



NACU

The New American Colleges & Universities

*Connect
Collaborate
Champion*

TRENDS IN PHILANTHROPY AND FUNDRAISING

NACU President Sean Creighton had the pleasure of interviewing Amir Pasic, dean of the Indiana University Lilly Family School of Philanthropy at Indiana University - Purdue University Indianapolis. The school is globally recognized as the first of its kind in the study of philanthropy and continues to train and empower practitioners to innovate and lead – and create positive and lasting change in the world. The interview included a look at several areas affecting philanthropy, including the potential impact of COVID-19, generational differences in giving, and the use of psychographic data in fundraising.

From your vantage point at the IU Lilly Family School of Philanthropy, what are the major shifts you expect to result in philanthropy and alumni giving specifically as a result of COVID-19?

Amir: For universities, the effects on students, on faculty, and on the research process, as well as the community that includes staff will be some of the key considerations. Research shows that in times of emergency, people respond. I think we're seeing a lot of this enthusiasm of "we are in this together" and people rallying around and helping the causes that are most important to them. But at the same time, we know that when the economic impacts are fully felt, that in recessions, giving does tend to go down. So, I think a simple reading of the research would say that we are going to experience a kind of an initial enthusiasm. Then over time, as the economic pain becomes more obvious to donors, you simply won't have as many resources to spread around and giving will likely go down. But that is based on empirical patterns mostly based on evidence since World War II. And many people are comparing the unprecedented nature of what's happening now to things that have not happened since even before that war. Also, we know that in wartime situations, there have been surges in voluntary action and voluntary campaigns to help different national priority projects. **So, there may be opportunities for universities to create a great rallying project if they have a clear vision about how they're going to do something particularly of great import for their communities and for society as a result of COVID-19.**

What can universities do to prepare and also how will they handle alumni relations, homecoming, and other traditional events?

Amir: Broadly, I think there's an opportunity for reinvention. I'm thinking about what's going to happen after the pandemic. Clearly during the pandemic, a lot of what we do is going to have to happen online or be supported much more intensively online. Even as many universities are committed to returning to campus in the fall, we know that that return will happen with lot more social distancing with different allowances made for people who have different risk profiles for the virus.

There will be a change in the way universities do business, aspects of which may continue even after the pandemic is over.

In terms of keeping touch with the alumni, we see innovations in ways of keeping in touch on social media and in hosting alumni events. I just participated this year in my 35th college reunion that happened virtually both in my small residential group and then more of a large webinar for the entire class. It was nice to have. Obviously, it can't recreate all of the value of a face-to-face community gathering. But there are ways of keeping ties going until alumni can be met face to face again. And I think the same thing holds for homecoming. It still remains to be seen if and how sports events will come back again. If they do come back, they're likely to include a lot of social distancing in the next 9 to 18 months, so that much of the Homecoming activities will probably have to be supported virtually. And I think as we have all gone through an initial series of migrating online, there'll be ways of innovating and making those online community building experiences more meaningful and less immediately exhausting the way endless Zoom sessions can be. And I think it remains to be seen how many of those traditional events, the face-to-face events will need to happen in the post-pandemic world. How much in alumni engagement will be able to be done online and how many hybrid encounters will we invent that will help continue community building, perhaps more cost effectively and with less risk of spreading disease.

Do you expect these changes to become permanent or will they be more temporary, and will we return to past patterns?

Amir: We are all becoming more conscious of the fact that we can do a lot more of our work virtually, saving commuting times, saving space costs, and saving time that goes into preparing logistics for face-to-face meetings. So, we will have to figure out what makes sense to continue to do online and then really have a much clearer sense of what events must be done and what travel is really valuable to do, both because of the financial cost but also because of the spreading consciousness of the environmental impact of all that moving back and forth. Then I think we also have to prepare ourselves for the fact that this is probably not the last pandemic that we'll be facing, that we may have to be ready for other novel viruses that could emerge. I anticipate there will be a mixture. I think as we see our undergraduates, in particular, keen for those transformative, exploratory journeys of discovery that happen in close proximity with others on a campus. For their age profile, based on what we know now, it seems that the virus presents little risk as long as they do not have underlying health conditions. The question then is how do we allow them to continue their education without putting others at higher risk in jeopardy? We have already seen the dangers of unrestrained mingling on some campuses that will challenge their capacity to quarantine and isolate those infected.

In the future, I anticipate hybrid arrangements while we will realize some of the cost savings and the climate benefits and a time-saving that we can do online. And then we will preserve face-to-face for really those most important community-building and community continuing activities. When we do those, I think we will appreciate them even more. So, that means certain kinds of universities may have different ways of re-imagining their campuses as they go forward. Others will realize that their campuses are there mostly and most importantly for doing those things that can only be accomplished by being close to each other. We'll make judgments about priorities, not assuming that either in-person or online is the best way for everything.

What are the major generational differences you are seeing in terms of their attitudes and approaches to giving?

Amir: Research shows us that some of the newer generations are not giving at the same rate as earlier generations. And I think that's one of robust result of the Philanthropy Panel Study we conduct at the Lilly Family School. This study has also shown that the number of households that are giving is going down. The one caveat to that is that this measures classical giving to non-profit organizations. Younger generations tell us that they participate in public and civic life in different ways. Much of it is online, much of it is through spontaneous acts that are mediated by social media, some of which are more difficult to capture in terms as traditional ways of counting these things. Some of their generosity may not be captured in traditional measures that are captured on tax returns or on surveys that ask people if they volunteered for a non-profit organization. So, we are in a situation where standard measures of both giving volunteering show a decline for younger generations. But that is happening in a context where we're seeing all of these online crowdfunding platforms mushroom and become huge, as well all kinds of cause-related marketing and socially conscious commercial behavior. Also, as online activity increases, this is more difficult to capture because much of that happens on proprietary platforms. Plus, some of what we see is ambiguous and not obviously philanthropy. If somebody sets up a crowd-funding effort to help their university with scholarship funds that is one thing. When they set up a crowdfunding campaign to help send themselves and their friends to Hawaii for a vacation, that's a different thing. It's very difficult to distinguish among these kinds of efforts systematically without looking at and evaluating every single crowdfunding campaign to decide whether it's really proper philanthropy, whether or not it ultimately ends up benefiting a nonprofit organization or a worthy cause.

As a result of these shifting attitudes, are there strategies, such as digital outreach and social media, that might be more effective in reaching different generations?

Amir: Before the pandemic, online fundraising was growing rapidly. Online giving was growing rapidly from a very small base. Still a pretty small proportion of overall giving was happening online, though smaller gift transactions were becoming a norm online. Now it is very difficult to do any other kind of fundraising other than digital and online fundraising. I anticipate that as with so much anticipated migration to online modes of interacting and doing work, the effect of the pandemic will be to accelerate a lot of online ways of giving and interacting. In our school for example, we had a Board of Visitors meeting, which we typically have in person every six months. And we consolidated a lot of material in video beforehand and then had a two-hour discussion session to really compress and be able to pivot online. The universal response from our Board of Visitors, who are our closest philanthropic champions, was that they preferred this particular mode because it saves them time and presents material better. It gave them a synthesized view of what was going on at the school from the range of our leadership in a condensed way. And then this allowed them to participate in the vigorous exchange with us during the meeting, rather than going through several meals, and several dog and pony shows. The material was presented to them for discussion and they were able to really focus on it without worrying whether they had the time to dedicate for a full day of meetings and to arrange the time to travel. I think that those kinds of mechanisms are likely to be interspersed more frequently with in-person meetings. **Still the ideas of the in-person visit, which we have been so rightfully focused on as key to building relationships, will continue to be the ongoing secret sauce.** It will just have to be more judiciously deployed. If having a virtual meeting with a donor or a group of donors allows you to engage with them more frequently and more thoughtfully, that might make those less frequent in person meetings all that more valuable.

Are advancement offices using psychographics to better understand and connect with their alumni? Is this effective and a good investment of resources?

Amir: I think we are all being much more data conscious. Our databases of alumni and donors are increasingly full of more important information about what kind of interactions they have with us and what's significant to them. So, being able to segment and differentiate aspects of those who are our closest champions is very important. I think this can be usefully supplemented by a variety of psychological profiles that researchers have come up with to help fundraisers organize their constituents. In my view, rather than thinking that there's a kind of a magic psychographic formula that's going to help identify people that are going to be the biggest donors to you, the greatest value of those kinds of typologies is really to be able to organize and prioritize your efforts and get some more insight into the kinds of engagements that you can try out on your different segments that you have in your alumni or donor pool. **I think the key thing is, rather than being particularly sold on any particular method or a psychographic way of categorizing people's proclivities to give or to affiliate with you, is that you have a process in place to learn from it, so that you have an experimental attitude that allows you to measure progress. Is this intervention working? Is that not working?** So that you can make ongoing modifications to your strategies and your tactics rather than being completely devoted to one particular method, whatever the method is that I think you choose and you find immediately useful. Whatever you choose, make sure that it is amenable to modification and gives you a way to learn what your measures are doing or not doing, and how you can be more successful. I think approaching it with an experimental attitude, understanding that this is an experiment, and the most important thing about an experiment is to learn from it. And the more you learn, ultimately, the more effective you will be in the long-term.

What are other innovative strategies for fundraising and what would you recommend for higher education?

Amir: Higher education is going through a lot of questioning about its value. At the same time, we have seen declining alumni participation rates and greater reliance on smaller number of wealthier donors. Some places have been more successful at getting emerging generations to continue to be engaged. I think there's research to show that there is an important gap in terms of the undergraduate population that's been done by Bob Grimm, one of our alums who runs the Do Good Institute at the University of Maryland. Bob and Nathan Dietz, his collaborator, have looked at the desire for social engagement by the young generations that are coming into college. And it is really off the charts in terms of how civically conscious and civically concerned they are. The big gap comes when you look at their behavior. They do not volunteer with nonprofits, they do not give the way preceding generations did at their age. So, there's a great opportunity to connect that desire to be engaged with new ways of engaging them. There's also a digitally mediated kind of social consciousness among emerging generations. So obviously social media, and online methods for engaging them and demonstrating how you impact the world are essential. At the Do Good Institute and some other universities, they have made a culture of philanthropy part and parcel of the everyday culture of students. But they don't do it by pointing to chiseled names on big buildings or statues that have meant so much in the history of the institution. Rather, they focus on how the civic energy that is always under the surface can be motivated on the campus and how the campus can be a way for students to get together to engage in the social causes that they find so valuable. At the University of Maryland's Do Good Institute, they have a pitch competition where students come together and propose either non-profit or social enterprise models for dealing with hunger, homelessness, or climate change, that are of immediate and deep import to students.

The campus becomes a place that captures their civic enthusiasm. Different student teams compete to create new non-profits like one to save the extra food on campus and send it to homeless shelters. This competition and other related programs are something that the whole leadership of the university gets behind. They have decided that the “do good differentiator” is what makes the University of Maryland a distinctive place to pursue one’s education. So, there is no point in bemoaning the fact that there is a gap between the expressed desire to be civically engaged and the usual behavior we expect from alumni and students. It is more usefully seen as an opportunity to innovate and to connect the campus experience to those urgent social and environmental needs that the emerging generation finds so important. It does require thinking clearly and openly about the social and economic impact of higher education, and what role there is for philanthropy -- understood most expansively as that ability each one of us has to contribute to the common good. And as we rethink our enterprise, how can it be immediately relevant to students? With this as a beginning, we can then call on this energy of students to bring along the alumni who are only several years behind them, and so on down the generational spectrum.

Younger generations tell us that they participate in public and civic life in different ways. Much of it is online, much of it is through spontaneous acts that are mediated by social media, some of which are more difficult to capture in terms as traditional ways of counting these things.

AMIR PASIC

What change in programs, if any, do you envision for the IU Lilly Family School of Philanthropy that will improve the development and training of future fundraisers? Do you expect to be delivering more content online as a result of the current shift to digital instruction?

Amir: Definitely. I think there's no doubt and we've already started to do that. I think people are going to expect to continue their education online. And we have certainly done that. We have put many of our professional development offerings as part of The Fund Raising School online and in smaller chunks because that's a better way of consuming and engaging in instruction online. We're also exploring better connections between our professional development training and our academic degree programs. Both are informed by research and deep curiosity about philanthropy in our social and individual lives. We are looking to create pathways from our non-credit certifications, and potentially those of others, and to connect them to degree granting programs that give you that second level of perspective beyond the how-to's in order to engage the whys. As a school, we have always distinguished ourselves by asking the why questions, which is an ethos most share in higher education. Understanding the more fundamental why questions will allow you to manage change and deal with understanding the broader context, preparing for changes like the one we are experiencing now. As we reorient and re-imagine what we are about, referencing how we got here, and where we should go benefits from the generations of discovery that have been asking why. Undeniably, we will all have to be much nimbler and much more focused on delivering content online and supplementing in-person community-based discovery with online methods. But, at the same time, we want to dig deeper into the curiosity-based engine of discovery. That is the reason we created a school of philanthropy. So, I think giving fundraisers even more depth and understanding the broader context of the sector they operate in, appreciating the role of generosity more fundamentally and deeply, both in society and in the human condition. These elements make for much more creative, more ethical, and more effective fundraising.

On a lighter note, can you share which books you're reading or content you're viewing?

Amir: Thanks to a recommendation from Professor Pamala Wiepking who is our Stead Chair in International Philanthropy, I've started a book by Rutger Bregman, *Utopia for Realists*. He has also come out with a new book, *Humankind*, that is a hopeful retelling of human history, casting cooperation and kindness as the drivers of progress. Two of our professor's books are also next to my reading chair: Professor Katherine Herrold's *Delta Democracy: Pathways to Incremental Civic Revolution in Egypt and Beyond* and Professor David King's *God's Internationalists: World Vision and the Age of Evangelical Humanitarianism*. Another one of our faculty, Professor Tyrone Freeman, has just written a book, *Madam C. J. Walker's Gospel of Giving: Black Women's Philanthropy During Jim Crow*.

In my Netflix queue is *Self Made* based on the life of Madame CJ Walker, starring Octavia Spencer and produced by LeBron James. A much less positive reflection on how we can get inspired by shady visionaries is the enthralling documentary about the founder of hot yoga -- *Bikram: Yogi. Guru. Predator*.

Do you have any final thoughts to share with our higher education audience?

Amir: It has been a privilege to learn more about the NACU institutions and their wonderfully expansive missions to connect deep discovery, practice and social commitment. I find myself asking in what innovative ways philanthropy should be helping to illuminate and support what's next in higher education. I think we will be learning with and from your members. The great contributions of philanthropy, which is so intimately integrated with the evolution of American higher education, are rarely found in periods of routine growth. They are more likely to be found when philanthropic initiatives stimulate or respond to great change. And here we are!

About Amir Pasic

Amir Pasic is the Eugene R. Tempel Dean of the Indiana University Lilly Family School of Philanthropy, the world's first school devoted to research and teaching about philanthropy.

Prior to joining the school, he was vice president of international operations at the Council for Advancement and Support of Education (CASE), a global professional association serving educational institutions and their advancement professionals. Previously, Pasic was associate dean for development and strategic planning at the Johns Hopkins University Paul H. Nitze School of Advanced International Studies (SAIS) and executive director of its Foreign Policy Institute, where he continues to serve as a fellow.

Pasic served as deputy director of the world security project at the Rockefeller Brothers Fund and was deputy vice president for advancement at The George Washington University. A former librarian at the Library of Congress, he began his career with faculty appointments at Brown University's Watson Institute. Pasic earned his doctorate in political science at the University of Pennsylvania. He holds a master's degree in international relations from Johns Hopkins University and a bachelor's degree in economics and political science from Yale University.



Dean Amir Pasic