the proposal an exceedingly honest
assessment of the institution’s ability to implement the proposed program. In reading that proposal, the potential donors responded, “You know, that just really doesn’t work. If that doesn’t look like it’s really smart to [you]…can you do better than that?” President Schiff responded, “Yeah, we can do better than that,” and proceeded to offer several additional iterations of the program. He explained that by the final round of negotiation, “We [had] really pulled together a tight proposal for them, which they agreed to fund,” to the tune of more than $1 million. The back-and-forth nature of the process encouraged Honey Hill College to carefully evaluate the strengths and weaknesses of its programs and propose a program that presented “an ideal kind of situation,” one that would not have existed without patience, transparency, and diligence.

President Anderson Rutigliano of Jade Mountain University pointed out that diligence in complex gift negotiations requires leaders to carefully assess how a proposed gift might affect their institutions beyond their tenures. Specifically, he noted that donor-facing personnel need to “make certain that [a] gift is going to support the university for long-term strategic interests and not hamstring a future administration. In his view, gifts that insufficiently consider the long-term consequences for an institution could result in,

A donor who’s not happy because the university wasn’t able to fulfill the vision of the gift because it overpromised what it might be able to do. Or [a] donor’s gift [could be] so personally driven…that it lives out there as a satellite but is really not connected to a vibrant part of the institution. I think you have to avoid those gifts at all costs and try to bring that donor forward and give them…a range of ideas that are going to bring them into the fold. It just takes a long time.

To illuminate his point, President Rutigliano recalled a donor who wished to fund a multimillion-dollar “university-wide professorship” that “took five years, from beginning to end, to cultivate and receive.” He recalled that,
The donor was in a completely different place when the conversation started and ultimately ended up giving something that’s going to have a tremendous impact and be so well aligned with…the very core of the mission of the institution. But it was just a lot of conversation until we could find the right match of university mission and donor desires. I just didn’t think I was ever going to get that gift closed, but rather than just get a gift for “X” because the donor had the money and it was burning a hole in his pocket, I said, “Let’s talk about this….I want to talk with you about what you want your legacy to be. What was so important to you at this institution that you want to see it preserved for future generations? And let’s work on that together.” So we ultimately got there, but you just have to be patient.

Mulberry College Vice President for Advancement Peter Marvel elaborated on the importance of diligence and patience in negotiations, saying, “I think the number one thing we've learned is this: don't close the gift until you've had enough conversations to know that it's right.” For him, one gauge of the “right” time is the sense of happiness and fulfillment he senses when negotiating a gift with a potential donor. Clarifying his point, Marvel recalled joining a fundraiser on his staff for a visit with an individual considering a significant potential gift. Early into the conversation, he “could tell that things weren’t exactly right.” He had an “intuitive moment” where he perceived that the potential donor was “looking a little lost but…coming along for the ride.” Marvel observed,

“You can just tell they’re not excited. They’re not happy when they talk about this gift. [They are] talking about a lot of money, but they’re not happy yet. And so one of the things I’ve been trying to tell fundraisers is [to] stop and say to [potential donors], “You know what? I want you to take more time to think about this because if this is going to be a good gift, it’s going to be joyful to you. And if it’s not joyful to you, we’re not there yet.”

Marvel acknowledged, though, that pausing or slowing down conversations is not always easy, but when his team exercises patience, the “payoff is good” and that the eventual gifts tend to be “larger” and “more impactful.”
Observe Legal and Ethical Principles

As the proposed Northern Star of Donor Influence framework in Chapter 5 acknowledged, donor-facing institutional leaders often see the need to ensure that their behavior aligned with relevant laws, as well as their ethical principles. President Cecil Spencer of Pinewood College summarized this point for many individuals, saying, “Don’t ever give up your ethics. Know where your line is. Know what the laws are. That’s the thing.” Implementation of ethical and legal principles is obviously an inherently individualized concept. However, one type of misalignment between institutional and donor objectives that frequently inspired participants to invoke ethical principles was quid pro pro arrangements, especially with vendors. As President Vincent McNealy of Hazel College warned,

You just need to stay away from [anything that] undermines the integrity of the office of the president, frankly. And a president cannot be successful if the president doesn't have legitimacy….That legitimacy can fall on a personal lifestyle that does not connect with the values of the college or [by] selling out the college for money in a sense, for a quid pro quo situation.

In illustrating his concern about delegitimizing a presidency, McNealy pointed to other challenges inherent in quid pro quo situations. He indicated that when Hazel College has tried to request major gifts from construction contractors, for example, that action “then creates some expectations by the [vendor] that [on] the next project they might get a favorable position with respect to the bids. As a result, Hazel College has,

Moved away from asking vendors for donations….We’ve just found…it was too difficult to manage. When they give a donation, what is the expectation? Is the expectation of continued business? Do they jack up the price a little bit…in the next round to cover the donation?
Thus, the preferred strategy for Hazel College, and some others, in avoiding value misalignments related to vendor philanthropy is, “We try not to get into the situation in the first place.”

**Let Value, Not Money, Guide the Discussion**

Hank Rosso (2011) described philanthropy as an exchange of value and characterized the work of fundraisers as “the prod, the enabler, [and] the activator to gift making,” but also as “the conscience” of philanthropic partnerships (p. 9). As he warned, donor-facing representatives of institutions tend to “misconstrue the true meaning” of the value exchange involved in gift making. Several participants in this study, drawing on Rosso’s concern, worried that fundraisers and presidents occasionally exhibit the tendency to focus on doing whatever it takes to secure big gifts to obtain the acclaim, prestige, and other benefits that accompany big numbers. Those participants argued that institutions must instead ground their understanding of successful advancement work in notions of creating value and impact, rather than fixating on fundraising metrics and cumulative totals as the predominant determinants of achievement. As Blue Forest College’s Vice President for Advancement Sebastian Gill said, “Fundraising needs to be a means to an end and not the end in and of itself. So, the more individuals…we can engage around [our] mission and core values—that, to me, is the definition of success.”

Clementine Ackerman, vice president for advancement at Sage Lake University, agreed, We're small, and a lot of small institutions are like, “We're just going to go get the money. Let's get the money. Let's get the money.” But does the money make sense? So did you have the conversation with [the donor] about…where they can really make an impact? Because I still believe that the donor, at the end of the day, wants to make an impact.
However, President Scott Campbell of Crimson College pointed out that big gifts that are not tied directly to pressing institutional needs are not necessarily entirely devoid of merit or value. As he elaborated,

The big gifts, even if unrelated, do provide some value, some context….Why do you want to drive up the number [of dollars raised]? It's momentum. It's context. Why do you have comprehensive campaigns? Because somebody making a $10 million gift in a $100 million campaign is different than if it's a $30 million campaign, right? There’s a third of it. So you want a larger context….For the most part, people don't want to be the only people giving….And so it helps make our umbrella bigger, and then we can get things that are really useful and important because people feel motivated to give larger gifts.

In other words, significant gifts can build credibility for major fundraising campaigns, even if they do not directly support institutionally recognized fundraising priorities.

Nevertheless, gifts without impact, philanthropy without authentic value, and fundraising without purpose and meaning represent a violation of a core precept of the advancement profession. Therefore, institutions must furnish the “conscience” in the charitable gift making process.

Gifts of assets, rather than gifts of cash or easily liquidated holdings, sometimes provoke questions at colleges and universities about the creation and protection of mutual value in the fundraising process. Study participants repeatedly discussed episodes in which donors provided gifts of physical assets, like artwork or real estate, that sparked extended discussions or created controversy on their campuses. In many cases, institutions possessed standard gift acceptance policies and procedures that addressed the bulk of scenarios. Such policies often call for some combination of the chief advancement officer, the chief financial officer, the president, and other officials to come to an agreement before the institution accepts a gift. However, even at institutions with
established guidelines for handling gifts of questionable value, gray areas emerged.

President Sergio Bird of Lemon Woods College described three general courses of action that he and his institution have taken when considering gifts of uncertain value, particularly artwork. In his words,

I've been down the road where maybe I don't exactly like the artwork, but the donor is so important, and the place they want to put it is nondescript enough that I can sort of choke down…either putting up the artwork or…building some type of apparatus to hold the artwork. I certainly have been down the road where I have said to folks, “You know, I just don't think that's going to work.” And that does make [the donors] unhappy. And then I've…done the type of thing where I've sort of met people halfway…where I either say we'll take the gift, or we'll buy the gift with the donation that you're giving us, but we're not going to put it exactly where you want it.

In other cases involving gifts with uncertain value, trustees or major donors gathered together with plans to fund changes to campus with which the president did not agree. At Crimson College, Scott Campbell noted that a trustee

“Wanted to add a [flourish] on [an athletics field]. And I said it wasn’t necessary and wasn’t what we needed to do. And that was a case where the board—ultimately the board chair—said we probably ought to take that. [It] keeps everybody on the board happy. And I said, “Sure. Fine.”

At Emerald University, President Bradley Bartlet aimed to stave off talk of what he felt was an ill-conceived indoor athletics project for a team that is not particularly popular among the student body. Upon catching wind of the plans under discussion by a handful of trustees and other donors, Bartlet approached the group and said,

Look, I know you're talking about this. First of all, the only way we would consider this [facility] is if donors foot the whole bill, plus a maintenance endowment, but it's really not anywhere on our list of priorities. And here are the things that are on our list of priorities and [the] things that I would hope you would think about supporting instead of that.
Bartlet paid particular attention to two members of the group considering the facility, a current trustee and a former board member, both of whom have familiarity with the college’s current fundraising priorities. As Bartlet summarized, “I’ve tried to leverage those two [individuals]—and so far successfully—to kind of keep that at bay because we really don’t need it.”

**Employ Context-Driven Creativity**

Participants in this study offered examples of the expediency of collecting, evaluating, and using context in resourceful ways to address misalignments between institutional and donor priorities and needs. One method that President Anderson Rutigliano of Jade Mountain University has found particularly useful was a pivoting strategy, which he uses when he encounters a potential donor whose interests and objectives seem in conflict with those of the institution. Specifically, he “always” listens to such individuals, collects relevant context, and buys himself “some space to get away,” asking the individual for a chance “to go back and…noodle on this a bit.” Doing so affords him time to brainstorm, perhaps with others, about various philanthropic arrangements that might resolve the potential misalignment. It also removes him from “the pressure of the donor in the moment.” He added,

> I can then respond in writing, schedule up a follow-up visit or phone call…and I usually give the donor multiple choices, all of which would conform to something that the university would benefit from. And then that opens up a conversation.

In another example, President Benjamin Supple of Sage Lake discussed how the fungibility of money affords him the latitude to work with donors in ways that match donor interests, rather than focusing solely on insular institutional preferences. As
previously mentioned, Supple had acknowledged that Sage Lake relies on robust philanthropic support to maintain a balanced operating budget. The easiest, most straightforward way for the institution to balance its budget is through unrestricted, undesignated giving, the type of support to which institutions commonly refer as “annual giving,” or the “annual fund.” However, as Supple observed, we have a difficult time [getting] that. But, he added,

I…worry less of it, especially if the money comes—that relieves another function because money is fungible….If you are going to help me maintain the university center, fine. It will be maintained, and that money [I would have spent on the university center] can go elsewhere.

Supple noted that other institutional leaders with whom he is connected frequently express similar difficulties in encouraging donors to provide unrestricted gifts, a trend confirmed in the existing literature (Barman, 2007; Brandt, 1990; Ostrander, 2007). However, he concluded, “I think it's a generational piece that we have to be much more prescriptive, and that's okay.”

President Stanley Fleming of Blue Forest College agreed that the notion of fungibility is useful but warned that it does not work with everyone, noting that some donors are “very sophisticated” and understand the concept enough to drill down another level on the use of their gifts. For example, Fleming had experienced instances where donors told him that if they provided a gift to a particular area, they did not want the college to turn around and redeploy funds for the same area and in the same amount toward an entirely different area of the institution. In those cases, Fleming said that institutions must simply be “honest” with donors about their intentions and abide by any promises they make.
President Trent Underwood of Mulberry College outlined a method he uses to engage faculty members who are disaffected by a lack of philanthropic support for their individual departments, programs, or areas. He recalled that at a recent board meeting, a faculty representative said, “There’s all this money being raised, but it’s not really for faculty stuff.” The chair of the advancement committee on the board replied, “All right. So, what would ‘faculty stuff’ be? If we had a donor who was willing to write a $100,000 check for any faculty project, what would that project be?” The faculty member requested time to think about the topic. After a series of back-and-forth discussions involving the faculty, board, and administration, the institution developed a system whereby faculty members propose discrete projects in the range of $10,000 to $40,000 for consideration by potential donors. President Underwood observed that faculty members found the process of identifying appropriate faculty projects to be “hard,” given that they have “spent their lives wishing they had $100 here or $16 there or $147 there to take students to lunch.” Ultimately, Underwood found the system to build a sense of empathy and ownership among faculty members for philanthropic priority setting at the college.

**Managing Highly Engaged Donors**

In Chapter 4, study participants discussed a multitude of ways in which highly engaged donors have attempted to exert influence over the decisions and priorities of their institutions. Drawing on their core ideologies, how do institutions attempt to manage unwanted influence from highly engaged donors in ways that are satisfying, beneficial, and promote mutual value? Individuals focused on five recurring themes:

1. Set appropriate expectations;
2. Use the mission to tell compelling stories;
3. Build robust relationships that can withstand disagreement; 
4. Manage time efficiently; and 
5. Build momentum through test gifts.

Set Appropriate Expectations

In tandem with the rising wealth and income disparities in the United States, fewer and wealthier donors are providing a growing share of higher education’s philanthropic revenue (Conley, 2000; Collins, et al., 2016; Dabla-Norris, et al., 2015; Saez & Zucman, 2016). Given that “nearly all of the economic gains” in recent years have gone to the wealthiest one percent of the population, “most Americans have been treading water and, as a result, have less spare income to devote to philanthropy” (Scutari, 2017, para. 28). This consolidation of wealth and philanthropic influence into fewer individuals appears to have correlated with changes in donors’ expectations. In recent years, philanthropists have shown a proclivity to regard their charitable support as financial investments and to set their sights accordingly, expecting to serve as advisors and partners to the organizations receiving their gifts (Backer et al., 2004; Blum, 2002; Briscoe & Marion, 2001; Grace & Wendroff, 2001; Morino & Shore, 2005; Ostrander, 2007.

Increased gift restrictions and expectations represent something of the first wave in this trend of growing donor influence (Barman, 2007; Brandt, 1990; Ostrander, 2007). “Despite the now nearly ubiquitous language of partnership and collaboration, philanthropy has steadily moved to a relationship controlled more and more by donors” (p. 359). In other words, the existing literature on higher education philanthropy acknowledges that donors are engagers and influencers. The vast majority of participants
in this study affirmed that donors do wield significant, albeit not unchecked, influence on the decisions and priorities of the small, private, residential liberal arts institutions they lead and manage. Simply stated, the time has come for all donor-facing leaders of colleges and universities, as well as the institutions themselves, to plant their professional expectations for donor relationship work firmly in the context of these new realities.

Some already do so intuitively. Clementine Ackerman, vice president of advancement at Sage Lake University, expressed that institutions should “be afraid” when their alumni, donors, or even other stakeholders are quiet.

Participants acknowledged with some frequency that advancement work within this climate of donor influence can be frustrating, and a healthy sense of perspective can prove to be an essential survival tool. As President Scott Campbell of Crimson College advised, those involved in donor work must remember that they are “in it for the long term.” In other words, “you can sometimes put up with a donor who’s a little more cranky and difficult, but their money, long-term, is going to make a huge impact.” One must know how to discern the trivial from the serious. In the end, one must “understand that the big picture is what is going to be good for the institution.” In concurring, President Miguel O’Day of Primrose University emphasized that donor relations work is “not about you…It’s about the college; it’s about the students, the faculty, the staff…and the…mission.” In other words, “Embrace the vocation of fulfilling the mission through your philanthropic endeavors.” Doing so, many participants suggested, would steel advancement professionals for difficult days.
Use the Mission to Tell Compelling Stories

For study participants, the art of storytelling helped institutions to manage unwanted influence from highly engaged donors in two ways. First, stories helped to create a personal connection with benefactors by presenting the institutions as a conduit through which they could feed their fundamental need to serve society. As President Benjamin Supple of Sage Lake University noted, stories help to clarify purpose, a vital element of advancement work given that potential donors come to institutions “with some measure of generosity, but they don’t want to waste it. And we can show that [their support is] not going to be wasted.” In other words, storytelling that leads to a philanthropic investment is about “fulfilling…a dream” for the donor. Second, participants noted that storytelling helped institutions to motivate actions on the part of donors that fit within the institution’s mission. Helping donors to “see themselves” in that mission can encourage those donors to reorient their thinking and behavior in ways that facilitate valuable, impactful philanthropic investments. As President Christian Schiff of Honey Hill College expounded,

A key to success as a fundraiser is the ability to tell good stories. [If] you tell compelling stories, people will want to support you in that work. And so, you have to have good stories to tell people. And you have to help them want to be a part of your story. And that helps in the process because if you have a strong story, then people can see a way to fit into the story. You can help them meet their needs, their desires, as donors. Whatever [the motivations of a donor], they have a goal, and you have a story to tell. And if you can connect them with the story, then I think you have a better chance of being successful and making it work, because you can find a satisfying way for them to help you.

As President Benjamin Supple of Sage Lake University explained, the mission serves as a fundamental point of pride for internal and external stakeholders, and thus the
mission tends to play the lead role in his storytelling. As he explained, “We want [donors] to see our students’ stories, to see the mission and to see the success of that mission.” For example, a recent study identified Sage Lake University as an outstanding agent of social mobility, and Supple leverages that study to tell stories around the institution’s ability to improve society by transforming families. As Supple summarized, “We want [donors] to see that students are succeeding here, that they are investing in this. They’re investing in making lives.”

**Build Robust Relationships that Can Withstand Disagreement**

A widely acknowledged principle of the advancement profession is that “people give to people with cause” and to “people who ask on behalf of causes that matter to them” (Seiler, 2011a, p. 16). Fundraising, then, is a process of interpersonal relationship building premised “on mutual interests and concerns” (p. 16). This process is at its best when,

> Organizations spend maximum time and energy identifying their constituencies and cultivating meaningful relationships with them, moving the constituents closer and closer to the center and bonding them to the core of the organization. Sensitive attention to the needs and values of the constituents will draw them more intimately into the mission of the organization. (Seiler, 2011b, p. 26)

Study participants invoked these maxims regularly, emphasizing the importance of building quality relationships as a means of resolving complex issues and ensuring the presence of mutual value and satisfaction. As Hazel College President Vincent McNealy noted, his goal is to “get to the point where they trust you and you trust them.” President Dwayne Whitford of Red Robin College added that “most people…[who] make gifts of real consequence want to feel a sense of friendship and trust with the person that they're
going to invest in.” Building on that point, President Anderson Rutigliano at Jade Mountain University acknowledged that authentic relationships “take time” to develop.

As Peter Marvel, vice president for advancement of Mulberry College paraphrased, “Don’t look at [donors] as ATMs.” Rather, he encouraged, draw them into the organization as closely as possible.

Anne-Marie Shin, Crimson College vice president for advancement, illuminated a key benefit of deliberate, deep relationship building: the ability to set boundaries without alienating the donor. As she explained,

> We have one [donor] in particular [who] is very much involved, and…if he doesn't get the answer he likes from me, he'll go to the dean of students…He'll go to the athletic director….It depends on the day. And the way we manage that is: I try to be very responsive because if you're not responsive, he gets angry and almost feels like you're being disrespectful. So even if it's an inane question, I try to be responsive…and I try to answer his questions and then I just get to the point where I have to be firm. I start off being kind of sweet and responsive, but then at some point…I will say to him, “[Randy], we've all heard your concerns, and I can guarantee you can trust me. I understand your concerns, and I've got your back. I'm looking out for you.

Echoing President Rutigliano, establishing a comfortable relationship with her donor took significant time. However, as Shin observed,

> Once I developed a more personal kind of relationship with [Randy], then [my interactions with him] became easier. So now…I can say to him, “[Randy], you're giving me a hard time. Can we just take the day off? I can actually banter with him.

Shin ultimately felt that most donors like Randy “just want to be heard,” and once she had accomplished that objective, she could typically end the conversation if she felt so compelled. Blue Forest College Vice President for Advancement Sebastian Gill
summarized the point, “The relationship that you build on the front end carries you through [difficult situations],” adding,

When you have those kinds of deep, rich relationships, “It's okay to say we're just not going to be able to do that. And I hope you understand why. And I'm sorry I can't give you the answer that you want today. And for the sake of the institution or for the direction of the institution, we're just going to have to say thank you, but no thank you.” You've got to be able to have that courage to say that every once in a while… I haven't had to say that very often. However, I think… presidents probably do have to say that.

Study participants discussed a variety of strategies for developing close, trust-based bonds with their donors, with many pointing to the importance of face-to-face, rather than email or telephone, communication. One area of relationship building that President Sergio Bird of Lemon Woods College emphasized was stewardship of significant donors. As Bird explained,

We spend a lot of time thinking about how we close out relationships here until the next time that we see people. So for example, we're very big on... handwritten cards. We're big on gifts on birthdays. We're big on just doing little... unexpected, nice things with donors that they didn't anticipate. Donors are so wealthy, generally, and can buy anything they want, really anytime they want, [so] then it becomes, well, what can we do for them that they can't buy elsewhere? Giving an example, we had a donor who flipped the coin at the middle of the football field last week for the game. And he came up to the president's box after the flip... and he goes, “Hey, look at this.” He said, “They gave me the coin that I flipped.” And it was a coin that we had specially made up for our donors [who got to be coin] flippers. One side said [Lemon Woods College] Football... and the back side said something else. So it was just a little point, but he was so excited about it... [It] probably cost us $5, but he can't buy that anywhere else. And he was an alum[nus] of the institution. I would almost guarantee you that he'll have that in this little box for the rest of his life.

Another method for building deep relationships with highly engaged donors involved introducing those individuals to multiple contacts across campus and establishing their status as organizational insiders. As Peter Marvel, vice president for
advancement at Mulberry College, explained, “Don’t be afraid of [campus] stakeholders. Get them deeply involved. Once they do [get involved], they become your best fundraiser…It’s painful, and it takes time, but [they]…often become your best assets.”

President Scott Campbell of Crimson College echoed that notion, adding that it is a responsibility of donor-facing leaders on campus to cultivate those relationships. As he explained,

Relationships are not zero-sum games. And a lot of times we feel like, well, I'm the president. I should be the only one talking to Mr. X [or] Mrs. Y about their philanthropy, and I should be the only one to interact with them and tell them what is going on. You do…want your president to look good and to be connected with that person, but you don't necessarily want that president, or vice president, or the dean, or the coach to be the only person because we all move [on]….You want multiple connections [with donors]…and that's why I think a good president and a good vice president [are] looking for ways…to connect people beyond just us.

Marvel added that the lesson also applies to frontline fundraisers. As he noted, a major issue in the advancement field is that professionals often think of their relationships as occurring “between fundraiser and donor. The real relationship is the institution and the donor.”

**Manage Time Efficiently**

Advancement industry practitioners and consultants, including well-known fundraiser David Dunlop (2002), once commonly conceptualized fundraising campaigns using the “80/20 rule,” a play on the Pareto Principle whereby 80% of the total funds come from 20% of the donors. However, many have begun referring to a new “90/10,” “95/5,” or “95/10” rule, among other variations, especially since the Great Recession (Council for Advancement and Support of Education, 2012; Drezner, 2011;
Kindelsperger, 2013; Schwartz, 2017). Today, “the super-rich are giving more and middle class and lower-income Americans are giving less” in dollar terms, resulting in “a disproportionate reliance on a handful of wealthy donors” by colleges, universities, and nonprofit organizations (Scutari, 2017, para. 28). Acknowledging these trends, and reflecting the busy and high-pressure nature of their roles, study participants often spoke about the need for donor-facing professionals, and particularly presidents, to manage their time efficiently. In other words, they recommend concentrating relationship-building efforts on the donors and potential donors with the greatest potential to transform the institution with their support. As President Harwell Coldren of Walnut Plains University observed,

In all industries, but especially...within...higher education, there is a lot of noise that can easily distract leaders. And, one of our jobs [as leaders] is to do our best to not be distracted by the noise and to focus on that which is most important. And if you do that, which is not easy, that will guide decision making and entrepreneurial and intellectual investments. And if you keep that focus and keep those values, then, in fact, others who resonate with that direction will come to you and will want to engage.

Blue Forest College’s Vice President for Advancement Sebastian Gill estimated that “there are maybe 20, 30, 40 individuals who could really change the face of...this college.

I think that the move from the 80/20 [rule] to 90/10 or 95/5 [rule] indicates [that] you better know where that five percent is...That trend doesn't seem to be moving [back] in the other direction...[the] 80/20 rule. So as a result, you better know who those individuals are, and you better know exactly what makes them tick.
Others extended that logic by expressing the need to avoid spending time with individuals who exhibit poor behavior and who do not follow through on promises, a process that President Sergio Bird of Lemon Woods College referred to as “sniff[ing] out the phonies.”

**Build Momentum Through Test Gifts**

Several institutional representatives recurrently acknowledged their proclivity to use “test gifts” to mitigate or redirect unwanted donor influence and to build relationship momentum and trust with highly engaged donors. As Chantal Kayfetz, a senior advancement officer at Mulberry College, explained, test gifts occur when donors want to observe and evaluate “how the institution…use[s] their money.” In the experience of some, such gifts tend to occur early in the relationship building process, before trust takes root and before the donor identifies a project for which they would like to make a significant gift that is commensurate with their financial capacity. Test gifts can materialize as a result of guidance from an advancement professional, but sometimes they occur due to a donor’s independent thought and action. In some cases, donors do not announce their intentions to make test gifts, and in other cases, they may not even understand test gifts as an established practice with a formal name.

At Mulberry College, institutional officials recently applied hindsight to a relationship with a donor who had just made one of the largest gifts in the institution’s history. Mulberry officials had little idea that the donor was even capable of a gift at that level. The donor had given regularly over the years but never in increments that would suggest enormous financial capacity. As Kayfetz explained, “Looking back, we can see
that [the donor was] giving [a series] of small gifts as test gifts” over the years. In the year leading up to the announcement of the signature gift, the donor had insisted on providing Mulberry College with the funds to purchase a special piece of science equipment. As Vice President for Advancement Peter Marvel recalled, “It was a test gift, and for whatever reason—and to this day I don’t understand what that reason was—they wanted us to have that piece of equipment. And we had marginal use for it.” However, after lengthy negotiations, Mulberry accepted the gift. Given its size, which was considerably larger than any other previous gift from the individual, some in the advancement office understood that gift to represent the donor’s signature, or lifetime, gift to the institution. However, after continued stewardship and involvement of the donor, the individual surprised the institution with an offer to provide one of the largest gifts in school history, a building that had nothing to do with science and had not yet emerged as an affirmed institutional priority.
College and university constituent engagement and fundraising operations have an important job: helping to maintain the health, vitality, and forward momentum of their institutions. Offices of advancement, as they are commonly called, conduct this work through the development and management of relationships that lead to private financial support. This funding helps to balance institutional budgets, facilitates programmatic growth, enhances student access, and provides for facility needs (Drezner, 2011).

Pressure on advancement offices to succeed in this work is mounting and, in many cases, is severe (Mrig, 2014; Schwartz, 2017). Escalating competition for limited philanthropic dollars, uncertain endowment performances, declining government support for higher education, evolving demographics, and other factors intensify the urgency of the work.

Although financial needs differ vastly across individual institutions, every college and university now relies somewhat on philanthropy to perform its work. In charging researchers to expand the body of available scholarship on higher education philanthropy, Peter Hall (1992) characterized philanthropy as the “single force” behind the “emergence” of private higher education in the United States (p. 403). Concurring, Noah Drezner (2011) suggested that Hall would likely extend his argument to public institutions and concluded that philanthropic support is “central to the mere existence and daily function of academe” (p. 88). This is perhaps especially the case among non-elite, small, private liberal arts colleges, given that their protracted, growing financial pressures have created doubts about their sustained existence as a sector (Breneman, 2010). Such
Institutions are “among the most financially and operationally vulnerable institutions” (Hilbun & Mamiseishvili, 2016, p. 17), “existing on the ragged edge of higher education with little financial cushion and limited resources” (p. 18). The “survival” of such institutions depends on the robustness of several key “active revenue streams,” notably including, philanthropic support (p. 17).

In the modern era, it has become a customary prerequisite for incoming college and university presidents to display, at a minimum, an elementary grasp of the criticality of advancement work (Bernstein, 2014). Increasingly, overall institutional performance is increasingly tied to the capacity of presidents to provide effective leadership in the areas of relationship management and fundraising (Nicholson, 2007). For their part, chief executives acknowledge the growing importance of their role as their institutions’ most prominent and influential fundraisers. However, limited scholarly literature appears to supply sitting and aspiring presidents with the bedrock of knowledge they require to thrive as fundraisers, especially related to the phenomenon of donor influence. As Rita Bornstein (2005) recommended in even broader terms, the higher education industry needs to delineate “the type and range of knowledge and experience that presidents need” (Bornstein, 2005, para. 22). As Chapters 4, 5, and 6 have aimed to establish, donor influence is a noteworthy and important aspect of the philanthropic climate for higher education. Thus, the following chapter aims to contribute to the gap in the existing scholarship by exploring what sitting presidents at small, private liberal arts institutions know, think, and feel about philanthropy, particularly with an eye toward donor
relationship management. By extension, it endeavors to identify areas of underexplored opportunity in presidential training programs.

**Reflections on Missions**

Missions are a fundamental and driving element of colleges and universities throughout the country (Hartley, 2014). Clear and substantive missions help institutional actors in discerning “between activities that conform to institutional imperatives and those that do not” (Morphew & Hartley, 2006, p. 456). The “shared sense of purpose” provided by a mission “has the capacity to inspire and motivate those within an institution and to communicate its characteristics, values, and history to key external constituents” (p. 456). This study echoed those notions, with study participants routinely describing their efforts to leverage the mission to secure alignment with donors and to inspire generous philanthropic behavior. Participants often expressed that helping donors to “see themselves” in the mission of the institution provided a catalyst to valuable and impactful philanthropic investments from benefactors. Thus, perhaps no exploration of presidents’ understanding of philanthropy and donor influence is complete without a discussion of their views on their own missions.

Nearly every president interviewed for this study demonstrated an ability to recite their missions from memory in verbatim fashion, and most presidents emphasized the inspirational, motivational, and mobilizing qualities of their missions. As President Miguel O’Day of Primrose University remarked about his institution’s mission,

> It’s an ambitious, audacious statement. It's a statement that says that we're going to do our work in the world through our students, through our graduates. And it’s a statement that calls us to move…inside out, from self to world…I love the ambition of it. I love the sort of moral clarity of it…There's no doubt that…we're
a school, first and last...we're there for the sake of elevating...both knowledge and understanding, and they move from the inside out....I love the idealism of our students....They sometimes don't know what [to] do with it, but that's what the college is there for. I think [the mission] really is deeply embedded in the life of the college.

Despite nearly universal agreement on the importance of institutional missions, not every president agreed on their uniqueness, and in fact, some pointed to the commonalities one finds in missions. As President Sergio Bird of Lemon Woods recalled about the development of his own institution’s mission statement,

In all honesty, I don't think our mission statement is a lot different from just about any other mission statement you will read out there. I didn't find it to be...really unique. The mission statement was put together [in] my first few months on the job....It was [year omitted], and we were really hemorrhaging a lot of money...and so my focus was elsewhere, but there was a group of people that thought, “Well, I want to be a part of the sort of reimagining and rebuilding of [Lemon Woods]. And even though I'm not in a corner office, maybe my contribution can be redoing the mission statement. And so... it was put together certainly with my approval....I think the reason that I signed onto it was because I felt like it was a sort of a north star that could guide a lot of what I do and a lot of what we do. And from time to time, although certainly not all that often, serve as a wall [against which] to bounce projects, ideas, [and] things that we want to do with the college to see if we're being consistent with our mission.

Presidents regularly recognized the importance of their mission’s emphasis on the institution’s liberal arts identity and residential setting. As President Trent Underwood of Mulberry College neatly summarized, “If you would ask people on our campus to describe the institution, I think the first phrase they would use is ‘liberal arts college,’ and I hope the second phrase they use would be ‘residential liberal arts college.’” In a nod to the embeddedness of the mission as a core element of institutional identity and collective purpose, questions such as, “Can you describe your mission to me in your own words?” sparked passionate discussion about the sector’s importance within the higher education
landscape. Such questions also prompted presidents to share their beliefs about the competitive advantages and resiliency of the sector. As President Underwood continued, “What I think we can argue effectively is, on the whole, our faculty are more available outside of the classroom than faculty in other sectors.” In speaking to the resiliency of the sector, President Stanley Fleming of Blue Forest College explained,

The death of the liberal arts colleges have [sic] been incorrectly predicted for the last 150 years. Every year, for the last 150 years, somebody has said the model doesn't work. It's not…sustainable. It's going to die. We have proven them wrong for 150 years….Every so often, I hear from people [who say]…. “You need to pay more attention to what businesses do.” When they tell me that, what I'll say is, “OK, what were the top liberal arts colleges 100 years ago? How many of them are still alive today? Every single one of them. Tell me, what were the top 100 companies 100 years ago? How many of them are still alive today? Not many. So if somebody has to learn from somebody, perhaps the businesses should [ask] liberal arts colleges how [to] adapt to the marketplace.” We are amazing at adapting. It doesn't seem that we do because we do it thoughtfully, carefully, [and] very slowly many times. But somehow, it has worked. It's not an ideological answer. It is a pragmatic answer. It's just the facts. It's real. I mean, we are here.

Some presidents saw their roles as the institution’s primary advocates and champions for the mission. As President Patrick Simms of Indigo College explained,

I think that the president's role is… to remind…not merely our faculty and staff and students of [the importance of the mission], but all constituents in the community [and] beyond. There's too little understanding of what a residential liberal arts college is…and of the kind of commitments we make in our mission. And so reminding all of our constituents and beyond of that is probably the key aspect of the role.

In concurring that the chief executive’s focus is primarily on the mission, President Benjamin Supple of Sage Lake University added,

The role of the president is basically is to sustain [the] mission, and I would add another element…It’s important that the mission does not change. We may tweak it with time, but essentially we have to stay with the same mission. We're not changing our purpose for existence. We may do it in different ways.
President Dwayne Whitford of Red Robin College added that, in addition to its timeless nature, the mission statement is relevant to all actors, internal and external, in the institution. As he expressed, “All of our...people have a role to play in the...academic and the intellectual life of the students who come our way...it takes a village.”

A common feature of each institution participating in this study, as well as of most small, private liberal arts institutions across the country, is their religious founding. Institutions vary in their modern expressions of those religious underpinnings, and presidents’ descriptions of their missions followed suit. The majority of participants in this study did not see their religious foundings as critical elements of their identity for most of their stakeholder groups. Likewise, most presidential descriptions of missions did not mention faith or an affiliation with a religious order. However, not all descriptions of missions were entirely devoid of religious undertones or references. For example, President Vincent McNealy of Hazel College directly invoked the “Lutheran tradition” when explaining the institution’s efforts to develop students, engage them in advancing their communities, and help them to find their “calling.” Similarly, President Anderson Rutigliano of Jade Mountain University spoke to the role of Lutheranism in inspiring excellence in its teaching and research. He also described the nature of his role as “evangelizing” the mission to constituencies, a characterization that carries Christian connotations.

Findings from this study suggest that institutional missions play a leading role, or perhaps the primary role, in establishing the context for the work of college and university presidents. Chief executives in private, liberal arts higher education use
missions—and to varying degrees, visions and strategic plans—as tools to rally internal and external constituencies, to create meaning and value among those groups, and to incite prosocial behaviors, or actions undertaken with a positive and helpful spirit (Drezner, 2011; Hartley, 2014). Based on this study, presidents also appear to draw on missions as a source of enthusiasm, motivation, and even confidence, qualities that are synonymous with successful fundraising. Thus, a president’s success as an institution’s chief fundraiser may hinge on how they personally resonate with and connect to the institution’s mission.

**Views on the Importance of Philanthropy**

The existing academic literature on higher education philanthropy points to the imperative for college and university presidents to take philanthropy and fundraising seriously as required bodies of knowledge. For their part, presidents appear to recognize the growing significance of their role as their institutions’ most prominent and influential fundraisers (Nicholson, 2007). Building on that understanding, this study sought to ascertain presidents’ perceptions of the connection between advancement work and mission fulfillment. In other words, how crucial is fundraising success in achieving the institution’s mission? Echoing themes from the literature, the presidents of small, private liberal arts colleges saw successful advancement operations not only as a matter of existential importance but also of paramount importance to their institutions’ ability to deliver on their missions. As President Christian Schiff of Honey Hill College acknowledged, “I have to say that we survive as a college only because of a great culture of philanthropy,” pointing to the endowment and budget-relieving annual fund support as
particularly vital to the institution’s ongoing success. As President Patrick Simms of Indigo College explained, philanthropic support is “absolutely key” to mission fulfillment, stating, “No money, no mission.” As President Scott Campbell of Crimson College summarized, “I come at this [role of president] understanding that we can’t live without donors.”

According to some presidents, evidence of the importance of philanthropy is reflected not only in the balancing of annual operating budgets but also through touring their campuses. Visitors can appreciate the impact of charitable support when they see new and refurbished buildings, athletic and co-curricular programs, faculty research, and student scholarship recipients. President Dwayne Whitford at Red Robin College noted that signs of philanthropy and positive donor engagement and influence are “unmistakable” and “not just a matter of getting lucky.” In clarifying, he noted that his team has “been tremendously intentional about telling our story, over and over, and in increasingly convincing ways so that donors show up, and they want to hear that story, and they’re inspired.” President Bradley Bartlet of Emerald University saw his forthcoming capital campaign as being inextricably linked to the future welfare of his institution, noting a particular need for scholarships, facility renovations, and programmatic support. He explained that those three “pillars,” or funding priorities, are a direct reflection of an intentional effort to support the institution’s mission through philanthropy.

A small number of presidents described successful advancement work as a moral responsibility related to issues of access in higher education and ensuring that the
institution helps to serve a public good. As President Stanley Fleming of Blue Forest College explained,

What we do is so special that it is morally wrong to restrict what we do only to those students that won the lottery of birth. And by that, I mean the students that won in the sense that they were born into a family that can afford to pay what it costs to come to [Blue Forest]. We need to have the doors of a school like Blue Forest open to all students who are capable of succeeding here regardless of whether their parents are doctors, lawyers, waitresses, [or] janitorial staff.

He went on to explain that philanthropy not only helps to broaden access to financially disadvantaged students but also ensures “that everything that we offer is available to all students.” Driven by a sense of equity for his entire student population, Fleming noted,

I don't want some students here to have a different kind of communication from others because they can’t afford to do an unpaid internship, because they can’t afford to study abroad, [or] because they can’t afford to do community service….I want every student to be able to have the opportunity….Philanthropy is the only way to do it.

**Presidents’ Advancement Theories and Philosophies**

This study asked presidents to reflect on any formal or informal beliefs, philosophies, or theories that might frame their work with donors. Overwhelmingly, they reported that they do not use formal theories, instead offering nuggets of advice and lessons that they had learned at certain points in their career. Several presidents expressed surprise at being asked that question and acknowledged that they had never even considered the role that formal theory might play in preparing them for the advancement dimension of their roles. This was perhaps not a surprising finding given the relative dearth of formalized theory related to higher education philanthropy (Drezner, 2011). Others acknowledged that they probably should know more about formal theory or have done more reading on the subject.
Instead of relying on formalized conceptual frameworks and theories to ground their conception of advancement work, presidents of small, private liberal arts colleges naturally make use of the knowledge that they have accumulated and weave in their innate instincts and sensibilities about human nature as they see fit. Specifically, presidents tended to:

- Focus donors on the mission, vision, and plans;
- Listen and tell stories;
- Build deep relationships and consider donor motivations;
- Outsource philanthropy theory to chief advancement officers; and
- Retain perspective.

**Focus Donors on the Mission, Vision, and Plans**

Absent any formal guidance or theories, some presidents felt that their mission and good work provided a sufficient basis for understanding the role of philanthropy and guiding their interactions with donors. As President Harwell Coldren of Walnut Plains University explained,

The only beliefs and philosophies that are front and center in my mind is [sic] what can we do today to offer the highest-impact intellectual experience to improve the lives of the students today. And how do I make sure that whoever's doing this job in 100 years will have the resources to do that. Then whatever that looks like—and trying to inspire a potential or current donor to want to engage in that—that…is what I think about.

President Christian Schiff of Honey Hills reiterated that notion, recalling,

I was raised up early in fundraising to understand that you set your giving goals, your strategic plans, [and] the things you want to do. And because you have limited resources, you go after the philanthropy to support those things, and you don't spend your time on other things that people may try to interest you in. So…that's a basic premise that I work with and in fundraising.
Listen and Tell Stories

Listening and telling stories have both become something of a platitude in sales, advancement, and other industries based on motivation and transactions. It is not surprising then that absent formal theories, some presidents relied on their intuitive sense that achieving a human connection and securing the ability to inspire action hinge on skillful storytelling and listening. For example, echoing several other participants, President Bradley Bartlet acknowledged that intuition and on-the-job learning have taken the place of formalized theory for him. As he acknowledged,

You know, philanthropy theory is not something I've studied and it's probably something I should study more. I guess what I learned from watching others and from instinct...is the importance of listening and the importance of hearing the stories that people want to tell about their experiences at a place....And, you know, give [donors] an opportunity to think about how they would like to support the mission of the institution and how those stories about what resonates for them can tie into what we're trying to do today and how we're trying to advance the place in the 21st century.

Concurring, President Sergio Bird of Lemon Woods College added,

This is almost cliché, but I think that... if you're talking to people, so that they're taking in the information around philanthropy to their brain, you're not going to get very far. I mean, you might get a minor gift. It's almost like trying to convince someone with data, but if you can go...through the heart, the soul, through the emotions, you'll get something. And that requires stories. And so we...tell a lot of stories. We think about stories. We chronicle stories, [and] we have students telling stories a lot to us. And so we're big storytellers. I've found that to be the most effective way to lead.

Build Deep Relationships and Consider Donor Motivations

Perceptions about donor motivations proved to serve as another source of guidance for presidents as they contemplated their work with donors. In such cases, they tended to use a number of other common truisms from the advancement profession,
including, “people give to people.” As President Trent Underwood of Mulberry College reflected,

People give out of passion and emotion and love and idealism. People don't give out of [a] sense of duty or a sense of guilt or a sense that they owe something to an institution….They don't…give $5 million unless they have a passion and a love for an institution or a cause. And so the best thing that we can do—the best thing my job is—is to tell stories that cause them to think about people they know, experiences they've had, [or] envision a better future.

**Outsource Philanthropy Theory to Chief Advancement Officers**

Many presidents interviewed for this study outsourced, or delegated, the task of understanding and applying relevant advancement theories to their chief advancement officers, typically vice presidents who sit on their cabinets. As President Anderson Rutigliano of Jade Mountain University noted,

No, I don’t [consider philanthropy theories]. My job is to hire somebody who understands all of those things and can help [me] think about those things when they’re relevant. But quite honestly, in my role, a lot of the fundraising is really around building a relationship of trust and delivering on what it is that we say we're going to do and making sure that I'm lining up the donor's interest with the university need—and not lining up the university with a donor's interests….So I'm sure there's a theory about all those things, but I really don't spend much time thinking about serious philanthropy.

President Patrick Simms of Indigo College concurred, stating,

First, I’m, if anything, a storyteller. You’ve got to have some portion of the art side of this work, because [the vice president for advancement has] to have the science side….But I for sure do not [have the science side] and don’t come to the role with [that] experience. I mean, [omitted number of] years ago, I had zero experience in philanthropy, basically. So I said, “There's a candidate, right?” It isn't the science that I'm going to be especially concerned with, except insofar as I have to hire somebody who is genius at the science side of it. And I did that. For me, it's my role in the art and my role in connecting to potential donors.
Retain Perspective

Several presidents, acknowledging the inherent pressure and difficulty in their positions, reflected on the voluntary nature of philanthropy, the avoidance of entitlement by institutions to receiving charitable support, and the inherent privileges in their donor-facing responsibilities. As President Scott Campbell of Crimson College explained,

Ultimately, I guess you have to understand that donors are not obligated to do anything. Anything. I mean we…sometimes feel like they should—and, of course, they should—but they're not really obligated. And you have to keep that in mind as you're making the case for their support. And of course, there are competing interests as well. So that mitigates, even more, this notion that a successful alumnus should support their alma mater, even though we would agree they should. And that's sort of what keeps us going and keeps our competitive juices going as we relate to them. But it's all about understanding they're not obligated to do it. You have to sell it. And you do that at some level by creating a relationship, building that relationship—and that relationship ultimately becomes one of trust and confidence and a shared vision….Those ingredients are critical to having a philanthropic relationship.

President Stanley Fleming at Blue Forest College also grounded his advancement work in notions of philanthropy as a voluntary activity, noting,

People ask me, “Isn't it weird to go out there and ask people for money?” And I [say], “No, it's one of the most amazing things,” because if you do it right, you are in a moment where an individual is making one of the most enjoyable purchases of their life. And if somebody gives…because they felt that they were forced to give it to you, I didn't do my job. On the other hand, if the donor, when they give [a gift] to you, derive[s] amazing satisfaction from it, that's what you need. They wanted to do something, and you basically allowed them to do what they wanted to do…I don't guilt people into giving money. I hope to get people excited about the things that are going to happen with their resources.

Hazel College President Vincent McNealy concurred that philanthropy involves facilitating opportunities for donors to act for the broader good, using the recipient organization as a conduit. As he explained,
My belief, particularly with respect to [the] solicitation of major gifts, is that I can help our alumni and friends—our individual donors—realize part of their calling in life that is to leave this world in a better place, to use their financial resources in a way that can perpetuate their values and…[to] connect their passions with a living legacy.

**Presidents’ Concepts of Gift Acceptance Policies**

Rather than leveraging conceptual frameworks or theories to establish their understanding of philanthropy, presidents drew direction and inspiration primarily from their own experiences, lessons learned, and instincts. Presidents’ personal beliefs about effective donor management reflected their well-developed confidence in their own abilities to establish fruitful personal relationships that can withstand disagreements and surmount other challenges. However, as Chapters 4, 5, and 6 outlined, donor relationships can become highly complex and present difficult dilemmas to institutional leaders. Many institutions maintain formalized, standard gift acceptance policies and procedures that address a range of situations in which questionable gifts are offered by a donor. Such policies often call for some combination of the chief advancement officer, the chief financial officer, the president, and other officials to come to an agreement before the institution accepts a gift. However, even at institutions with established guidelines for handling gifts of questionable value, gray areas emerged. What do presidents think about these policies and procedures?

The viewpoints of small, private liberal arts college presidents on their gift acceptance policies fell into three camps: (a) those who were generally unaware that their gift acceptance policies existed; (b) those who felt that their policies were informal; (c)
those who believed that their policies were formal. Presidents acknowledged that they infrequently put these policies into action given the small incidence of questionable gifts.

Of the presidents in the first category, most deferred further details on gift acceptance policies to their chief advancement officers but acknowledged that their lack of awareness of the precise details reflects the rarity with which they use those processes. As President Christian Schiff of Honey Hill College acknowledged, “If somebody offers to give you something, you…don’t look a gift horse in the mouth, and so there’s that…But I just can’t think of…a big gift somebody has tried to give us that wasn’t really something we wanted.” In the second group of institutions with informal procedures, presidents described a general desire by officials to pull in related personnel across campus as needed. The third category of institutions, which carried formal gift acceptance policies, had clear and firm guidelines covering a range of possible circumstances. As President Bradley Bartlet of Emerald University mentioned,

We had no policy at all until [recently] and…threw one together…borrowing from different templates. And so…[our policy] went from a blank page to probably an 80-page document. Over the course of the last year, we've refined that…and made it a little simpler…I think we have a pretty good policy. I think…I still had half a dozen gift agreements in my office yesterday, and I sent all of them back because there was some element of them that I didn't like. And so we're still working on implementing our new policy, but I think we have a good policy at this point.

President Dwayne Whitford of Red Robin College offered a caveat to this group, characterizing the primary utility of his institution’s gift acceptance process as being mostly for “optics” and there primarily as a way of furnishing a sense of ceremony to certain gifts, all for the donor’s benefit.
This chapter sought to ascertain what sitting presidents at small, private liberal arts colleges know, think, and feel about philanthropy, given the collective understanding of the importance of fundraising to the modern day presidency. By extension, it endeavored to identify areas of underexplored opportunity in presidential training programs. Ultimately, discussions with chief executives suggest that institutional missions play perhaps the central role in establishing the context for the work of college and university presidents. Presidents appeared to lean heavily on their missions as a source of enthusiasm, motivation, and even confidence, often harnessing their power and utility to retain control in conversations with donors. However, presidents overwhelmingly reported that they do not use formal philanthropy theory to inform their understanding of advancement work, relying instead on their sensibilities, experiences, and instincts about human behavior and motivations. In fairness to them, the existing higher education philanthropy literature offers limited choices for presidents who wish to ground their approach to fundraising in academic theory or for presidential training programs (Drezner, 2011). A sizeable number of presidents also could not articulate their institution’s processes for handling gifts of questionable value, a mildly surprising revelation given the changing nature of donor engagement and control.

Ultimately, given the growing importance of philanthropy to institutions, and of presidents to ensuring fundraising success, this study appears to support Rita Bornstein’s (2005) recommendation for presidents to receive enhanced direction on the “the type and range of knowledge and experience that presidents need” (Bornstein, 2005, para. 22). It would also appear to suggest that institutional leaders, especially presidents and vice
presidents for advancement, could generally do more to communicate with each other about the processes and policies, or lack thereof, that guide decision making when complex donor situations arise.
Philanthropy plays a fundamentally vital role in the life of higher education within the United States, helping to ensure the health and continued success of colleges and universities. Offices of advancement forge and grow relationships with constituencies, in part, to attract and encourage private, charitable support that fulfills institutional needs. Philanthropic funding enables colleges and universities to balance annual operating budgets, support programs, expand student access, construct and maintain facilities, and accomplish other imperative activities (Drezner, 2011). Advancement offices are facing increased and sometimes severe pressure to succeed in fundraising work. (Mrig, 2014; Schwartz, 2017). Harsh headwinds, including escalating competition for limited philanthropic dollars, uncertain endowment performances, declining government support for higher education, and evolving demographics, all amplify the urgency of the work.

While the level of dependency on philanthropy varies widely across sectors and even between individual institutions, every college and university now relies somewhat on philanthropy to perform its work. This dependency is perhaps even more pronounced at non-elite, small, private liberal arts colleges, whose protracted, growing financial pressures have raised serious doubts about their sustained existence (Breneman, 2010). Mirroring the widening income and wealth gaps throughout the country, fewer—and increasingly wealthier and more powerful—individual donors are catapulting overall charitable support for colleges and universities to unprecedented levels (Scutari, 2017). Meanwhile, advancement practitioners note that individual donors are increasingly viewing themselves as partners with the recipients of their charitable support, rather than
as passive benefactors acting solely on a sense of altruism. Rather, today’s donors have become progressively hands-on and expect greater levels of control, opportunities to advise and consult, and enhanced transparency and communication about the impact of their giving (Backer et al., 2004; Blum, 2002; Briscoe & Marion, 2001; Grace & Wendroff, 2001; Morino & Shore, 2005; Ostrander, 2007).

Although philanthropists have shaped colleges and universities in the United States since before the Industrial Revolution, they perhaps now wield more control and influence over institutions now than at any other point in history because of the extraordinary financial burdens facing the higher education industry. However, there is precious little scholarship to shed light on the exact nature of such influence or the ways in which institutions might react to it. The available literature therefore also offers few, if any, insights on how institutions can redirect or mitigate unwanted influence while maximizing the presence of mutual value and feelings of satisfaction for all parties. This study sought to address the aforementioned gaps in the existing higher education philanthropy scholarship.

Chapter 4 explored the impact of the Golden Rule of Philanthropy, the notion that donors who provide the “gold” receive the benefit and privilege of making some of the “rules.” Interviews with participants revealed at least 18 different “spheres” in which donors exert some type of influence over institutional priority setting and decision making. Donors had influenced or attempted to shape everything from strategic plans, curricula, and missions to political stances, personnel and management choices, and performance metrics. Donors also, of course, had widely attempted to control institutions’
spending of their gifts, a virtually omnipresent practice known throughout the advancement industry as gift restrictions. The restriction of philanthropic gifts is so ubiquitous and generally accepted by charitable organizations, in fact, that study participants sometimes did not even think of them as amounting to a form of donor influence. Donors also requested or successfully extracted a range of favors and benefits from colleges and universities in exchange for their financial support. These findings extended the work of previous authors who focused on understanding the nature of specific types of influence, including gift restrictions (Barman, 2007) and strategic planning, curriculum, and shared governance (Merchant, 2014; Webster, 2014).

Individuals utilized five techniques when aiming to influence institutions: gift making, disengaging, threats, leveraging relationship capital, and coalition building. Leveraging relationship capital and coalition building, in particular, did not factor as prominently in the minds of presidents and advancement practitioners, who sometimes required prompting with examples and stories to draw connections to their own experiences. Using one’s accumulated relationship capital with an institution—or, as President Cecil Spencer of Pinewood College defined it: using “what they’ve done…what they could do… or what they want to do as leverage”—is an inherently more subtle influence technique than, say, making a gift that directly fuels change. It is likely that this technique does not occur as much as others and therefore factors less prominently in the minds of advancement professionals, but it is also possible that human nature draws individuals to the immediate, the pressing, and the obvious. Given the relatively unexplored nature of this phenomenon, it is conceivable that advancement
professionals and others in higher education and philanthropy work do not possess a convenient, commonly accepted vocabulary to describe this more understated and gradual brand of donor influence.

Most study participants acknowledged that the wealthiest and most financially capable and generous donors tended to demonstrate the greatest persuasive abilities over institutional decision making and priorities. However, interestingly, study participants experienced influence from individuals at all ranges of the giving spectrum, suggesting that money alone is not the sole factor in determining who has sway. Trustees, for example, can wield considerable power by virtue of their role in the shared governance process. Further, as Sage Lake University found out, alumni and other constituents banding together in substantial numbers can cause institutional leaders to think twice about an issue, especially if they can recruit trustees to their cause. Ultimately, while most donors appear to draw motivation from a sense of benevolence, shared identity, or passion for a cause, study participants largely agreed that some philanthropic behaviors exhibit less than wholly altruistic and selfless intent. In other words, Susan Ostrander (2007) appears to have been correct in pointing out the rise of “donor-controlled philanthropy” (p. 361). The same is true for her former co-author, Peter Schervish (2007), who emphasized in his response to Ostrander (2007) that not all donors are “self-serving, controlling by disposition, and…on the lookout for their own desires” (p. 376).

How do leaders at small, private liberal arts colleges respond to episodes of attempted donor influence? Naturally, “it depends” is a logical, although decidedly trite and empty, answer that could apply. However, Chapter 5 revealed the presence of strong
organizational identities and other shared traits of small, private, liberal arts institutions that allow for logical deductions and more insightful answers to that research question. Participants in this study consistently acknowledged five distinct, overarching cultural assumptions, or principles, that guided their institutions’ behaviors and decisions related to donor influence. Each of those fundamental institutional principles represented a single point on the metaphorical Northern Star of Donor Influence, which this study proposes as a framework for understanding institutional responses to episodes of donor influence. Together, the five points of the star, (a) mission and vision, (b) strategic plan, (c) academic norms, (d) legality and ethics, and (e) context, form what James Collins and Jerry Porras (1996) may have characterized as a type of “core ideology” that institutions closely observe above all else, either to their advantage or to their detriment (p. 66).

Indeed, “it depends” is a true yet excessively safe and vapid answer to the question of how institutions respond to episodes of donor interest. The proposed Northern Star of Donor Influence framework will hopefully mark an entry point for those interested in the phenomenon and those wishing to conduct related scholarly inquiry.

Philanthropic behavior is an inherently voluntary activity premised on the concept of a charitable act as an exchange of value between a donor and a recipient organization (Rosso, 2011). In providing philanthropic support, a donor “offers a value” to the recipient organization, and it is then “incumbent upon” the recipient to “return a value to the donor” through the form of gratitude, illustrations of impact, and the conveyance of positive feelings (p. 7). The notion of ensuring a sense of mutual, shared value in philanthropic partnerships is an established, if not revered, element of the fundraising
process. However, in this era of increasing donor involvement and control, how do institutions ensure the presence of mutual value in their partnerships with donors who exert unwanted influence? In other words, how do colleges and universities use the principles outlined in the proposed Northern Star of Donor Influence framework to navigate the Golden Rule of Philanthropy? Chapter 6 outlined six specific techniques that leaders used when attempting to reconcile competing institutional and donor interests while retaining a sense of satisfaction and mutual value among all parties. Specifically, they reported that they educate the donor, listen to the donor, negotiate with patience and diligence, remain mindful of legal and ethical boundaries, focus on value instead of money, and employ context-driven creativity. In episodes of unwanted donor influence involving highly engaged donors, institutions employed six techniques: setting appropriate expectations, using the mission to tell compelling stories, building deep relationships that withstand disagreement, managing time efficiently, and building momentum through test gifts.

Chapter 7 explored what current presidents at small, private liberal arts colleges know, think, and feel about philanthropy, given the importance of fundraising to the modern-day presidency. Presidents appeared to lean heavily on their missions as a source of enthusiasm, motivation, and even confidence, perhaps harnessing their power and utility to retain control in conversations with donors. However, presidents overwhelmingly reported that they do not use formal philanthropy theory to inform their understanding of advancement work. Instead, they rely on their chief advancement officers, as well as their personal sensibilities, experiences, and instincts about human
behavior and motivations. In fairness to them, the existing higher education philanthropy literature offers limited choices for presidents who wish to ground their approach to fundraising in academic theory (Drezner, 2011). A sizeable number of presidents also could not articulate their institution’s processes for handling gifts of questionable value, a mildly surprising revelation given the changing nature of donor engagement and control. In some cases, presidents needed me to explain what a gift acceptance policy is and how it functions. Thus, several discussions entailed presidents telling me what they think they might do with a questionable gift, rather than explaining what they are supposed to do. These findings seem to suggest that philanthropy and donor influence might be appropriate topics to include in presidential training programs. They also support Rita Bornstein’s (2005) recommendation for presidents to receive enhanced direction on the “the type and range of knowledge and experience that presidents need” (Bornstein, 2005, para. 22). Moreover, this study suggests that institutional leaders, especially presidents and vice presidents for advancement, could generally do more to communicate with each other about the processes and policies – or lack thereof – that provide decision-making guidance when complex donor situations arise.

When paired with the available scholarly literature in higher education philanthropy, this study’s findings suggest how the phenomenon of donor influence might conceivably play out across the liberal arts college sector and as a decision-making function within an individual institution. In the proposed model (Figure 3), the phenomenon of donor influence at small, private liberal arts colleges is represented as the blended product of three interrelated sets of factors: donor motivations and behaviors
(based on the existing body of available motivation theory, which is discussed in Chapter 2), known trends in higher education philanthropy (also discussed in Chapter 2), and the Northern Star of Donor Influence (proposed and discussed in Chapter 5).

![Diagram of Donor Influence Factors]

*Figure 3. Factors Shaping Donor Influence at Private Liberal Arts Colleges*

All three sets of factors represented in the model help shape, and are shaped by, the others. The existing body of donor motivation scholarship acknowledges that donors are individuals who possess unique perspectives, biases, and agendas. However, many donors are likely somewhat attuned to and influenced by trends playing out in the environment of higher education philanthropy. Similarly, donors are likely to be informed in some measure by their knowledge of institutional behaviors and attitudes, represented
by the proposed Northern Star of Donor Influence. For their part, institutions have some idea of their donors’ motivations, either through formal theory or through their own observations. Likewise, institutional advancement offices monitor environmental trends as a way of forming their own attitudes and policies related to fundraising and constituent engagement. In turn, the behaviors and decisions of institutions, as well as the collective understanding of donor motivations, add to the overall narrative on the current trends in the environment of higher education philanthropy. Therefore, the Golden Rule of Philanthropy – the question of who makes which rules – is a function of donors’ motivations, the norms and trends present within the environment, and institutional principles and reactions to donor influence.

Naturally, the Golden Rule of Philanthropy plays out on an institution-by-institution basis and is highly dependent on context. Environmental trends represent a somewhat short-term constant in this model insofar as they are formed over time. The more variable elements include donor motivations, which depend on the unique individual in question, and the institution-specific principles guiding responses to donor influence, or the Northern Star of Donor Influence. Figure 4 attempts to convey the effect of that variability in the equation by representing the three elements as intersecting spheres. Conceptually, the Northern Star of Donor Influence and Donor Motivations spheres grow larger or smaller according to the unique circumstances at play in a given episode of attempted donor influence.
Figure 4. Donor Influence within a Given Private Liberal Arts College

The size of each circle relative to the others determines how one might categorize, or understand the result of, a given episode of donor influence. For example, in this model, acceptable donor influence occurs when an institution’s principles and values, or its Northern Star of Donor Influence, intersect with a donor’s motivations and the norms of the higher education philanthropy environment. Unacceptable attempted donor influence occurs when a donor’s intentions meet the norms of the higher education philanthropy environment but do not pass muster with the Northern Star of Donor Influence. Stories
from earlier chapters illustrate a wide assortment of episodes of acceptable and unacceptable donor influence. One story, in particular, vividly highlights both types of the phenomenon. As outlined in Chapter 4, Jason Hartley, a Mulberry College trustee and alumnus, held an interest in providing a gift that would reconfigure the curriculum for the institution’s signature pre-professional program. When Hartley hatched the initial idea more than a decade ago, Mulberry was not ready to act on – or even consider – it. Several of the institution’s faculty members were allergic to the notion of a donor influencing any aspect of the curriculum. Key faculty members also did not share Hartley’s conclusion that the pre-professional program’s curriculum required fundamental changes. In other words, Hartley’s interests and plans, represented in Figure 4 by the Donor Motivations circle, did not overlap with Mulberry College’s Northern Star of Donor Influence circle, resulting in unacceptable donor influence. However, with the passage of time and the arrival of new faculty members with different views and agendas, Mulberry’s Northern Star of Donor Influence adjusted. Mulberry faculty members and administrators collectively become more open to Hartley’s concept. The institution’s Northern Star of Donor Influence circle expanded, creating overlap with Hartley’s motivations and interests. Mulberry’s new president and administration facilitated communication between Hartley and faculty members. The institution and donor worked through the details and came to terms on a transformative concept and gift. The expansion of Mulberry’s Northern Star of Donor Influence circle to meet Hartley’s Donor Motivations circle ultimately resulted in acceptable donor influence.
A lack of engagement or withdrawal by a donor occurs when a donor’s interests and motivations lie outside of an institution’s actions, behaviors, and beliefs. In other words, the No Donor Engagement circle depicted in Figure 4 represents a lack of interest or willingness on the part of a donor to engage or provide support to a given institution. Over the long term, this could have been the outcome of Mulberry’s interactions with Jason Hartley. After Mulberry declined his initial offer to collaborate on a reconfiguration of the curriculum, Hartley could very well have opted to move on permanently and to direct his energy and philanthropy elsewhere. He could have refused Mulberry’s subsequent invitations to restart dialogue about the curriculum or other matters. However, Hartley’s Donor Motivations circle remained large enough such that the eventual expansion of Mulberry’s Northern Star of Donor Influence circle created an overlap of interests – the conditions needed for acceptable donor influence.

Emerging trends in higher education philanthropy are the product of an intersection of donor and institutional sensibilities and values that have not yet become trends in the broader higher education philanthropy environment. In a sense, the process of “donor whispering” outlined in Chapter 6, whereby institutions work toward shared value and mutual satisfaction, amounts to the art of making the Golden Rule of Philanthropy work for a given institution.

Implications and Recommendations

This study offers substance and specificity to a partially atheoretical argument that the day of the entirely passive donor base is done. Gone are the days in which institutions could simply expect benefactors to metaphorically throw money in a bag over the fence
at “dear old alma mater” merely because they were asked to do so. Of course, that statement does not imply that altruism is dead—far from it. However, donors today expect the recipients of their charitable support to engage, to communicate, and to partner with them. For many philanthropists today, the proposition of mutual value hinges on a deeper commitment from an institution to enter into a give-and-take relationship. A donor’s notion of receiving mutual value from an institution is no longer always relegated to receiving thank-you notes, meeting student scholarship recipients, and having their names on a facility. To be clear, mutual value still includes such activities. However, a growing number of donors want, need, or expect more, and that trend is only likely to continue in the same direction as the intergenerational transfer of wealth continues to unfold. Simply put, the time has come for the donor-facing leaders of colleges and universities, and for leaders in other sectors of the charitable community, to plant their professional expectations for donor relationships firmly in the context of these new realities.

For their part, institutions appear to display some understanding of these changing dynamics. For example, most participants in this study spoke in donor-centric language about their efforts to intentionally include donors and potential donors in planning for the future. They spoke about identifying and solving common challenges together and leveraging philanthropic support as one tool, among others, to resolve such challenges. Meanwhile, most institutional leaders, upon careful reflection, could convey stories of donor engagement that felt new, different, or perhaps even untoward or entirely out of bounds. Few institutions admitted to letting donors go too far in influencing decisions and
priorities. Their Northern Stars of Donor Influence may be powerful enough to overcome all episodes of excessive control. It is also possible that the current environmental trends—fewer donors providing a greater share of philanthropic dollars, increasing donor expectations, and mounting financial pressures—may at some point reach a tipping point and break through that armor.

One might reasonably question why small, private liberal arts institutions do not currently appear to experience the brand of extreme donor control reported by Joshua Hunt (2018) in his book, University of Nike: How Corporate Cash Bought American Higher Education. Hunt’s account of Nike founder Phil Knight’s presence at the University of Oregon involved prioritizing the success of football over academics, substantially shaping university policies to the detriment of students and the taxpaying public, and directly punishing administrators with whom he did not agree. President Anderson Rutigliano of Jade Mountain University articulated a values-driven response to that question, noting,

“All of us [liberal arts institutions]…are under financial pressure right now, but the ones that are especially pressured are perhaps more susceptible to [donor influence on the scale of the University of Oregon]. But my guess is these kinds of donors that want to wield that kind of influence don't end up, at the end of the day, working at these kinds of institutions. And I think maybe the faith mission is part of that.

Other presidents interviewed for this study suspected that a major reason that such donor behavior does not occur in their institutions is the relatively smaller pool of centimillionaires and billionaires in their donor pool. As President Bradley Bartlet of Emerald University noted, his institution has “never…gotten into a situation where

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somebody with enough money to really do something has really been out in left field relative to what the institutional priorities are. [But] that day will come.”

Fortunately, small, private liberal arts colleges do not need to rely on hope to guard against undue donor influence, even amidst an uncertain future. Findings from this study suggest that college leaders, in concert with their advancement offices, could consider developing their own institutional inventories of attempted, and actual, donor influence. Chapter 4 of this study can serve as a point of reference for such a process, as it identified 18 spheres in which donors exert influence, delineated five techniques used by donors to advance personal agendas, and offered a range of insights about the characteristics of donor-influencers. When engaging in an exercise to inventory donor influences, participants might ask themselves how their own institutions’ experiences compare with the findings of this study. This study revealed that such a process tends to produce the richest and most helpful results if it relies on purposeful storytelling and specific examples rather than on abstract discussions. Indeed, the most complex and illuminating observations, insights, and recommendations from participants in this study came about as a result of stories, rather than surface-level discussions about the phenomenon. Such an exercise could occur in the context of an annual staff retreat, during a year-end reporting process, or as a featured topic at an in-house professional development session.

Inventoring and discussing donor influences and attempted influences at an institution serves at least three beneficial purposes. First, such an exercise brings greater awareness among institutional employees to a topic that is “rarely studied or openly
discussed” (Ostrander, 2007, p. 360). Dedicating some portion of a team’s time to this topic will signal its importance to others and likely better equip staff members to recognize and decipher episodes of donor influence. Second, documenting and analyzing donor influence helps to create a common institutional vernacular that contributes to shared learning and understanding. Because donor influence is not yet a widely discussed topic, it does not carry with it a commonly held set of terms and descriptions, a fact that can hamper the learning and sense-making efforts of teams. This study offers a starting point for donor influence-related terms and definitions around potentially murky concepts. For example, some participants in this study used different language to describe instances where donors leverage their standing, strength of relationships, and future philanthropic potential to advance a personal agenda. President Cecil Spencer of Pinewood College described the process of donor leveraging as “what they’ve done…what they could do…or what they want to do as leverage.” Further discussions and reflection time inspired me to offer the phrase “leveraging one’s relationship capital with an institution” to describe when donors essentially appear to say, either explicitly or implicitly, “Do you know who I am?” to encourage action by an institution. Likewise, robust institutional discussions and reflections about donor influence will produce a helpful common vernacular that facilitates learning and sense-making. Third, inventorying and discussing donor influences helps to clarify institutional norms and sets the stage for the imperative work of establishing donor relations boundaries and documenting policies and procedures that guide and protect the institution and its leaders.
Even if an institution opts to skip the recommended step of inventorying and discussing its experiences with donor influence, it would still be well served to consecrate time to articulate and document a “core ideology” for fundraising and donor relations (Collins & Porras, 1996, p. 66). A core ideology “provides the glue that holds an organization together” over time and is the product of an institution’s “system of guiding principles and tenets” and its “most fundamental reason for existence” (p. 66). Chapter 5 offered a framework for understanding and affirming an institution’s core ideology on fundraising and donor relations. Specifically, the proposed Northern Star of Donor Influence represents the cultural assumptions, or principles, that guide institutions’ behaviors and decisions related to donor influence. The star showcases the five strongest themes discussed by study participants when describing their responses to attempted donor influence: (a) mission and vision; (b) strategic plan; (c) academic norms; (d) legality and ethics; and (e) context. Chapter 5 offers full descriptions of each of the five points, but ultimately, the Northern Star of Donor Influence boils down to an institution knowing what it is, why it exists, where it is going, how it intends to get there, and what it will—and will not—do to get there.

Articulating and affirming a core ideology related to fundraising can give donor-facing employees guidance, for which they are often grateful, about how to work with highly engaged donors. A core ideology also helps to clarify the boundaries of acceptable behavior from an institution’s donors and employees, a particularly utilitarian characteristic given the escalating pressure on advancement offices to do whatever it takes to secure gifts (Mrig, 2014; Schwartz, 2017). As Mulberry College’s Vice President
for Advancement Peter Marvel pointed out, early-career advancement officers are often particularly susceptible to temptation when working with highly engaged donors, given their desire to prove themselves by closing as many gifts as possible. In other words, they are sometimes more likely than established advancement officers to cut corners or permit inappropriate behavior if doing so leads to financial gains that reflect positively on their records. Robust institutional discussions and written guidelines about boundaries can help clarify expectations for advancement officers’ performance and provide staff members with greater confidence as they work with donors.

One important vehicle for guiding institutional employees in their donor relations work is a gift acceptance policy that addresses a range of situations in which a donor offers questionable gifts. Such policies often call for some combination of the chief advancement officer, the chief financial officer, the president, and other officials to come to an agreement before the institution accepts a gift. However, as Chapter 7 suggested, not all colleges have clear policies or adequately share and discuss those policies across the institution. As library collections managers have found through their own experience with donations, clear gift acceptance policies help institutions to avert sometimes painful disputes, disagreements, and points of confusion between benefactors and institutions (Bybee, 1999). They also can diminish the burden on staff members to verbally explain rules and values to donors. Regularly updating, sharing, and communicating about gift acceptance policies across an institution represents a critical step in putting a donor relations core ideology into practice. However, gift acceptance policies need not serve as a road map for every conceivable donor relations scenario. Rather, the best policies
clarify institutional values and establish procedures and guidelines for working collaboratively, transparently, and according to set standards to prevent and resolve points of tension with donors.

Despite the need to set boundaries with donors, institutions must also remember that charitable behavior is, on a fundamental level, a “voluntary action for the public good conducted through voluntary action, voluntary association, and voluntary giving” (p. 8). In other words, donors are typically under no obligation whatsoever to financially support institutions. Colleges therefore hire and pay advancement professionals to motivate and facilitate philanthropic behavior. Donor-facing employees serve as “the prod, the enabler, [and] the activator to gift making,” but they must also provide “the conscience to the process” (p. 9). Advancement work is “at its best when it strives to match” the goals, objectives, and priorities of the institution with those of the donor (p. 9). A driving goal of institutional fundraising, therefore, is to ensure the presence of mutual value in philanthropic relationships with individual benefactors. Chapter 6 revealed how institutions aim to do just that: to ensure the presence of mutual value in their partnerships with donors who exert unwanted influence. Executives and advancement officers at higher education institutions should share their own “donor whispering” lessons with each other for the common good of higher education. After all, while many colleges consider themselves as competitors in the prospective student marketplace, they often do not directly compete with one another for philanthropic support from individuals. Thus, they likely stand to gain from trading stories and lessons with others in a bilateral fashion through academic consortia and associations with
athletic conferences. They also should share knowledge at advancement industry conferences. For example, donor influence and the management thereof would likely make for important, timely, and popular discussions at meetings of the Council for Advancement and Support of Education, the Association of Fundraising Professionals, and the Association of Donor Relations Professionals, to name a few.

Understanding trends and dynamics within higher education philanthropy, particularly involving donor relations, is of paramount importance to institutional leaders who wish to preserve the mutual value in their philanthropic relationships while retaining the core values and principles of their institutions. However, presidents, who are the most prominent donor-facing leaders at institutions, along with at least some vice presidents, reported that they do not use formal philanthropy theory to inform their understanding of advancement work. Instead, they rely on their chief advancement officers, as well as their sensibilities, experiences, and instincts about human behavior and motivations. While personal knowledge and experience are valuable, they are no substitute for—and are incomplete without—the findings of academic inquiry. In fairness, the existing higher education philanthropy literature has precious little guidance to offer them, which is precisely why scholars must continue to respond to the calls of Peter Hall (1992), Noah Drezner (2011), and others to contribute to the collective understanding of the industry. In turn, it is incumbent upon professional associations, training institutes, academic programs in nonprofit management and philanthropy, and practitioners to carefully follow and incorporate the development of further scholarly literature in their teachings.
This study on just one aspect of philanthropy work—donor influence and the management thereof—sparks a litany of interesting and important questions meriting further scholarly inquiry, including, among others:

- How might the theories and frameworks presented in this study evolve as a result of further academic inquiry and debate?
- How does donor influence play out within other sectors of higher education?
- How might higher education sectors learn from each other’s management of donor influence?
- How does donor influence manifest in other types of charitable organizations?
- What can the nonprofit and higher education industries teach each other about managing donor influence?
- How does a donor’s status as a trustee or past trustee shape their potential to exert donor influence on an institution?
- How does donor influence vary among different higher education stakeholder groups, including alumni, parents of current students, parents of former students, and community members?
- How does donor influence play out among organizational donors, namely corporations and foundations?
- How can higher education institutions and other organizations relying on charitable support make the case for unrestricted support in an era of increasing donor control?

For their part, higher education practitioners must continue to incorporate new scholarly knowledge into the practice of their craft. They should encourage each other to participate in the growing number of philanthropy-related training and degree programs as appropriate. Moreover, they should talk to each other about their experiences with donors and engage in friendly debate on values, principles, and boundaries. Institutional leaders, especially presidents and vice presidents for advancement, could generally do more to communicate with each other about the processes, policies, and other protections—or lack thereof—that provide decision-making guidance when complex
donor situations arise. After all, the existing research on philanthropy and donor behavior in higher education signals that the water is only likely to get choppier.

Few participants in this study may have admitted to allowing undue donor influence or control, but fundraising pressures are mounting, and as philanthropic might consolidates into fewer and wealthier donors, dark clouds appear to be gathering on the horizon. Fortunately, presidents, advancement officers, and other donor-facing officials do not need to – and should not – wonder whether their donor experiences are normal, and they must not rely on instinct alone to guard against excessive influence. This study is designed to supply organizational leaders with the context, the confidence, and the sense of agency they require to build truly symbiotic relationships with their benefactors. Most notably, this study offers a vernacular for describing and categorizing episodes of donor influence and a framework for responding to the phenomenon. I fondly hope that these tools will help expand and fortify advancement textbooks, the curricula of nonprofit and fundraising schools, and the content of presidential training programs. Moreover, this study will ideally help alert policymakers and the public to the marked de-democratization of philanthropy in the United States. Consider the nation’s growing wealth and income disparities, organizations’ obsession with mega-gifts, the abundant attention that charities lavish on mega-donors, the rise of donor influence and the Golden Rule of Philanthropy outlined in the preceding pages, and the 2018 tax law that reduced some charitable giving incentives, especially for the non-wealthy. These trends undermine the democratic nature of philanthropy. The United States needs strong voices to articulate and call attention to these forces, to model and facilitate civil discourse about
them, and to recommend thoughtful and responsible policies and actions. Thanks to this study and the mentorship of my esteemed dissertation committee, I feel emboldened and excited to accept such work as a personal calling.
APPENDICES

Appendix A

Informed Consent Form

Title of the Research Study: A Theory of Donor Influence at Liberal Arts Colleges
Principal Investigator: Dr. Diane Eynon, eynond@upenn.edu, 215-573-8072
Co-investigator: Matt vandenBerg, vandenbergmp@alma.edu, 616-402-6338

A research team requests your participation in a study. Your participation is voluntary, which means that you may choose whether to participate. No matter your decision, you will not lose any benefits to which you are otherwise entitled. Before you make a decision, you will need to know the study’s purpose, the possible risks and benefits of participating in the study, and the process you will follow if you choose to participate. The research team will speak with you about the study and give you this consent document to read. You do not have to make a decision now; you may take the consent document home and share it with friends, family members, or a doctor.

If you do not understand what you are reading, please do not sign it. Please ask the researcher to explain anything you do not understand, including any language contained in this form. If you decide to participate, the research team will ask you to sign this form, and you will receive a copy of it. Please keep this form, as it contains contact information and answers to questions about the study. You may ask to have this form read to you.

What is the purpose of the study?
This study aims to understand how donor relationships affect the decisions and priorities of liberal arts colleges and how such institutions manage their relationships with donors. Matthew vandenBerg is conducting this study for a dissertation. He is a Doctoral Candidate in the Graduate School of Education’s Executive Doctorate of Higher Education Management at the University of Pennsylvania.

Why did the research team ask me to participate in the study?
The research team requested your participation in this study because you are a college president, provost, staff member, faculty member, or board member with knowledge or insights about one or more of your institution’s donor relationships.

How long will I be in the study?
The research team requests your participation in an interview of about 60 minutes. The interview team may ask you follow-up questions over the next six months. The study will take place over a period of one year and will include interviews with at least 14 administrators, faculty members, and board members.
Where will the study take place?  
When possible, interviews will occur in person at interviewees’ respective places of work. Telephone and videoconference interviews will occur when in-person arrangements are not possible.

What will the research team ask me to do?  
The research team will ask participants a series of semi-structured questions that seek to understand the nature of institutions’ relationships with individual donors.

What are the benefits and risks of the study?  
There are no direct benefits to participants. However, administrators, faculty members, board members, and others involved with higher education institutions will benefit indirectly from an enhanced understanding of the nature of donor influence. They will also benefit indirectly from learning how other institutions manage relationships with highly engaged donors. The primary risk is a breach of confidentiality.

What happens if I do not choose to join the research study?  
Your participation is entirely voluntary. Your decision on whether to participate in the study will not affect your employment.

How will the research team maintain confidentiality and protect my privacy?  
The research team will store and handle data on a secure site that features password protection and two-way authentication, contrary to other data sharing platforms like Dropbox and Google Drive. The research team will destroy the data after the project is completed.

Will I receive payment for participating in this study?  
There is no compensation for participating in this study.

Who may I call with additional questions or concerns about my rights?  
If you have questions or concerns about your participation in this study, or if you have any questions about your rights as a research subject, please speak with the Principal Investigator listed on the first page of this form. If you cannot reach a member of the research team, or if you want to speak with someone not involved with this study, please call the University of Pennsylvania’s Office of Regulatory Affairs at 215-898-2614.

When you sign this document, you are agreeing to take part in this research study. You will receive a copy of this consent document. If you have any questions, or if you do not understand something, please ask the research team.

Signature of Subject: ________________________________________
Print Name of Subject: ________________________________________
Date: ________________________________
Appendix B

Interview Protocol

1. Could you tell me about yourself and your role?

2. In your own words, what is your institution’s mission, and how do you help to achieve that mission?

3. Who else, outside of the president and advancement office, is involved in fundraising activities, and what does that involvement look like?

4. Do you think about any kind of beliefs, philosophies, or theories when working with donors?

5. Can you tell me whether and how your donors have tried to influence your institution? [Use the following prompts if the interviewee is stuck or needs examples/help brainstorming:]
   a. Influencing/shaping master/strategic plans
   b. Influencing/shaping budget considerations
   c. Influencing/shaping curriculum — adding, cutting, or changing programs
   d. Influencing/shaping personnel decisions
   e. Influencing/shaping athletics programs — adding, cutting, or changing
   f. Influencing/shaping student programs or activities — e.g., Greek life
   g. Influencing/shaping facilities construction or use
   h. Joining and/or shaping the work of advisory committees
   i. Securing quid pro quo business deals or requesting preferential consideration
   j. Securing special favors for themselves, families, friends, or acquaintances
   k. Fundamental changes to the institution’s mission, vision, or work
   l. Using specific gifts to drive some type of institutional change

6. How did you and your institution respond to and manage those donor influences?

7. Have you ever seen, or helped resolve, institutional tension or disagreements over the actions or requests of donors? If so, what happened?

8. Have you ever seen a donor push your institution to do something outside of its comfort zone? Was the donor successful? Why or why not?
9. What types of restrictions have donors aimed to place on their gifts? Did those restricted gifts change or influence your institution’s decisions or plans, and if so, how?

10. How does your institution work with donors who try to micromanage their philanthropic support?

11. [If applicable] How does the religious aspect of your institution’s mission statement play into your relationships and work with donors?

12. Can you please describe your gift acceptance process? Who is involved, and how does your institution consider gray areas and exceptions to your gift acceptance policies?

13. How does your institution balance donor needs with institutional needs when making big decisions or creating new plans?


Brandt, R. (1990, March 5). More givers are adding strings: Donors want a say in just where charities spend their money. *Forbes*, 34.


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