“How can we double our fundraising—from $50 million to $100 million annually—in the next 10 years?”

That was the question advancement professionals at the University of Waterloo faced in 2007. As the director of alumni affairs, I had two questions of my own to answer: How engaged are our alumni, and how can we double the current level of alumni engagement and alumni giving?

I had no answers. Luckily, I had time to explore these questions, find answers, and implement the solutions. This was the beginning of our alumni engagement project.

So many alumni, so little time

Gone are the days when alumni associations spent most of their time and resources on social activities such as homecoming and reunions. We are now responsible for advancing our institutions through fundraising, recruitment, and research; enhancing student life; and helping students and alumni find jobs. We are now strategists, and the goals we set must have measurable results that clearly benefit the institution.

Waterloo alumni are incredibly diverse. They range in age from 21 to 101, span all races, work in all possible professions, and live in almost every country in the world. Like many alumni offices, we have limited staff resources, work with flat or diminishing budgets, and are under pressure to get our jobs done. By undertaking this project, we were adding to our existing challenges. We needed to determine the engagement level of our 150,000 alumni and then increase our engagement efforts to reach our fundraising targets.

In beginning this process, once again, we started with two questions: How do our alumni feel about Waterloo, and what can they do for the institution?

How alumni feel about the institution determines their interest (or lack of interest) in attending events, volunteering, advocating, referring students, and, ultimately, donating. Simply put, the better they feel, the more likely they are to do all of the important things that we need them to do.

Like most institutions, the University of Waterloo has historical survey data about alumni attitudes; however, the surveys were generally anonymous, and we felt that we could more effectively advance alumni relationships if we could identify survey respondents.

Therefore, we decided to work with Engagement Analysis Inc. to develop and deliver a
personal survey. We learned exactly how 10,000 alumni felt about Waterloo, the things that interested them, and what they were willing and able to do for us.

We could then connect directly with alumni who said, for example, that they were interested in making a planned gift, which led to almost 300 new planned giving prospects. Given that our average planned gift is approximately $100,000, knowing exactly who these prospects were was essential for us to ensure significant financial gains in the future.

The survey results were useful, but, since no survey has a 100 percent response rate, we still didn't have all the information we needed to build an engagement program targeted at all alumni. So I enlisted the help of John Heckbert, Waterloo's development data analyst, to build a predictive model to illustrate how the other 93 percent of the population were likely to respond. Although not as accurate as surveys completed by alumni, if done correctly, a predictive model is a useful tool for guiding strategy.

Measuring engagement and impact

We used a logistic regression to determine how statistically similar each person was to the core group of engaged alumni—those with average survey engagement scores greater than 4.5 out of 6.

We found 24 items that indicated a person was more likely to be engaged and five items that meant that he or she was more likely to be disengaged. Engaged alumni are donors, have their job title on file, have children attending the institution, and participate in events. Disengaged alumni are likely to have a bad address on file or "do not solicit" or "do not contact" directives.

The final step in our process was to add to each database record a predictive score out of 100 indicating how the alumnus or alumna feels about us, based on either his or her actual score (for those who filled out the survey) or the score determined by our predictive model.

At this point, we realized that many of our alumni have positive feelings toward Waterloo, but we were still faced with the dilemma of too many alumni and too little time and institutional resources. To focus our engagement efforts, we decided to investigate which alumni were in a position to help advance the university.

We identified a series of specific data points in our database, ranked the items in order of importance, and assigned weighted scores to each. We decided that the two best predictors of impact on the institution were executive job title and previous giving. These two data points were easy to apply to all records, and we could apply a sliding scale of impact to each. Other data points that could affect potential impact were other wealth indicators, such as a vacation home; spouse or other family members who are alumni; employment in the government (for advocacy purposes) or as a high school teacher (for recruitment purposes); and current location in an international city with a sizable alumni population or recruitment pool (to assist with our internationalization goals).

Unfortunately, alumni databases are only as good as the data that reside within them. Our database did not contain enough information on the majority of alumni to predict their potential impact. This was especially problematic when records did not contain a job title or giving history, our two most important impact predictor variables. To solve this issue, we based 50 percent of the impact score on the internal data we did have and purchased external data to make up the other 50 percent. The external data—purchased for our 100,000 Canadian resident alumni—predicted annual salaries and included postal code data that provided home values. Purchasing this data ensured that we had valid impact predictors for most of our alumni population.

We added the predictive impact score (out of 100) for each alumnus and alumna in the database. We consider a score above 50 high and worthy of further research.
Where feelings and impact connect

Once we knew how our alumni felt about the university and how they could contribute to its betterment, we could build our engagement strategy. We created a conceptual model (Figure 1 above) that plots each alumnus and alumna based on the intersection of how they feel (engagement score/100, x-axis) and what they can do for the institution (impact score/100, y-axis). We named the four quadrants of the model sleepers, champions, potential leaders, and leaders.

Sleepers are alumni who have little or no connection to the university and who have the ability to make only a low to moderate impact. Alumni often fall into the sleeper category because we have little or bad data for them, they rarely participate in activities and events, they rarely donate, they are "lost alumni" for whom we have no contact information, they have requested that they not be contacted, and they live in a home that is of average or less-than-average value (meaning that they likely make an average or less-than-average salary). In our data, sleepers cross almost all key demographic groups.

Champions have a moderate to strong connection with the school and have the ability to make a low to moderate impact. Alumni fall into the champion category when their database records are up-to-date, they participate at a moderate to high rate, they demonstrate a consistent pattern of giving to the university, they are volunteers, and postal code data show that they live in a home that is of average or less-than-average value. Champions appear in almost all key demographics.

Potential leaders exhibit low to moderate connection with the school but have the ability to make a moderate to high impact. Potential leaders have little or bad data on file, participate at a low rate, give below their potential, are "lost alumni," have requested no contact, and live in a home that is of greater-than-average or high value. Potential leaders in the University of Waterloo context are predominantly males over 50 who hold executive job titles and graduated from a professional program.

Leaders demonstrate a moderate to strong connection with the school and have the ability to make a moderate to high impact. Alumni fall into the leader category when they have plentiful data on file; participate at a moderate to high rate; give to the school consistently, often as major donors or planned givers; are senior-level volunteers; and live in a home that is of greater-than-average to high value. Leaders in the University of Waterloo context are most
often males over 50 who live within a couple hours of campus, have an executive job title, and are graduates of a professional program.

Once we plotted the alumni data into the conceptual model (Figure 1), the reality of our alumni engagement picture became clearer. It also became obvious that we could most benefit the institution by moving the potential leaders into the leader category. Potential leaders have the ability to help with research, hiring, recruitment, building networks, advocacy, and financial giving.

The impact of potential leaders on fundraising alone could be staggering. They have the financial means to give at the same level as leaders, but the group is three times larger. They account for 3 percent of the alumni population; however, currently, potential leaders account for only 2 percent of alumni giving. If we could move all of these alumni—only 3,346 people—into the leader category, we’d raise an estimated $317,525,362, or three times the cumulative lifetime giving amount of the entire alumni population to date (including the leaders group). Now that’s impact!

**Changing attitudes and actions**

The Waterloo data show that the leaders group, which is only 1 percent of the alumni population, accounts for 78 percent of alumni giving—a classic example of the 80/20 rule, except in our case it's more like an 80/1 rule.

To get our potential leaders to act like leaders, we needed to answer—you guessed it—two more questions: Why are potential leaders disengaged? How can we change this? These two questions became the focus of a follow-up study in which we conducted face-to-face interviews with leaders and potential leaders to determine what contributed to their level of engagement.

The most notable difference between the two groups was their response to our request to meet with them. A vast majority of leaders, 92 percent, were willing to participate in the study, while only 31 percent of the potential leaders agreed to be involved. The entire leaders group responded to the first outreach e-mail, whereas we had to e-mail the potential leaders multiple times, and, in most cases, follow up with a phone call before they responded.

Although leaders were far more likely to agree to be involved with the study, once potential leaders agreed to participate, their answers and interests were similar to those of the leaders. Through this process, we not only learned how to improve relationships with our potential leaders as a group, but we also uncovered a series of very good prospects.

Bob, one of our most engaged and influential alumni, is a prime example of how a potential leader can become a leader. Bob is the chair of Waterloo’s board of governors, chair of our capital campaign, an advocate, a major donor, an employer of our students and alumni, and someone who is always willing to assist in advancing the university. In short, he's at the top of our leaders group for both engagement and impact.

I would have predicted that he had a wonderful student experience, that he attributed much of his personal growth to the university, and that he always knew that he would stay involved with Waterloo. I couldn't have been more wrong.

Bob had a lackluster student experience, and until he was approached to volunteer, had little involvement with the university. So why is Bob acting the way he is? What made him move from a potential leader to a leader? And how could we encourage potential leaders to become leaders?

Here are the three key steps that we are currently implementing to move potential leaders into the leader category and recommendations for advancing through them:

1. **Assign a relationship manager to each potential leader.** This is the point person who manages contact with the alumnus or alumna and will determine how to move the relationship forward.

2. **Have face-to-face conversations with your potential leaders.** Talk about their student experience, understand any relationship expectations, determine what is meaningful to them, and assess their interest in furthering the relationship and being
involved with the institution.

3. **If there is interest, create involvement strategies for these potential leaders.** Ensure that they are involved in something of interest and meaningful to them, then show them the impact of their involvement, and finally thank them appropriately for their efforts.

Once you’ve assigned a relationship manager, had a conversation, determined that the relationship is worth advancing, and created an involvement strategy, you can begin the work of turning that potential leader into an engaged member of the alumni community.

When developing this strategy, ensure that the alumnus or alumna benefits directly from the involvement. Many of our study’s participants talked about the importance of two-way relationships. They would be willing to participate as long as they could see personal value in doing so, through access to alumni networks, knowledge, and student/graduate talent.

It also helps to reach out personally. Rather than sending a group e-mail inviting your potential leaders to an event, send a personal message. Better yet, phone them. Knowing the alumni in a personal way will allow you to create an involvement plan that fits their interests.

You will also want to show these alumni the impact of their contributions. Alumni want to be involved with organizations in which they are making a difference. Match these potential leaders with volunteer opportunities at the highest level possible, such as mentoring or a seat on the board.

Don’t feel as though this outreach to alumni needs to be the sole responsibility of the alumni office, however. Find out if these alumni are or were connected to former classmates, professors, or staff members. Involve as many people as possible when trying to reconnect with alumni.

Finally, as with all alumni volunteers, you want to make certain that these potential leaders feel their work is valued. Ensure that alumni can see the end result of their involvement and are appropriately thanked and recognized in ways that are personal, relevant, meaningful, and timely. Involving peers and ensuring that others are aware of the impact that alumni have made will not only enhance the thank-you process, it also will inform and inspire others to be involved.

**Where we are now**

That initial question—How can we double our fundraising in the next 10 years?—led us to many other questions, directed within the alumni office but mainly to our alumni themselves. We have finished the research portion of our engagement project, and we are now meeting with our potential leaders and determining how those interested can contribute to Waterloo.

Also, we are in the process of determining the benchmarks for measuring success, a critical aspect of any alumni endeavor. We are developing a system of metrics similar to those commonly used by development offices, though benchmarking engagement is often more varied than tracking contact and donations. We are creating a dashboard in the alumni database to track alumni officers as they implement the engagement strategies.

Five years from now, we hope to annually measure our leadership development success against the benchmarks we are determining and testing now. It’s an exciting time for those of us in the University of Waterloo’s alumni affairs office, and we are eager to see the effect this alumni engagement strategy has on the institution as a whole.

**In Short**

**A Datahead’s Dream.** Are you a closet data junkie looking for a fix? If so, you just might become addicted to Kevin MacDonell’s CoolData blog. An annual giving officer at Dalhousie University in Canada, MacDonell divides his blog into more than 40 topics related to predictive modeling in higher education. In a post from the "Alumni" section titled "Survey Says ... Beware, Beware!" he warns about overvaluing alumni survey data, which he says is "extremely biased in favour of highly-engaged alumni, and is completely disconnected from
Play Ball. Like almost anything, data mining has its own language, which can be intimidating to the unversed. *Baseball, Fundraising, and the 80/20 Rule: Studies in Data Mining* by Peter B. Wylie can help demystify matters. And once you grasp the basics, you can tap into the wealth of data that is likely right at your fingertips (particularly if they are on your keyboard, accessing your alumni database). Among other topics, the book covers statistical modeling, how using data points from your own records can lead you to your best prospects, and understanding fraternity and sorority graduates and Web donors.

Relationship Reminders. Crunching the numbers was the first step of the University of Waterloo's alumni engagement project. The second part, and current alumni office endeavor, is reaching out to potentially high-impact but unengaged alumni and discussing how they can become involved. Building relationships is old hat to alumni pros, but it's never a bad idea to read up on different ways to do this. The *Inc.* magazine article "How to Build Better Business Relationships" provides perspective from the corporate and small business world, which is equally valuable in the advancement context. Waterloo is already doing the last tip in the article: Meet face-to-face.

Starting with Students. Your highly engaged, high-impact alumni whom you didn't have to prod probably had positive student experiences. Texas Wesleyan University is not leaving this to chance and has instituted the Wesleyan Signature Experience to help students graduate with the best university experience possible. A consulting firm has surveyed students, faculty, staff, alumni, and trustees about Wesleyan's strengths and weaknesses, and the project's objective is now part of the university's strategic plan. According to an article on the project in the fall 2010 issue of the campus publication *Wesleyan*, one of the project's goals is to create alumni who will recommend Wesleyan to potential candidates.

How We Surveyed Our Alumni

The University of Waterloo was founded in 1957 and has just over 150,000 alumni, 120,000 of whom are contactable. We have e-mail addresses for about half of the contactable alumni.

We e-mailed a survey link to everyone for whom we had an e-mail address and followed up with a reminder e-mail and link two weeks later. Alumni for whom we didn't have an e-mail address were mailed postcards with the survey link. Information on the survey also ran in the alumni magazine.

About 90 percent of our survey responses came via the e-mailed links. Most responses came within a day of the initial e-mail blast and reminder e-mail.

Because the survey was not anonymous, each e-mailed survey link was unique—specifically for that person with his or her personal data pre-populating the survey based on the information in our database. An outside company handled the distribution of the survey, but we pre-populated the surveys in-house.