

Fundraising in Higher Education in the United States – Applying Best Practices to Finland (Abstract)

The universities have entered a new era in Finland. Since 2010, they have been required to fundraise and diversify their funding base. This private funding will supplement the core funding received from the government.

The aim of this research is to explore how can a publicly funded college or university engage in fundraising and attract donors, when moving towards a public-private funding model. The study explores best fundraising practices in the United States and suggests, how they could be applied in the field of higher education in Finland.

The research is a qualitative case study. Altogether 27 specialists were interviewed for this research between January and April 2013. The main focus is on the City University of New York (CUNY) due to its proximity to the Finnish universities. Since 2004, CUNY has actively engaged in fundraising and has attracted donors with its unique *Invest in CUNY, Invest in New York* theme. In addition to CUNY, interviews were conducted at New York University and Columbia Business School. The study also includes interviews with six different universities in Finland.

The study shows that the Finnish universities were at three different phases as fundraisers in the beginning of 2013: newcomers, developers or initiators. Although some universities are more advanced with their fundraising, all the universities face challenges – especially regarding limited human resources, finding ways to create a compelling case for support, learning how to engage the alumni and setting up the processes to start annual fundraising.

The research reveals eight best practices from the United States that could be applied to Finland. First, fundraising strategy starts from the university's overall strategy, and has to have precise goals and the management's and the Board's commitment. Secondly, the universities should aim towards organizing their fundraising, alumni relations, communications and marketing as an institutional advancement department. The third issue is the case for support. This should contain elements of emotion, reason and credibility. It should emphasize that private funding can create a margin of excellence and leverage the public funding creating a multiplier effect. The fourth issue is to have a dual strategy to receive both annual and major gifts, without neglecting either fundraising. The fifth is relationship-building and donor engagement with proactive personal and institutional communications and marketing. The sixth issue is to learn the art of the ask, thank you and promise. As a seventh issue, the universities can and should use external consultant but not to forget that internal investments are needed (people, databases and technology) for the fundraising to be successful. The Finnish universities should also collaborate and organize training, networking and forums together, as they are all working towards the same goal: building the culture of philanthropy in the field of higher education in Finland. Finally, fundraising in the 21st century should be viewed as a large and strategic process.

KEYWORDS

Fundraising, Philanthropy, Higher education, Strategy, Universities, the United States, New York, Finland