Leadership in Higher Education Fundraising: Chief Fundraiser Leadership Style And Follower Self-Efficacy

Kyle D. Edgington, Ph.D.
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Being a Leader

When you praise others...

When you keep trying...

When you give others a turn to lead...
I Think I Can...I Think I Can...

THE LITTLE ENGINE THAT COULD

by Watty Piper

with new art by Loren Long
“Whatever their title, people with major fundraising responsibilities are often hired with almost mystical expectations.”

Weinstein 2004

“We observed years ago that truly great higher education advancement leaders are rare.”
“If People believe they have no power to produce results, they will not attempt to make things happen.”

Bandura 1977
Fundraisers’ Pay Jumped 8% Last Year, Biggest Gain Since Before the Recession

By Holly Hall
The median salary of American fundraisers increased by 8 percent last year, to $71,100, according to a new study by the Association of Fundraising Professionals. That’s a stark change from a 1.5 percent increase in 2011 and the biggest percentage gain since 2007.

The survey is based on data from 1,750 members of the Association of Fundraising Professionals, but it is not necessarily a representative sample of groups of all sizes and causes.

Although salary increases were substantial last year, they still haven’t made up the big gap been in their current positions for three years or less, and 43 percent said that in the previous 12 months they had looked for another job.

What’s more, many said they had considered leaving because they:

- Hoped to earn a bigger salary (39 percent),
- Wanted more responsibility and authority (34 percent), or
- Hoped to escape a frustrating work environment (29 percent).

When asked about their “main problem” in doing their jobs, fundraisers identified several, including having insufficient staff (25 percent), working for leaders who are unappreciative of fundraising (19 percent), and facing competing job duties (17 percent).
Transformational Leadership
(outcome) Extra Effort & Performance

The 5 I’s of Transformational Leadership
- Idealized Influence (Attributed)
- Idealized Influence (Behavior)
- Inspirational Motivation
- Intellectual Stimulation
- Individualized Consideration

Passive/Avoidant Leadership
Transactionable Leadership
(outcome) Expected Effort & Performance

Laissez-faire
MBE-Passive
MBE-Active
Contingent Reward
• **Research Problem** – fundraising is an emerging profession; lacks knowledge base to guide practice

• **Purpose of the Study** – to learn more about leadership and its outcomes in fundraising organizations in public higher education
  – What can fundraisers do to improve fundraising practice?
Introduction and study overview

• Practice of fundraising in higher education is hundreds of years old
• Historically strong public/state support
• Steady decrease in state appropriations to public higher education over the past 3 decades
  – 43 states cut spending during the Great Recession
• Fundraising from private sources is a strategic focus
• “Campaign arms race”
• Fundraising organizations are large and complex
Introduction and study overview (cont’d)

• Role of the Chief Fundraiser (leader)
  – aka: Vice President for Development; Vice Chancellor for Institutional Advancement

• Role of the Fundraiser (follower)
  – aka: Director of Development; Development Officer; Major Gifts Officer
Research Questions

• **Q1:** What is/are the prevailing leadership style(s) of Chief Fundraisers in public higher education fundraising organizations in the United States?

• **Q2:** What is the sense of self-efficacy among fundraisers in public higher education?

• **Q3:** Is there a correlation between Chief Fundraiser leadership style and fundraiser self-efficacy?
Methodology

• Web-based survey
  – Multifactor Leadership Questionnaire
  – Edgington Fundraiser Efficacy Questionnaire

• Mix methods
  – Semi-structured interviews

• Target population
  – Major gift-seeking fundraisers; 4-yr; doctoral granting; public institutions
Methodology (cont’d)

• The fundraiser sample
  – Demographic questions
    • Gender; years of experience; gender and years of experience of Chief Fundraiser; organizational reporting structure; pay for performance
  – 108 qualified responses
    • 55% female; 45% male
    • Range of experience; 6-10 most frequently reported
    • 11% receive pay for performance
    • See “Table 3.5” and “Table 4.1” in handout
Transformational Leadership
(outcome) Extra Effort & Performance

The 5 I’s of Transformational Leadership
Idealized Influence (Attributed)
Idealized Influence (Behavior)
Inspirational Motivation
Intellectual Stimulation
Individualized Consideration

Passive/Avoidant Leadership

Active Leadership

Contingent Reward

MBE-Active

Transactionally | Laissez-faire

Expected Effort & Performance
<table>
<thead>
<tr>
<th>Transformational</th>
<th>Rater Form (Lower Level Ratings)</th>
<th>Fundraiser Sample</th>
<th>%-tile</th>
<th>MLQ Sample (Normative)</th>
<th>%-tile</th>
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</thead>
<tbody>
<tr>
<td>Idealized Influence (Attributed)</td>
<td>2.32</td>
<td>≈ 25</td>
<td>2.93</td>
<td>≈ 50</td>
<td></td>
</tr>
<tr>
<td>Idealized Influence (Behavior)</td>
<td>2.48</td>
<td>≈ 25</td>
<td>2.73</td>
<td>≈ 50</td>
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<tr>
<td>Inspirational Motivation</td>
<td>2.78</td>
<td>≈ 30</td>
<td>2.97</td>
<td>≈ 50</td>
<td></td>
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<tr>
<td><strong>Intellectual Stimulation</strong></td>
<td><strong>1.93</strong></td>
<td><em>15</em></td>
<td><strong>2.76</strong></td>
<td><em>50</em></td>
<td></td>
</tr>
<tr>
<td>Individual Consideration</td>
<td>2.06</td>
<td>≈ 20</td>
<td>2.78</td>
<td>≈ 40</td>
<td></td>
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<tr>
<td>Contingent Reward</td>
<td>1.98</td>
<td>≈ 15</td>
<td>2.84</td>
<td>≈ 50</td>
<td></td>
</tr>
<tr>
<td>Management-by-Exception (Active)</td>
<td>1.30</td>
<td>≈ 35</td>
<td>1.67</td>
<td>≈ 50</td>
<td></td>
</tr>
<tr>
<td>Management-by-Exception (Passive)</td>
<td>1.44</td>
<td>≈ 75</td>
<td>1.02</td>
<td>≈ 50</td>
<td></td>
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<tr>
<td><strong>Laissez-faire Leadership</strong></td>
<td><strong>1.21</strong></td>
<td><em>80</em></td>
<td><strong>.66</strong></td>
<td><em>55</em></td>
<td></td>
</tr>
<tr>
<td>Extra Effort</td>
<td>1.92</td>
<td>≈ 15</td>
<td>2.78</td>
<td>≈ 50</td>
<td></td>
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<tr>
<td>Effectiveness</td>
<td>2.31</td>
<td>≈ 25</td>
<td>3.09</td>
<td>≈ 50</td>
<td></td>
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<tr>
<td>Satisfaction</td>
<td>2.21</td>
<td>≈ 15</td>
<td>3.09</td>
<td>≈ 40</td>
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</tbody>
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Key of Frequency:
4.0 = Frequently, if not always  3.0 = Fairly often  2.0 = Sometimes  1.0 = Once in a while  0.0 = Not at all

n=108                      n=12,118
# Edginton Fundraiser Efficacy Questionnaire

This questionnaire is designed to gain a better understanding of the difficulties that development officers encounter as they go about their fundraising activities. Please rate how certain you are that you can do the activities discussed below by filling in the appropriate number. Your answers will be kept strictly confidential and you will not be identified by name.

In the column **Confidence**, rate how certain you are that you can do the listed activities **at this moment in time**. Do not take into account how you have felt at other times. Rate your degree of confidence by recording a number from 0 to 100 using the scale given below:

<table>
<thead>
<tr>
<th>0</th>
<th>10</th>
<th>20</th>
<th>30</th>
<th>40</th>
<th>50</th>
<th>60</th>
<th>70</th>
<th>80</th>
<th>90</th>
<th>100</th>
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<tbody>
<tr>
<td>Not confident</td>
<td>Moderately confident</td>
<td>Highly confident</td>
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<th>Confidence (0-100)</th>
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1. I can sustain the level of determination and persistence it takes to raise money.

2. Because of my resourcefulness, I can handle most situations that come up when raising money.

3. I can “manage up” in my organization so that my ideas, concerns, and suggestions will be acknowledged and supported.

4. If asked to raise money for a project that is seemingly difficult to fund, I can ultimately achieve a successful outcome.

5. If a prospective donor declines my initial request for a gift, I know techniques to influence his or her decision.

6. I can build alliances with my colleagues and other internal stakeholders for a successful gift outcome.

7. I can effectively regulate demands on my time in order to meet the goals that are assigned to me (e.g. number of expected face-to-face visits with prospects; gift proposal/grant submissions...etc.).

8. I can influence the decisions of superiors and senior leadership to impact my success as a fundraiser.
<table>
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<td>0</td>
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<td>Not confident</td>
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Findings

• **Q1**: What is/are the prevailing leadership style(s) of Chief Fundraisers in public higher education fundraising organizations in the United States?

• **A1**: Chief Fundraisers were found to be more transactional than transformational compared to the normalized sample
  
  – There was a positive and significant correlation between transformational leadership and Chief Fundraiser years of experience
  
  – Gender of the Chief Fundraiser was not a factor leadership style
Findings (cont’d)

- **Q2**: What is the sense of self-efficacy among fundraisers in public higher education?

- **A2**: Fundraisers were found to be efficacious in the practice of fundraising
  - Confident managing time; building alliances with colleagues
  - Less confident in influencing leaders; raising funds for seemingly difficult projects
  - Self-efficacy varied significantly between male and female fundraisers and by years of fundraising experience
  - Lowest efficacy in 0-5 year fundraisers
Findings (cont’d)

• **Q3:** Is there a correlation between Chief Fundraiser leadership style and fundraiser self-efficacy?

• **A3:** No statistically significant relationship between Chief Fundraiser leadership style and fundraiser self-efficacy
  – Very weak (and not sig) but positive correlations between 5I’s and fundraiser efficacy; negative correlations to transactional behaviors
Discussion

• Higher education leadership studies have focused on the president; little attention given to other sources
• Path to leadership and succession planning
• Fundraiser turnover
  – 40 to 50% attrition rate in fundraisers with less than 5 years of experience
  – Lowest efficacy beliefs found within this group
• Gender gap
  – More women practicing fundraising; less compensation
  – Lower efficacy scores by female fundraisers
Questions?

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