

WHY DO PEOPLE DONATE? MOTIVATION OF MAJOR DONORS IN HIGHER
EDUCATION

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ABSTRACT

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Higher education has relied on private philanthropy since the establishment of the first universities in the U.S. This reliance has increased over the decades as a result of rising costs and decreased government investment. As such, it has become more critical to better understand what factors motivate philanthropists to increase their support of higher education; including direct support for teaching and research and increasing financial support for those students otherwise not able to pursue secondary education. However, much of the existing data focuses only on point-of-philanthropic-act, and neglects to examine motivational factors of long-term donors that have progressively increased their giving. The objective of this study was to better understand two key factors: 1) why a donor may increase their giving, and 2) why continue contributing to the same university over the years. This study included qualitative survey of major donors from a mid-sized, private, faith-based university. Five themes emerged from which three conclusions were derived: (1) donors' core values and their identification with the organization's mission; (2) trust, transparency, and the tenuous nature of the relationship between a donor and the organization; and (3) responsibilities of university leadership in philanthropy. These data

suggest that integration of these factors in higher education donor relations may serve to better meet the increasing reliance on continued and increased private investment.

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INTRODUCTION

“We make a living by what we get. But, we make a life by what we give.”

-Winston Churchill

The Oxford dictionary defines philanthropy as “the desire to promote the welfare of others, expressed especially by the generous donation of money to a good cause” (“philanthropy,” n.d.). In 2016, Americans donated over \$390 billion to 1.5 million nonprofit organizations throughout the United States, the largest amount in modern day giving history (Giving USA, 2017). Non-profit entities have come to rely on these donations in support of and to advocate for better human and ecological conditions. These community-benefit organizations have used donor contributions in the human services sector, for providing basic needs such as food, clean water, and shelter, or for paving roads and rebuilding communities after mother nature’s ravages; in the education sector, for supporting inner-city after-school enrichment programs or for ensuring family literacy resources at neighborhood community centers; in the public-society benefit sector, for supporting and advocating voter education, civil liberty, and economic equality; in the environmental and animal welfare sectors, for decreasing greenhouse gas, stopping further erosion of the ozone layer, improving water and air qualities, or for eliminating deforestation and encroachment into animal habitat for human gains. Other examples of donor contributions making a difference include advancements in health and science research, arts and culture, and international affairs. These are but a few examples

of the overall nonprofit sector's work in our society, with the support of philanthropic donations.

With the reliance on private philanthropy, examining what motivates donors has populated the nonprofit literature (Bekkers & Wiepking, 2011). Most donor motivation studies are conducted at the point of actual philanthropic acts. However, there is scant literature exploring the motivational factors of donors when they made smaller-size gifts initially and their decision-making processes to increase their donations significantly over time as consistent and committed donors to the same organization.

This lack of a sufficient literature on the motivational factors of long-term donors who progressively increased their gifts from initial small amounts to major philanthropic investments has hampered fundraising efforts in American higher education. Strickland's study of the Kalamazoo Promise (2009), a privately funded scholarship program for students in the Kalamazoo, Michigan schools, illustrates the need to gain insights into what motivates once small-annual fund donors to become major philanthropists of an educational institution. Our global-and-high-technology society's increased need for an educated workforce, increases in tuition, and decreases in government aid to universities and colleges all support the call for more investigation of the factors related to growing philanthropic contributions over time (Latta, 2010; Mitchell, Leachman & Masterson, 2017). In preparing students for future job demands and for the universities to stay competitive with innovative research and teaching programs, university leaders seek philanthropic revenues to close the financial gap. In 2016, public funding provided 54% of the cost of teaching and research versus the actual cost of running a university

(Mitchell, Leachman & Masterson, 2017). Noted by Lambert (2015), the financial chasm has led more public and private universities to form partnerships with private individuals, for-profit companies, and family foundations. The modern era of privatization of higher education has thus begun, where philanthropy in higher education is “an indirect catalyst for economic development” (Strickland, 2009, p. 18) and global advancement.

The first hypothesis of this study assumes a common set of motivational factors for current major university donors who initially gave much-smaller gifts. The second hypothesis assumes a common set of motivational factors that drive major donors to continue contributing to the same organization and to increase their gift size progressively and significantly over the years.

Future chapters present philanthropic practices, aspirations, history, and role in American higher education from a global perspective. The Literature Review chapter uncovers predictors of giving, donor motivation, retention, as well as who the donors are and why they donate. The Literature Review is followed by a discussion of research methods used in this study. The research was carried out with major donors from a mid-size, private, Christian faith-based university on the west coast of the United States which will be detailed in the Materials and Methods chapter. Donors were purposefully selected based on their initial gift size, current major gift size, length of their philanthropy, and their willingness to engage in depth and to speak about what motivation factors exist in their sustaining and progressively growing financial commitments. The Results chapter follows to bring to light their individual and collective motivational factors in giving and how the university’s stewardship and donor cultivation practices inform their

philanthropic investments. Finally, the Conclusion, Discussion and Implications chapter examines what elements in these motivational factors could inform university and academic leaders' decision-making processes and practices in seeking philanthropy and stewarding donorship, going forward.

Understanding donor motivation and gift-making resolutions empowers universities and colleges to be better prepared to attract new donors and to cultivate potentially large donors from their existing smaller-gift donor pool, as well as retaining current donors. Most importantly, higher education institutions' advancement leadership and fundraisers can learn how to better support and partner with donors to accomplish the schools' and philanthropists' mission in cultivating, soliciting, and making such gifts. As Amir Pasic, Ph.D., the Eugene R. Tempel Dean of the Lilly Family School of Philanthropy noted we need "...for us to better understand the multitude of individual and collective decisions that comprise our record of national giving" (Giving USA, 2017, p. 15). This study will provide some insights into these issues.

LITERATURE REVIEW

*"To give away money is an easy matter and in any man's power.
But to decide to whom to give it and how large and when, and for what purpose and
how, is neither in every man's power nor an easy matter."*

-Aristotle

Introduction

This chapter presents a review of the literature on nonprofit philanthropy and is organized in the following sections: the history and practice of philanthropy, philanthropy in the United States, philanthropy in American higher education system, and donor profile, motivation, retention, and predictors of giving.

History and the Practice of Philanthropy

Even in the modern era of mega donors such as Warren Buffett or Bill and Melinda Gates, the act of philanthropy is practiced by most at some point in their lives and, for many, on a regular basis (White, 1989). This is the case even if such charitable acts do not make the evening news or do not endow universities and buildings, (e.g. Harvard and Stanford Universities, Carnegie Hall, or the Rockefeller Center). Examples of modern day philanthropy include the aftermath of the September 11, 2001 terrorist attacks on the United States when at least a third of Americans surveyed made charitable contributions within the first three to five days following the event (Schuster, Bradley, Jaycox, Collins, Marshall, & Elliott, 2001), the millions of people that collectively

donated over \$2.5 billion between 1966 and 2010 to the Annual Jerry Lewis Muscular Dystrophy Labor Day Telethons (Zeitchik & Vankin, 2011), as well as the fact that Americans bought over 190 million boxes of Girl Scout Cookies in 2015 in support of future women leaders (Wieczner, 2015).

The conceptual framework of philanthropic motivation is well-established and documented throughout humanity. During the Mesopotamian times (3,100 BC to 539 BC), the kings and the powerful believed they were ordained to perform benevolent acts--to care for the sick and widowed, reduce human and social inequity, promote a civilized society, and end suffering. Such acts were not entirely selfless, as they were practiced as a gateway to immortality and paradise in the afterlife (Bond, 2011). In the teachings of Aristotle, Socrates, and Plato, philanthropy had its roots in the belief that doing well unto others was both a social and religious obligation. Aristotle believed that poverty is a cause of social ills and such a deficit leads to the erosion of a democratic society. Philanthropic acts, then, were vehicles to repair a broken society; at the same time, Greek moral philosophy dictates that the motivation to perform charitable acts--leading a virtuous life and doing good--should be for the sake of goodness (Cook & Lasher, 1996). Culturally, the concept of philanthropy was not solely a part of Western cultures. In the ancient Chinese Confucian tradition, the importance of charity was a duty to neighbors and a reflection of one's role in the social welfare fabric (Dees, 2012). Confucius' doctrine of humanity and altruism influenced the building of vast orphanage and refugee shelter networks to provide for the needs of the poor (Dees, 2012; United Nations Development Programme, 2015).

Throughout most world religions, there has been ample discussion that charitable acts are a result of fulfilling one's religious obligations (Dees, 2012). Christianity, Islam, Hinduism, Buddhism, and Judaism, share a common theme of showing kindness to others as an example of showing love to God, carrying out one's worldly duties, and a "revelation that requires a human response of love or 'agape' toward other human beings" (Starkey, 1985, p. 425).

Philanthropy in the United States

Long before the term "nonprofit" was introduced in 1915 (Arnsberger, Ludlum, Riley & Stanton, 2008) and came to fashion in the past 50 years, the colonial and newly-independent American ideals of charity and the spirit of social responsibility sprouted civic organizations and formed the bedrock of, and gave birth to, townships, colleges, and churches (Hall, 2006). Elements of contemporary nonprofit organizational operations commonly seen during this time were a self-governing nature and the willingness to accept private donations (Bremner, 1988; Hall, 2010). Benjamin Franklin, the model of an early American philanthropist, introduced a democratic process to the practice of philanthropy in that he inspired and motivated common townspeople to donate to their own causes, such as libraries and volunteer fire companies, during a time when the predominant model of philanthropy was hierarchical and funds were shared from the top wealthy sector to the less fortunate (Bremner 1988; Hall, 2006).

At the same time, Franklin recognized that the pooled resources from common citizens were not sufficient to finance major undertakings. He then galvanized and

combined the government's significant largess with private citizens' contributions. With this, the entrepreneurial Franklin created the first public-private partnership model of philanthropy in the United States (Bremner, 1988). Two centuries later, literature reflects the fact that collaborations between nonprofit organizations and governmental agencies have evolved and been re-imagined to hold each entity accountable in delivering services and meeting public needs. This dynamic relationship is not without complications and requires further definition and scrutiny of contractual obligations, goals, and outcomes (Gazley & Brudney, 2007).

Another derivative of Franklin's framework of fundraising--amassing lower-level contributions from a large number of donors and recruiting sizable donations from fewer donors to accomplish a fundraising goal--is most evident in modern fundraising practice. Fundraising modalities known as annual fund or annual drive (smaller gifts and large number of donors) and major gifts (sizable donations and fewer donors) are essential components of today's university advancement departments and campaign paradigms (Azzaro, 2005). As such, donor motivation and decision-making processes will be investigated in donors that once gave smaller-size gifts, who continued giving to the same organization, and then, moved to donate much-larger major gifts.

Nonprofit organizations and their economics

Being the recipient of community philanthropy, the nonprofit sector represents the third largest American economy, second only to government and private sectors, with over \$1.63 trillion in total expenses and \$1.74 trillion in total revenues (NCCS, 2016). In 2010, nonprofits accounted for 9.2% of all wages and provided over 11 million jobs

(McKeever & Pettijohn, 2014). In challenging economic times the sector can actually grow. During the global financial crisis of 2007-2008 and until the return of pre-recession job level in 2012, the number of nonprofit sector employment increased by 8%, while private sector employment decreased by 3%. The nonprofit share of Gross Domestic Product (GDP) was 5.4% in 2012 (McKeever & Pettijohn, 2014). To date, the United States Internal Revenue Service (IRS) recognizes 29 types of nonprofit organizations including public charities and private foundations and they differ in scope, nature of services, and budget. Examples of these tax-exempt public charities include broad organizations such as chambers of commerce and civic organizations, and those serving a unique niche such as the Teachers Insurance and Annuity Association of America (Arnsberger, Ludlum, Riley & Stanton, 2008).

With nearly half of all charities established after the year 2000, Americans have supported their causes handsomely; in 2016 alone, Americans contributed over \$390 billion (Giving USA, 2017). Although there has been much publicity and fanfare garnered by the emergence of mega-gifts in the past decade, the strength of growth in individual giving has been attributed to the many small donors among the general public (Giving USA, 2017). As noted by Patrick M. Rooney of Indiana University, “we saw something of a democratization of philanthropy” (Giving USA, 2017, p. 90). This is a result of the growing millennial generation, the ease of giving via technology, and the emerging concept of giving as a means to making social change (Osili, Clark, St. Claire & Bergdoll, 2016). This trend of micro-giving and social-activism philanthropy has redefined what it means to be a philanthropist and added an additional level to the

traditional understanding of donor motivation (Baranyi, 2011). A review of recent literature revealed that this current paradigm has rebalanced the social relationship between donors and the organizations they support leading to more donor control over how their gifts are spent, greater access to organizations' financial information, and the ability to make inquiries regarding the impact and effectiveness of their gifts. The same trajectory is seen in the increase of donor engagement and collaboration across nonprofit organizations (Ostrander, 2007).

Issues and controversies in nonprofit philanthropy

In the current nonprofit philanthropy climate, there exists a confluence of greater democratization as noted above and the emergence of individual mega gifts (Scutari, 2017; Strauss, 2017). As the American economy rebounded and surpassed pre-recession levels, the number of billionaires in the United States increased four times in the past 20 years and, in 2014, the top 50 American donors donated \$10.2 billion with the median gift value of \$101.8 million, \$40.8 million more than was donated in 2011 (Giving USA, 2015). During the course of this trend, the term "mega gift" size has redefined itself as \$10 million or \$100 million donations, a shift from the much-humbler sum of \$1 million mega-gift definition provided 30 years ago (Panas, 2005; Scutari, 2017; Strauss, 2017).

With this, "potentially destructive trends" exist as nonprofit organizations become more reliant on significantly larger donations from a small number of high-income donors (Collins, Flannery & Hoxie, 2014, p. 6). With the mega and major gifts now comprising a disproportionate component of personal giving, the education, arts, and international relief nonprofit sectors are garnering significantly more attention from high-

level philanthropists and receiving larger gifts (Odendahl, 1989). Sectors shepherded by lower-level donors, which are human services, religion, and health, saw significantly slower growth than sectors favored by top-wealth donors. Furthermore, even sectors favored by the small group of ultra-wealthy donors do not escape the potential risks in unpredictable annual revenue; this is because the membership of this top-wealth donor group is small, making it unpredictable to forecast when the next major gift will come along creating difficulties in planning for annual budgets.

Lenkowsky's (2007) analysis of the potential negative impacts of major and mega gifts called for an assiduous examination from leadership of the nonprofit organizations which have received them. As these gifts present great opportunities for growth, they may cause an organization to drift from their mission, partially ignoring existing donors' impacts, and re-directing other initiatives or general support to bolster the newly-funded projects. This sentiment is echoed by Stephenson, Schnitzer, and Arroyave (2009) with their study on the nonprofit governance and management adaptations post-mega gift (\$175M) to the Modern Poetry Association by Ruth Lilly. Lenkowsky (2007) noted that today's large gift donors' main concern should be that "they will be smothered by the public's embrace" (p. 49). Such critical sentiment is also observed by Barkan (2013) as he noted the major-gift philanthropic arrangement is an "exercise of wealth-derived power in the public sphere with minimal democratic controls and civic obligations" (p. 636).

One indicator embedded in philanthropy work is the degree to which donors trust the organizations they support during the gift-making decision process. Trust and

confidence are the main factors in donors assessing and determining the wellness and “legitimacy” of nonprofit operation (McDougle, 2014, p. 187). Currently, the nonprofit sector is in a precarious position with only 62% of Americans stating a great deal or a fair amount of confidence in charities (Perry, 2015). Light (2008) noted that “public confidence in charities remains at contemporary lows” (p. 237), mainly due to the increase in media coverage and public awareness of the charitable sector’s activities and finances, especially when it involves alleged fraud, waste, and abuse. Perception of nonprofit organizations’ trustworthiness is central in donor motivation and retention, and “lies at the heart of charity” (Sargeant & Lee, 2002, p. 68). In their study with focus groups using a randomized sample of over 280 donors and non-donors, Sargeant and Lee (2002) found that trust plays a significant role in determining whether a person donates and the level they donate. The degree to which trust might need to be in place before gifts are made depends on the “perceived stewardship and fiduciary management of donor funds and the impact made by them” (p. 81-82). McDougle (2014) further posits that a pre-determinant of trust is the public and donors’ awareness of nonprofit organizations, in that an organization must communicate effectively its role and essential functions in society prior to donors conceiving a notion of trust for the agency.

Contrary to the above, O’Neill (2009) likewise examined the question of public trust in nonprofit organizations, but did not find a low level or decline of public confidence in charitable nonprofits. Not only that, according to O’Neil the level of confidence is at least on par or above that afforded to other sectors of the American society, such as financial institutions, press, and the United States Congress and

Executive Branch. O'Neill argues against "making generalizations about public confidence in charities" (p. 263), given the diversity of nonprofit sectors and argues that the survey results of public trust in charities ought to be examined in a larger context relative to other societal institutions, such as governmental entities.

Notwithstanding the above equitable and/or favorable sentiment towards charitable nonprofits as compared to the financial and government sectors, nonprofit leaders are best served when they heed the concerns expressed by a third of Americans regarding how wisely nonprofits spend money (Perry, 2015), especially in the areas of executive compensation, overhead, and fundraising costs. Philanthropy advocacy and watchdog groups have adopted standards of ethical practice that preserve and strengthen the public's confidence. Independent Sector's (2015) publication of "Principles for Good Governance and Ethical Practice" and its work with GuideStar, Charity Navigator, and BBB Wise Giving Alliance devise metrics for measuring nonprofit impact, accountability, and performance. Ratings groups such as CharityWatch, Give Well, GlobalGiving, and ImpactMatters provide information on agencies' program budgets, executive compensation, and other administrative and overhead costs (Wang, 2019). However, in a multi-year study in Chicago, Bowman (2006) examined the relationship between the public's perception of nonprofit administration and its overhead costs finding that although donors do care about the nonprofit administrative cost and overhead, this variable did not affect the size of the gift.

Fifteen cents of every dollar donated is directed to higher education, resulting in \$43.32 billion in 2016 (Giving USA, 2017). To be successful, institutional leaders in

higher education must understand the optics of receiving philanthropic dollars, the accountability issues noted above, and the public's trust in nonprofit organizations. These factors, undoubtedly, continue to be essential in the donor cultivation, motivation, and retention process.

Education Philanthropy in the United States

The first universities in the United States were established with a compelling mission to advance the Christian mission of the colleges, their curriculum, and impact on society. Such was the case with Harvard, Yale, and Brown Universities (Bremner, 1988; Zunz, 2011). The first documented case of fundraising for higher education was in the early 1630's and was spearheaded by John Eliot, a church leader in the Massachusetts Bay Colony. Eliot approached the son of a London butcher, John Harvard, who had settled in the same area, to assist with a new small college that Eliot's congregation founded. Upon his death in 1638 at age 30, Harvard bestowed half of his estate and 300 books from his library to the college and his name was conferred on the school (Bremner, 1988; Zunz, 2011).

Zunz (2011) proposed that philanthropy in higher education is a product of public policy that threads itself through all levels of economic, and social processes. In Strickland's study of the Kalamazoo Promise (2009), a donor-supported Kalamazoo Public School project promoted higher education as "an indirect catalyst for economic development" (p. 17). Since its inception in 2005, over \$66M have been contributed by anonymous private donors to the Kalamazoo project. Strickland states that philanthropy

has taken a lead role in the landscape of American higher education system; at no other time in history has there been such an emergence of innovative and high-level philanthropy. The Kalamazoo project was supported with private funds and without government assistance. Its goal is to send every high school graduate to college, creating a broad college-going culture and mindset for disadvantaged families and their children.

In the Giving USA's 2017 philanthropy data, donations to education were second only to religion. Giving to education, according to *Philanthropy Outlook 2017 & 2018* (Bivin, Osili, McKittrick, Bergdoll, & St. Claire, 2017) is projected to grow at least by 3.6% in the next two years, as will the top-level donors' wealth capacity (Giving USA, 2017). Taking a step back from the avalanche of major gifts in education philanthropy, one may ask what precipitates the need for philanthropy in higher education and the issue of academic freedom in light of private donor partnerships.

The need for philanthropy in higher education

The principle reasons for private funding in higher education derive from the increased need for an educated workforce, the increase in tuition, and decrease in government aid to universities and colleges (Latta, 2010; Mitchell, Leachman & Masterson, 2017). Carnevale, Smith, and Strohl (2013) posit that as jobs are returning from the Great Recession of 2007, employment in STEM (science, technology, engineering, and medicine) and healthcare will be the fastest growing careers. This has since been supported by studies on employment trends (Indeed, 2021). With that, and with more of the American economy shifting from agrarian to industrial, to the current service-based high-technology industry, universities are equipping future graduates with

the education to develop highly skilled workers needed to assume positions in the emerging economy. It is clear that new hires will need to be better educated than their predecessors. Those with bachelor's degrees or better have seen a higher job growth rate since the recession, compared to those with some college, associate degree or high school credentials. As such, Carnevale, Smith, and Strohl (2013) noted the call for an educated workforce has contributed to the post-recession enrollment increase and the need for more funding.

Decreases in tax revenues during the 2007 recession resulted in severe funding cuts to universities and colleges. Although a number of states have begun to return to their pre-2007 funding level, it is still below pre-recession levels (Mitchell, Leachman & Masterson, 2016). In their article *A Lost Decade in Higher Education Funding*,” Mitchell, Leachman, and Masterson (2017) state that ten years after the financial crisis, federal and state funding in higher education is still well below historic levels. To that end, Lambert (2015) argued that state universities and colleges have evolved from being state-supported to state-assisted. In the 2016 report on State Higher Education Finance levels, government funding currently provides no more than 54% of the costs of teaching and instruction (Mitchell, Leachman & Masterson, 2017).

To compensate for the reduction of government support and the increase in enrollment, universities have turned to increased tuition to make up the financial gap. Tuition increases have surpassed that of household median income: on average, between 2007 and 2016 the increase of tuition and fees for a 4-year university was \$2,790 (Trends in Higher Education, 2017). The increase of household median income during the same

time period was \$890. During this time, although federal student aid and tax credits have risen they have fallen short of the difference. This pattern, however, has not stopped college enrollment from rising, as high school graduates choose attending college over dim employment prospects, and more adult students return to school to learn new skills (Miller, 2013). To support the increase in enrollment with an historic record number of students needing financial aid, universities are providing more institutional support in grants and scholarships, especially for those who could otherwise not afford an education (Latta, 2010). This level of support would not be possible without philanthropic support.

In order to provide for more institutional financial aid and to meet the rising cost of innovative STEM and healthcare programs which prepare students for future job demands, university leaders seek alternative revenue sources to close the financial gap. As noted by Lambert (2015), the precipitating financial chasm has led more public and private universities to form partnerships with private donors and the business sector. The modern era of privatization of higher education has thus begun.

The work of fundraising and institutional integrity

Latta (2010) argued that private gifts are, more than ever, the norm for funding academic programs, scholarships, general operations, and student services, which were once provided by federal and state appropriations. Without the leadership and involvement of university presidents, board members, and senior administrators in fundraising activities, institutions are in danger of eliminating faculty positions, curtailing programs and course offerings, or closing campuses altogether (Miller, 2013; Mitchell, Leachman & Masterson, 2017). In the most recent American Council on Education

survey (Gagliardi, Espinosa, Turk & Taylor, 2017), the most significant change in the role of university president, cited by those having served in the position for at least 10 years, is the demand on a president to do fundraising in a changing financial landscape. Jackson's study (2013) examined how university presidents prioritize their role and duties in fundraising and the time spent on such tasks. He found that presidents are progressively shifting their energy to adapt to the increasingly important charge of donor cultivation, solicitation, and the continuing stewardship of private funds and donors. Responding to a question about the ranking of fundraising duties and responsibilities, presidents responded that fundraising is one of their top and most important duties, with some ranking this as either number one or two among all their presidential responsibilities. Nelson (2009) noted that fundraising has become one of the most important factors in what makes a president successful or unsuccessful. Fund development expertise has become one of the top requirements when university boards select a new president. Similarly, deans and members of faculty, alike, are being highly encouraged to make personal contributions and take part in fundraising activities, committing their time and effort to cultivate and steward donors (Drezner, 2010).

Along with the infusion of private donations, especially in the current climate of major gifts and grants, the discussion of institutional integrity and academic freedom has come to the forefront. In 2003, University of California President Emeritus Richard Atkinson introduced a new statement of academic freedom to re-affirm integrity and autonomy of research, teaching, and publication, such that these works are not to be influenced by "political decisions of the electorates, the priorities of financial donors, or

the managerial priorities of the administration” (Atkinson, 2004, p. 202). Faculty, staff, students, and alumni in other universities and across academia have raised questions regarding the donors’ motives and politics, the intended purposes of the gifts, and how the gifts are administered by the university (Pelletier, 2017). An example of such a controversy is noted in recent years when Charles Koch Foundation funded academic programs and centers at the University of Kentucky, University of Utah, and University of Kansas. While dissenting university voices noted that Koch’s gifts were a means to perpetuate the Koch brothers’ conservative and libertarian idealism, Cato Institute’s President John A. Allison wrote that such centers were much needed on university campuses, as most were “dominated by liberals” (Pelletier, 2017, p. 3) thereby confirming the concerns of the more liberal academics.

Asserting the ideals of academic and research integrity and freedom (Schaeffer, 2015), legal briefs were filed in defense of the Freedom of Information Act to open donor gift agreements and university foundation records, as they may shed light on institutions’ promised deliverables upon receipt of gifts. As this trend of large-size gifts continues, future research is needed on donors’ influence on higher education legacy and directions, as donor-inclined public policies and academic disciplines such as political science, STEM education, and business programs (Farley, 2011) have been handsomely funded, whereas less-popular programs may fall victim to inadequate funding.

Another phenomenon that well-funded institutions, especially those supported by private major gifts, grapple with is the decrease in alumni engagement and the ever-smaller size gifts made by less affluent alumni (Scutari, 2017). Scutari cited an historic

low level of fundraising by Yale alumni, as a result of “effective altruism” (para. 14)-- when small donors question the institution’s need for their contributions and engagement when the same institution is receiving multiple million-dollar gifts. This can have a deleterious effect on the institution. In an era dominated by major donors, Scutari (2017) concluded that universities supported by mega-donors, while lacking robust alumni engagement, are “financially and psychologically hollowed out” (para. 42).

Understanding that private philanthropy is an essential component of the American higher education system, institutions are learning how best to continue their work in academia, while motivating private donor investment and philanthropy. Professional organizations such as the Association of Fundraising Professionals (AFP) and the Commission on Philanthropy in the Council for the Advancement and Support of Education (CASE), as well as university research institutions such as the School of Philanthropy at Indiana University, the Stanford Center on Philanthropy and Civil Society, and University of Southern California’s Center on Philanthropy and Public Policy are providing academic data-based research to inform and strengthen fundraising practice and policies essential in cultivating a sound culture of philanthropy. The results provide insights on current and prospective donorship, donor engagement, effective ways to motivate donors’ initial gifts and, more importantly, to retain and promote consecutively larger gifts.

Faces of Philanthropy and why they donate

In a 2015 study of 1,435 donors with annual household income of \$200,000 or more, or with a net worth exceeding \$1 million, 91% of high-net-worth households donated to charities, compared with 58.8% of the general population (Osili, Clark, St Claire & Bergdoll, 2016). Demographically, a statistically significant number of them are Caucasian, married, baby-boomer generation, non-LGBT, have a bachelor's degree or higher, with their primary source of wealth being "growth/investment" (Osili, Clark, St Claire & Bergdoll, 2016, p. 90). Two groups of emerging philanthropists that have stood out in the past 30 years are mission-driven and impact-and-outcome-focused venture philanthropists, and women donors (Mesch, 2009; Strickland, 2000). These two groups of donors have not only distinguished themselves from the archetypical *Millionaire Next Door* profiles (Stanley & Danko, 2000), but are also unique in the ways their gender and perceived role in philanthropy point to their motivations for giving, how much they give, as well as the level and types of engagements they wish for with nonprofit organizations (Mesch, Brown, Moore & Hayat, 2011).

The call for the nonprofit sectors to derive measurable outcomes and global impact is a distinguishing feature of today's mission-and-impact-driven philanthropist, as Strickland (2009) noted that "rather than building institutions, today's transformational donors appear interested in how institutions build communities" (p. 104). Modern-day philanthropists are not motivated "to giving in traditional ways or to organizations that reinforce bureaucracy or the status quo" (Gasman, 2012, p. 10). With most of them

acquiring their wealth as entrepreneurs, they support specific educational policies and reforms and advocate academic innovations that foster ingenuity. In addition, millennial and major gift philanthropists alike, view their charitable gifts as a vehicle for social activism (Van Slyke & Newman, 2006).

Social-venture philanthropy has taken root in the past three decades within the nonprofit sector where charities, venture capitalists, entrepreneurs, and private companies partner to create opportunities for a broader revenue base for nonprofits (Pepin, 2005). The challenge for charities is to remain faithful to their mission and core values, while venture philanthropists seek the growth of activism from their philanthropic investments. Social entrepreneurs invest their financial resources and business-strategy consultancy to provide solutions for social issues. Joining with charities, they create highly engaged partnerships where funder-investors parlay their business-strategy expertise to improve the nonprofits' budgetary and impact performance (Van Slyke & Newman, 2006). By one study, for every dollar donated by venture philanthropists, three dollars of business expertise, operational leadership, and strategy knowledge is shared (Pepin, 2005).

Women donors, similarly, have significantly different views towards philanthropy and the purpose that philanthropy serves in their lives. The study of how women contribute to higher education has shown a historically complex relationship (Hogeland, 1972). Oberlin College in Oberlin, Ohio, was unique in that it was the first institution that began co-education of female students in 1833 --“an American innovation and creative achievement of American generosity” (Habashi, 2004, p.77), forty years prior to that of other universities and countries. More women in the past three decades have

graduated from college with bachelor's (56%) and master's (60%) degrees than men (National Center for Education Statistics, 2017), they are entering the labor force (60%) in record numbers, and their income have increased 33% (Bureau of Labor Statistics, 2011). As such, women, more than at any other time in history, are in an astute financial position to claim their philanthropic legacies.

Literature has shown differences in gender-dependent philanthropy. In single-female households and in married households where women take the lead in making philanthropic choices, there is a significant difference in their motivation for giving, the probability of giving, and the amount. Women give to education twice as often than other causes (Mesch, 2009; Mesch, Brown, Moore & Hayat, 2011). Further study shows that the gender difference in giving are derived from (1) women being socialized to be more selfless, generous, open to sharing their wealth, and more caring than men; (2) women and men's perceptions of philanthropy differ in that women view it as a vehicle to express one's moral values and caring nature; whereas, men give to prove their social standing and status (Mesch, Brown, Moore & Hayat, 2011). Simmons and Emanuele (2007) noted that these gender-differences are derived from their sense of altruism and their perceived societal roles. Practically, these traits lead women to volunteer and to engage more with the nonprofit organizations about which they are passionate (Mesch, 2009).

Predictors of giving, donor motivation, and retention

Collectively, literature has shown how gender, donors' background, and other factors play a role in donor motivation and decision-making process (Bekkers &

Wiepking, 2011; Gasman, 2012; Mesch, Brown, Moore & Hayat, 2011; Sargeant & Woodliffe, 2007). The practical applications of this research topic will predict, motivate, and help retain donors (and their gifts). More importantly, this knowledge serves university fundraising departments by better harnessing their efforts to achieve greater returns and be more accountable in stewarding donor funds.

Research in predictors of giving, especially of major gifts (\$10,000 plus and \$100,000 plus) has shown the following to be significantly correlative: past giving, age, capacity of giving, median income, interest in planned giving, and giving to other philanthropic causes (Handelman & Smilek, 2009; Lindahl & Winship, 1994; Weerts & Ronca, 2007). Lindahl and Winship (1994) further examined how the most robust predictor of future giving, namely past giving, interacts with other variables. They found that recency and size of the past gifts were most significantly related to future giving for high and middle level givers. However, lower-level donors, no matter how recently they gave, did not show any significance with recency. In recent years, studies have shown that certain populations of donors are more responsive to emotional fundraising narratives and appeals than others (Barraza, Alexander, Beavin, Terris & Zak, 2015).

When focusing on cultivating and soliciting from alumni populations, the literature has shown alumni support as a function of income, age, number of degrees received from an institution, level of satisfaction and emotional attachment to their alma mater, and participation frequency with alumni events, as well as their sense of responsibility to give, and their attitudes and expectations about university needs (Clotfelter, 2001; Handelman & Smilek, 2009; Weerts & Ronca, 2007). Marr, Mullin,

and Siegfried (2005) found a significant relationship between students receiving need-based grants and their subsequent giving. However, there was an inverse relationship when alumni had taken student loans. In Handelman and Smilek's study (2009), the predictive power of alumni future gifts over \$25,000 is unclear, even when taking into consideration their past gifts.

The literature has shown a number of intrinsic motivational factors donors derive from committing charitable acts: pure altruism, public prestige, and "warm glow" (Bekkers & Wiepking, 2011, p. 939). In studying major gifts donors of \$1 million or higher, the most significant motivational factors include worthiness of the cause, personal interest, association with the cause, knowledge that the organization was managed well, a sense of real social need, and a sense of community obligation (Center on Philanthropy, 2009).

Two motivational factors were found to be dubious across the literature: direct interaction and contact with university staff responsible for donations, and the level of charitable tax deduction. Lindahl and Winship (1994) and Gallagher (2014) argued that even though some universities and colleges did not keep sufficient and useful information on donor records, motivated and committed donors cited their interactions with the institutions' representatives highly in providing campaign awareness information and impact/outcome reports. The second factor of charitable tax deduction has varied findings in how it motivates major donation-giving patterns (Panas, 2005; Schervish, 2005; Van Slyke & Brooks, 2005; Vesterlund, 2006).

In a comprehensive study of 10,000 donors (Center on Philanthropy, 2009), donor income and education levels were factors in their degree of motivation and in the gift level. Providing for basic needs and helping the poor were frequently cited by those with high school education or less and with household income of \$100,000 or less. Higher income donors and those with college education were motivated by global concerns of equity and to “help make the world a better place” (Center on Philanthropy, 2009, p. 6).

However, Schervish (2005) argues that “what motivates the wealthy is very much what motivates someone at any point along the economic spectrum” (p. 59). One of the main motivational differences is that those making major investments are motivated by their own expectation to play a major role in how their gifts impact an institution. Regardless of education and income levels, donors cited diversity and building ties across the community least frequently (Center on Philanthropy, 2009). Further studies of households making major gifts noted that contribution level was dependent on the frequency and intensity of engagement with the organizations’ staff, donors volunteering, being asked to make the gift, the formation of identification and association with the organization, as well as wealth level and the availability of charitable tax incentives (Schervish, 2005).

Exploring what drives donor motivational patterns, Bekkers and Wiepking (2011) reviewed empirical data from over 500 articles and noted the following determinants: (1) awareness of need; (2) solicitation; (3) costs and benefits; (4) altruism; (5) reputation; (6) psychological benefits; (7) values; and (8) efficacy. The relatedness of these mechanisms and how they influence each other, however, remain unclear. Clotfelter (1997) has

shown that some motives for giving operate simultaneously and their importance may change over time, place, organizations, and donors.

In studies of what inhibits major giving, in addition to the loss of disposable wealth, is the possibility that donors might be associated with an unpopular cause (Riecken, Babakus & Yavas, 1995). Other reasons that may diminish giving are doubts regarding the worthiness of the cause and the level of trust over how major donor investments will be spent (Sargeant & Woodliffe, 2007).

Continuing the research on donor retention and loyalty to more fully explore factors that drive donors to continue giving to the same organizations is crucial as the average donor year-over-year attrition rate is over 50%, and, when a donor leaves an organization, only one in ten returns to their erstwhile agency. These conclusions were presented in the Fundraising Effectiveness Survey Report (Association of Fundraising Professionals, 2016) with data from over 9,900 nonprofit agencies, \$8 billion in gifts, and eight million donors of varying gift levels and backgrounds. Universities and other nonprofit organizations seek insight into donor retention and loyalty as they grapple with issues of lapsed donors, increasing marketing expenditure to acquire new donors, and how best to efficiently retain donors in order to incrementally increase their gift size and to steward them, eventually, to making planned gifts (Sargeant & Woodliffe, 2007). In one study, Sargeant (2008) noted that retaining 10% more donors earns up to a 200% increase in fundraising income and that it is five times as expensive to recruit a new donor than to retain an existing one.

In studies of donors' continuing commitment to an organization and what triggers a donor to switch to another agency, or to significantly decrease their level of giving, Sargeant (2001) noted the "single biggest driver of loyalty" (p.14). Loyalty is often based on a donors' perception of the stewardship and recognition services provided by the nonprofit compared with what other organizations provide. Also, the extent to which a donor self-identifies with an agency affects the level of giving and the longevity of their engagement. Self-identification can be in the form of donors mirroring and associating themselves with an organization's mission and values, programs and activities, the people who are at the helm of the institution, or those who are major stakeholders. A donor's perception of a shared belief that he or she has with an organization increases the level of commitment (Fullerton, 2003). Another type of donor perception that predicates major donor loyalty is the level of potential risk that could befall an organization should the donor decrease his or her gift significantly or to stop giving at all (Sargeant & Woodliffe, 2007). In this case, the feeling of guilt lends itself to passive donor retention.

In a study with over 360 existing and former donors, Naskrent and Siebelt (2011) tested donor retention as a derivative of commitment, trust, satisfaction, and involvement. They found that, even though the level of donor involvement and satisfaction with a nonprofit were prerequisites to donors staying with the same agency, the relationships were not significant. On the other hand, donor trust and commitment, which was defined as "the psychically caused attachment or obligation of the donor" to an organization, led to significant donor retention (Naskrent & Siebelt, 2011, p. 761). Incorporating a for-profit sector marketing approach, other researchers (O'Reilly,

Ayer, Pegoraro, Leonard & Rundle-Thiele, 2012) argued that nonprofit donor retention is determined by donor demographic and personality traits.

Organizations which invest time and effort in understanding their donors' personality traits, their relationship to the charitable cause, and their giving pattern to other nonprofits could maximize donor retention and better accomplish the organizations' revenue goals. Furthermore, identifying best practices for donor retention in an academic setting, fostering the knowledge base of fundraising professionals, and providing adequate resources and capacity to implement best practices are important pathways to realize long-term donor retention and stewardship (Heinzen & Garraghty, 2015).

Conclusion

In the transformational and mission-driven higher education, when colleges and universities engage in student-services projects, academic and research initiatives and capital campaigns, university and board leadership can capitalize on theoretical and empirical philanthropy research, such as these presented in this literature review to promote their efforts. The focus and objective of this philanthropic research is to (1) identify prospective donors and alumni who have the capacity and inclination to contribute, (2) to appropriately motivate them to make their initial, continuing, and consecutively larger gifts, and, most importantly, (3) to identify effective methods to retain their loyalty and commitment.

Most research on donor motivation is done at the point of donors committing to a contribution. There is scant research on how donor motivation evolves in the same

donors making small, then, larger gifts over time. In order to strategically create university philanthropy programs that most effectively and efficiently steward existing small-level donors towards the goal of making major gifts, this study will utilize qualitative measures outlined in Chapter 3 to better understand donor's motivation, expectations, and their gift-growth behaviors.

Knowledge gaps also exist on variables that improve donor retention. As Sargeant (2008) noted more needs to be done in the field of donor retention, as research on this nascent topic has been minimal, following the first academic article published recently in the early 2000's. Benefits derived from donor retention and loyalty studies are greater than simply increasing fundraising income. Committed and loyal donors could be stewarded to make a planned gift, to introduce and recommend their personal networks to the nonprofit organization, and to volunteer their services and business acumen on boards and in strategy sessions (Naskrent & Siebelt, 2011; Sargeant, 2008).

With the methods outlined in the following chapter, this study seeks to contribute to the knowledge base on donor motivation and retention. Empowered by the added insight, educational institutions will better partner with donors and potential donors to make the best gift possible--to benefit students' education, academic programs, faculty research, and capital initiatives. Also, this research will provide resources and tools for university leadership and fundraising staff to steward donors accountably and respectfully.

More than just philanthropic investments, the core of every university philanthropy program is student achievement and faculty scholarship. Higher

educational institutions' partnerships with donors could make possible teaching and research programs, provide scholarships for those who could not afford to attend college otherwise, and empower a university and its greater community with the ability and freedom to plan for future generations of scholars and informed citizens.

METHODS

“Behold I do not give lectures or a little charity. When I give, I give myself.”

-Walt Whitman

Introduction

Under the strain of changes in the higher education landscape, decreasing government funding, and an uncertain economic trajectory, there has been an increasing reliance on donor funds. As such, research examining what motivates donors has populated the literature as understanding donor motivation empowers universities to better partner with donors and to accomplish the schools’ and donors’ visions for such philanthropic endeavors. However, there is little investigation into what motivational factors exist for donors who made smaller-size gifts initially, followed by significant increases over time. Given the cost of recruiting new donors, this process of motivating greater giving over time is an essential tool.

Two central questions addressed in this thesis are: what are the motivation factors in major-donors in higher education who previously gave much-smaller gifts; and, what are the motivation factors that drive these donors to continue giving to the same organization.

This study employed semi-structured interviews of donors to examine donor motivation.

Research Site

The university is a mid-size private Christian institution in the western United State with a student body of over 4,000 undergraduate and graduate students. Across its five regional sites and online programs, it offers bachelors and master's degrees in its schools of business, education, humanities, sciences, and seminary. Over half of its student population is Hispanic, followed by almost a third who are Caucasian and 5% or less each of Asian-Americans, African-Americans, Native American Indians, and Hawaiian/Pacific Islanders. First founded as a bible institute over 75 years ago, currently the top denominations in its undergraduate population are Catholic and Christian non-denominational.

Participants

Five subjects were purposefully selected from the institution's donor database, based on their giving amount, the growth trajectory of their gifts, and the years of sustained giving; additional consideration was given to donors who were most open to engaging and speaking in depth regarding their philanthropy. Even as age was not a selection criteria, subjects were between the ages of 50 and 80. This age range mirrors the statistics of major-gift donors, especially those funders who were known to "have grown up with the school," and have given to the same institution over a number of years. Three males and two females were selected. No vulnerable subjects were included. Qualification criteria were their initial gifts and current annual donation

amounts, and the years of giving. All five began with their first annual gifts at equal to or less than \$1,000; current gifts were \$20,000 to \$200,000 per year, and they had been giving from 3 to over 40 years.

Instrument

The interview questions (Appendix A) were drawn from the literature and augmented from other sources garnered from various conferences and professional training.

The interview schedule included seven semi-structured questions about the subjects' philanthropy experience and decision-making process. Interviews took approximately one hour.

The interview was piloted with two other high-level and long-term donors who completed the interview and then provided feedback. Their feedback was used to improve the questions' language, delivery, and emphasis.

Procedure

After identifying the sample pool of subjects, phone calls, emails, and/or texts were made to each subject to establish a time and place (selected by the participants) to hold the interviews.

During the initial correspondence, the general concept of the research and the overview of questions were explained, in addition to time expectations and the fact that interviews would be recorded; communications emphasized subject privacy and data confidentiality.

The recruitment script was as follows:

“Hello Mr. or Ms. Subject A. This is Karin Chao-Bushoven and I hope all is well since we last saw and spoke with each other. As you may know, I am a graduate student at CSU Humboldt, in the Department of Education. My thesis is on university donor motivation. I would like to invite you and a few other university donors to share your thoughts about philanthropy for my research. The interviews will be conducted one-on-one, just between you and me. It will be approximately one hour, plus or minus 15 minutes, and it will be recorded. Your privacy will be protected, data and all personal information kept confidential, and de-identified.”

One to two days before the scheduled time, confirmation phone calls, emails, and/or text reminders were sent. On the day of the interview, the researcher arrived ten minutes early to ensure everything was in place. The subject and the researcher found comfortable seating, discussed the research topic, the overview of questions, and completed the Informed Consent (Appendix B).

The subject was given the Informed Consent and asked to read it at the beginning of the interview. Each was invited to ask questions, should he or she have any. At various natural breaks during the interviews, the researcher asked again if each subject had any questions. The researcher reiterated that subjects had the option of not participating or ending their participation at any time without penalty of any sort. Once they have read and have acknowledged understanding of the Informed Consent, they were asked to voluntarily complete and sign the form.

The researcher also shared that the benefit of this research was such that it would be an opportunity for each to reflect on their inspiration and aspiration for giving to the university and for growing their philanthropic investments significantly over time. This research allowed for both parties, the subjects and the university, to gain greater perspective, insight, and appreciation of donors' philanthropy. It would be an opportunity for donors to tell their stories and to reflect on their families' legacies. Also, donors would gain satisfaction in sharing their knowledge via this research to enrich opportunities for future philanthropists to begin their investment with an organization and for institutional leaders, faculty, and students to gain valuable insight into donors' gracious giving motivations.

Regarding confidentiality, the researcher shared with each subject that their personal information was to be de-identified, as pseudonyms or codes would be used throughout the research. Their identity would only be known to the researcher. All data, recordings, transcripts, and analysis would be stored in a password-protected file or in a locked cabinet. All data would be destroyed, including the Informed Consent, at the end of the study plus three additional years, per Code of Federal Regulations 45 CFR 46, for maintaining the confidentiality of human subject research records and personal data.

Interviews began after each consent form was signed. The Informed Consent also asked for permission to use direct and/or summary of quotes, prior to signature.

The researcher began recording and asked a series of questions in a semi-structured interview format. Interviews lasted from 50 minutes to 1-1 ½ hour, depending on the respondents' schedules and level of engagement.

Interviews were scheduled and recorded on the following dates and times.

Subject A: Wednesday, March 21, 2018, 10:00AM

Subject B: Friday, March 23, 2018, 7:00AM

Subject C: Monday, March 26, 2018, 2:45 PM

Subject D: Monday, March 26, 2018, 5:00PM

Subject E: Wednesday, March 28, 2018, 11:00AM

Five audio recordings were transcribed, over 230 pages, followed by member checking to clarify answers, as necessary. IRB approval number: 17-156. Date: March 6, 2018.

Qualitative Analysis

Interviews were recorded, transcribed, and coded. Follow-up member checking was conducted to clarify answers. The transcripts were read freely first. Then, in a second read, initial codes were identified and themes emerged from the data. On the third and fourth reads, codes were updated and code “terms” refined. By that, codes were further examined, newly created, and combined, split, absorbed, or eliminated. The researcher began the process with a large number of codes and, during each subsequent re-reading of the transcript, similarities and distinctness between the codes slowly emerged to further refine the coding process.

The coding process was thematic and iterative. All coding was done by hand. Memoing, coding, and descriptors were noted on the side of the transcript in black pen. Then, highlighters were used on quotes corresponding to codes. Themes were subsequently derived from identified codes.

RESULTS

“I have found that among its other benefits. Charity liberates the soul of the givers.”

-Maya Angelou

After the iterative coding process (Appendix C) and analysis phase, five major themes emerged that were pervasive and consistent throughout the interviews on the donors' initial motivations in making their first annual gifts (all were equal to or less than \$1,000), on what sustained their philanthropic journey with the university, and on their decision-making processes and motivations to continue growing their gifts at the current major gifts levels of \$20,000 to \$200,000 annually.

Motivated by Personal Asks

First, for their initial gifts, subjects were **all motivated by personal asks**, even if their first philanthropic steps with the university were at a significantly smaller scale than their subsequent ones. These donors felt comfortable in making a gift that was recommended by someone they trusted. There was a sense of confidence that a friend or a reliable figure had recommended the university when making a fundraising solicitation. Research has shown that there is a significant increase in the likelihood of first-time giving when one is asked by a friend, a confidant, or someone to whom they look up, versus a traditional cold call (Bekkers and Wiepking, 2011). Such a conveyance of trust from a knowledgeable source imparts confidence in an organization. This is in

line with a philanthropy tenet to “trust the people you give to and give to the people you trust.”

As being referred by a trusted confidant was essential at the beginning of their philanthropic relationships with the university, one subject remarked

the first I remember giving to the university was when my friend, [Kenny] (all names are pseudonyms), asked me. Since I like him, he is a good guy, and I trust him, I thought ‘why not.’ Besides, I have known other good people who have given to the university. Taking it all in, I thought I would give a try.

Similarly, another said “my dad has always given to the university. Since he did, my brothers and I just followed and made the university a family cause.” One subject shared that “since I ran track, I first started giving because someone asked me to give to a track project. I like the person who asked and I thought the project was a good one--something that I know already!”

Sense of Blessing

In the subsequent years, as their personal wealth and gifts increased in size, donors in this study were motivated by an overwhelming sense of being blessed with their station in life. One subject noted, “I have been blessed with so much in life and I never imagined to have all this, that I could give away to a good cause. I was just a kid who lived in the neighborhood. And, now, I can make a difference in someone else’s life.” Another shared that “Not everyone has a life like I have now. My ministry is to help others and to do all I can.”

Because of this sense of being bestowed with a “good life,” as one noted, the donors felt **they were fortunate to be in a place to share their largess**. There was a palpable sense of using their gifts to “do good” for more people. One subject shared that “I have been blessed with a lot in life. Since I have the resources, we want to share it with others who don’t have it as good as we do.” Another said “I was lucky in life that my father did a lot of hard work. I was lucky that I inherited what he accomplished. I know I work hard, too, so if I can help another, why not!” In all, subjects shared similarly the desire to be good stewards of their good wealth and fortune in life.

It is worth noting that none of the donors in this research was born with the perennial “silver spoon in the mouth.” This is the case even as one donor shared that his “father did a lot of hard work” and he was fortunate to have inherited what the father accomplished. This donor’s family came from humble beginnings and each member worked in and contributed to their 4-employee family business. There was a sense that getting to their current level of wealth and then utilizing their wealth to such a large extent to uplift others was a concept that, perhaps, did not occur to them growing up. Their current largess was a blessing and they wanted to establish this sense of grace and service for others.

Joy and Legacy

Another common reason that these donors made their first, subsequent, and progressively larger gifts was that their gifts were making a difference in the lives of people they touched. There was a **feeling of joy and sense of legacy** that emerged as a

result of their philanthropy. This was best illustrated by one donor who said “I get more out of giving, the more I give. I like to know that I am making someone’s life better.” This sense of positive impact when leaving one’s legacy was shared by another as he noted “since I will not live forever, I want to know that I am making a difference in other people’s lives, by the gifts that I make to the university.” Another stated “it’s gratifying to know that I can make a difference at the university.” Similar conviction was reflected by one subject when she remarked

if you have a project for special needs--just let me know and I can help. Everyone has a special gift and talent in life and, even if they are special needs people, they can still contribute. I want to nurture others and to help them grow.

Research has often shown that the impact a donor makes in philanthropy is one of the most compelling and driving reasons for giving (McDougle, 2014; Strickland, 2009; Van Slyke & Newman, 2006). From these donors, there is a sense of extending one’s legacy, especially to embrace, empower, and support those who were not as well off financially as they. This point was underscored as one donor shared “I never thought I would have so much to give away, so if I can help another kid to achieve his or her dreams, I will be happy to do so.” Furthermore, as the length of time that donors had been engaged with the university and as their own wealth grew, one emphasized the need to prioritize his family’s philanthropy: “as I get older, I am giving more serious thoughts about legacy and my giving priorities. I want to narrow down what I give to, so I can make the most difference.” The sense was that since they have been giving to the university and have known of the impact that their gifts have made over the years,

continuing and increasing their giving to the institution made sense as they further prioritize and reflect on their family's legacies.

Religious-Connectedness Vision

Another major theme was the donors' feeling of **religious-connectedness to the university's vision** and how consistently personal and positive their experiences had been relative to that vision. One donor shared that

the university changed my life. I was saved at the university. I became a Christian and the person I am today because of this school. I don't know if all this would have happened and my life would have turned out like this, if it were not for this university.

For these donors, there was a strong connection between them and the Christian values of the university in motivating their investments over the years, as they stayed loyal and committed progressively larger gifts. Since the university was founded on Christian principles, these donors collectively echoed that their family's gifts were a way to honor their faith. One shared "the university was a perfect fit for me because it teaches students about the Lord and we need more people to spread the gospel and the love of the Lord." And, to this day, "the university still holds on to the Christian values." In all, these donors felt that the university's work reflected that of their own Christian "walk" and giving to it was a conduit to fulfill their purpose in life. The Church's tithing tradition informed their decisions in giving to another Christian cause, as one donor said

“this university is one of my top three giving priorities, others being my Church and my work overseas. All because of the Church’s teachings.”

Trust and In-Depth Relationships

The donors resoundingly and collectively noted that **trust and in-depth relationships** with the university and the programs they supported were among the chief reasons that they had increased their philanthropy and, over the years, had become even more engaged with the institution. One donor underscored this point as he noted “it’s the personal connection that I have with the university,” that has driven his philanthropy.

Another shared

since my father and I have both served on the Board, we know the financials and have seen good things come out of the programs and students that we support.

We know how hard your students and professors work. This is why we continue to give. I trust you to use my money well.

Having the confidence in the university being a worthy recipient of their philanthropy and “using their money well” was emphasized by more than one donor as among the main reasons in committing sustaining and growing investments. Another donor shared “I have gotten to know the students that my scholarship supports. They are good kids and it makes me want to support the university more.”

More than a perfunctory signing off on big checks in support of the university, these donors across-the-board shared their thoughtful vetting process in planning and

making major-gift decisions, as one stated that he and his family could have easily given to other organizations over the years, but

I have gotten to know at least 2 or 3 presidents and CFOs at this university, have had long and, sometimes, hard conversations, and have formed deep relationships with them individually and with the university. I know I can trust the school to be good stewards of my gifts. And, most importantly, the school has shown that it is stable and that you will be around for a long time to come.

Such an established and confirmed sense of trust was essential and was underscored by these major donors during the interview when asked “why us? Why this organization, or better yet, why not another organization?” With that, there was a collective viewpoint that since accountability in using the donors’ gifts had been consistently exercised and demonstrated by the university, that it behooved the donors’ philanthropic strategies and their families’ legacy-planning to continue giving to the institution. This was illustrated as one donor shared

Well, since I trust the university, and there is no reason not to give again and to give more, I just kept on giving. And, as long as you guys do with my money what you say you would do, there is no reason to not continue to give.

Another said “I really don’t have a lot of time to think about other organizations or to read their proposals. I need to do proper research, which takes a lot of time. So, many times, I just keep giving to the same organizations since I trust you already to do good work.”

DISCUSSION

“It is not how much we give. But, how much love we put into giving.”

-Mother Teresa

The following section discusses three conclusions from the research: donors’ core values and their identification with the organization’s mission; trust, transparency, and the tenuous nature of the relationship between a donor and the organization; and responsibilities of university leadership in philanthropy. This is followed by a discussion of implications and potential future research.

Identification with Core Values

In studies of donors’ sustaining and increasing philanthropic commitment to an organization, Sergeant (2001) underscored the importance of the degree which donors self-identify with an agency’s mission, values, programs, the people who are at the helm of the institution, or those who are major stakeholders. These donor-perceived shared core values and beliefs increase the level of giving and the longevity of their engagement (Fullerton, 2003). This was integral with donors in this research as they all emphasized a shared Christian value with the university as an essential motivation in carving a substantial portion of their families’ wealth to better the school, its student body, and to further their sense of Christian obligation in serving a similarly religion-related cause.

Echoed by generations of philanthropists in all sectors of nonprofit organizations and philanthropic causes, the central theme of why people give remains that their

beneficiary organizations have core values which closely mirror that of their own. Stating it plainly, donors seek out, give to, and continue to support agencies and causes that intimately align with “donors’ own truth.” This principle of “giving to what you know and know what you give to” was exercised by all in this study.

This is an important consideration for nonprofit organizations because of the emergence of donors in the past 30 years who are mission-driven and impact-and-outcome focused (Mesch, 2009; Strickland, 2000). Their philanthropy is a result of recognizing that their beneficiary institutions and gifts have measurable outcomes with both local and global impact. Strickland (2009) noted that “rather than building institutions, today’s transformational donors appear interested in how institutions build communities” (p. 104). With most acquiring their wealth and making their mark in society not by inheritance, but via their entrepreneurial drive and work ethics, today’s major funders support specific institutions and causes with programs that closely reflect donors’ own life’s missions and core values (Van Slyke & Newman, 2006).

This is echoed in this study as subjects noted “...since I am a Christian and I want to see more pastors spreading the gospel, the university was a perfect fit. You teach students about the Lord and you are a Christ-centered school...I want to see more programs like yours,” “my big thing in life is to nurture others and to help them grow...if you have a project for special needs, just let me know and I can help. I want to support that,” and “I like giving to the university and I have continued over the years because you stand for what I believe in.” In all, giving to this institution is the result of these donors’ discernment and recognition of the university's role in reflecting their own core values

and in its ability to magnify their reach to have an even greater influence and impact in society. Research data supports this. In a comprehensive study of 10,000 donors (Center on Philanthropy, 2009), higher income donors and those with college education--this study's subject pool--were motivated by the global concerns to "help make the world a better place" (p. 6). This may be an extension of their Christian values or other aspects of a donor's "own truth."

The broader implication is that donors give to causes to which they feel a deep sense of connection. This foremost reason for their charitable acts is highly personal, as their generosity is a broadening and deepening of their individual and family mission--one that continues for generations and in perpetuity. The magnitude to which an organization multiplies their gifts to benefit more people and to affect greater and positive changes in current conditions only further advances the donors' own philanthropic impact. As it is not unusual to hear a donor say "I just want to be a part of something bigger than myself," funders (or, for that matter, all humanity) crave such identification with worthy causes that magnify their reach and influence beyond the immediate surroundings. At the core of philanthropy, giving is an emotional act and it emanates from the donor's "own truth." To this end, it encumbers upon an organization to hold truth, to live out, and to earnestly and genuinely practice its vision, mission, and values. As such, the challenge is for nonprofits to remain steady and to faithfully bear truth to their mission and core values beyond reproach, as donors seek the realization and identification to their own personal beliefs.

Trust, Transparency and Tenuous Relationships

The research literature has identified the most common reason for loyal and long-term donors to stop or to decrease giving to an organization. In addition to the obvious reason of loss of disposable wealth, the most common reason is that they no longer trust the agency is managed responsibly, accountably, or is no longer financially sound (Sargeant & Woodliffe, 2007). This distrust is accompanied by donors doubting the worthiness and validity of the organization's mission, the causes to which they have been supporting, and how their investment dollars had been and would be spent in the future (Sargent, 2001). Just as strong of an incentive, this lack of trust also drives donors to "switch" their philanthropic investments to another agency.

This sentiment was very much reflected by the research subjects in this study, across the board, even as they had been contributing to the university for upwards of 40-plus years and were graduates themselves or had children who graduated from the school. They did not hesitate to express that they would significantly decrease their giving or withdraw entirely, should the institution show itself not to be trustworthy financially or to live out truthfully its core mission. Viewpoints to this regard were voiced: "if you stop making a difference in the students' lives, I'll stop giving," "if I can't trust you or if an organization does not respect my gift and do what they say they would do, then I don't want to ever give again," or "if the university stops doing what it is supposed to do, then I'll direct our resources elsewhere."

This speaks to the tenuousness of a donor-beneficiary relationship, even if donors were loyal, consistent, and committed givers to an organization. It serves an organization to more than carry out the purpose and abide by the conditions of the donors' gifts. It is essential that the agency communicates honestly, openly, and accurately the impact and results of contributions, both programmatically and financially. As Schervish (2005) stressed that "what motivates the wealthy is very much what motivates someone at any point in the economic spectrum," and that is having the organization be accountable and transparent in its communication. Donors want an answer to the perennial question "how was my donation used and what did you do with my money?"

On the point of financial trust-worthiness, this study opens the door for further research on the expectations to which organizations are beholden to sharing its exhaustive financials, expenditures, and accounting of the entire line item budgets. Certainly, it is a donor's right to examine the organization's finances, especially on the sums in which he or she has specifically invested. Thus, it is the organization's number one job to ensure that truthful and transparent communication takes place.

However, at what point does that fine line begin to blur between the universities having expensed donors' funds responsibly and the donors, especially ones who are individuals of high net-worth and are the institutions' highest-level benefactors, wish to express and insert their personal philosophy into how the academic or administrative programs should be implemented? This has been an issue of much examination where, as the number of billionaires in the United States has increased four times in the past 20 years, nonprofits' top-tier donors have increasingly bestowed a disproportionately larger

percentage of the organizations' overall budgets (Giving USA, 2015). The current commonly used term "mega gifts" has redefined itself as \$10 million or \$100 million donations--a certain shift from the erstwhile sum of \$1 million (Panas 2005; Scutari, 2017; Strauss, 2017). This is the case in the education sector as mega- and major-gifts now comprise a disproportionate component of personal giving, with significantly faster growth in size of donations from the small cohorts of wealthiest donors. Researchers refer to this as a "potentially destructive trend," as organizations become more reliant on larger donations from a smaller number of high-income donors (Collins, Flannery & Hoxie, 2014, p. 6). To this point, Lenkowsky's (2007) analysis on the potential negative impacts of major and mega gifts called for an assiduous examination from leadership of the nonprofit organizations which have received them. As these gifts present great opportunities for growth, they may cause an organization to drift from their mission, partially ignoring non-major-level donors' impacts, and re-directing other initiatives or general support to bolster the newly-funded projects, especially those made possible by high-level benefactors. For example, top-donors' projects could receive more marketing, publicity, and leadership-level recognition.

Also, in the matter of academics--in research and in educating its students--it remains the responsibility of the academic leadership to uphold institutional integrity and academic freedom, in the midst of ever-growing private individuals', foundations', for-profit businesses', and cause-related philanthropy. Notwithstanding, in the era of multi-digit mega gifts and, at times, in a hotly contentious political environment, it is not uncommon that major donors take a seat on a university's board of trustees. With it, they

are given the responsibility for developing, reviewing, and approving the school's mission, strategic goals, objectives, and for establishing overarching policies and platforms related to universities' programs. These relationships can lead to a conflict of interest, which ushers in the next discussion point.

Responsibilities of the University Leadership

Tying together the first two discussion points on donors identifying their core values with that of a university and developing a trusting relationship with the school as motivation for first-time giving and in progressively increasing their gifts significantly over the years--it parlays an incredibly responsibility onto the academic and university leadership to uphold and to affirm the institution's academic integrity and freedom.

Never before in American education system has it seen greater reliance on private donations supporting its academic programs. Lambert (2015) argued that public universities and colleges have evolved from being state-supported to state-assisted. In the 2016 report on State Higher Education Finance, government funding currently provides no more than 54% of the costs of teaching and instruction (Mitchell, Leachman & Masterson, 2017). The rest comes from private individuals, family foundations, and for-profit enterprises. With that, private gifts are becoming the norm for funding academic programs. Without the increasing engagements of university presidents and their academic leadership in fundraising activities, institutions may potentially (or have) face having to eliminate faculty positions, curtail academic programs, and cut course offerings.

In the most recent American Council on Education Survey (Gagliardi, Espinosa, Turk & Taylor, 2017), the singular most significant change in the role of university presidents, cited by those having served in the position for at least 10 years, is the changing landscape of the financial environment and the demand on a president to do fundraising. In Jackson's study (2013) to gain insight into how university presidents prioritize their role and duties in fundraising and the time spent on such tasks, it was found that they are progressively shifting their energy to adapt to the increasingly important charge of donor cultivation, solicitation, and continuing stewardship of private funds and donors. Responding to a question about the ranking of fundraising duties and responsibilities, presidents reported that fundraising is one of their top and most important duties, with some ranking this as either number one or two among all their presidential responsibilities. Nelson (2009) noted that fundraising has become one of the most important factors in what makes a president successful or unsuccessful.

To this end, the discussion of protecting institutional and academic integrity and freedom has emerged front and center in philanthropy. Just as the university leadership has the responsibility to act in good faith and be accountable stewards to donors' investments, it is also their paramount responsibility to steadfastly protect and re-affirm the integrity and autonomy of teaching, research, and publications, such that universities and colleges are not influenced by donors' giving priorities. This is a responsibility of university leadership to its faculty and to the students who have endeavored in their higher education journey with the institution. University leadership honors its faculty as it maintains its dedicated mission, values, and ideals. Noted earlier, in 2003, University

of California President Emeritus Richard Atkinson introduced a new statement of academic freedom to assert and to renew a call protecting academic integrity and freedom, as they are not to be influenced by “political decisions of the electorates, the priorities of financial donors, or the managerial priorities of the administration” (Atkinson, 2004, p. 202).

To meet the challenge of upholding intellectual standards as this trend of large-size gifts continues, future research is needed on donors’ influence on higher education legacies, directions and in shaping the future of American political, social, and economic ideologies. This is essential as donor-inclined public policies and academic disciplines such as political science, STEM education, and business programs (Farley, 2011) have been handsomely funded, whereas less-popular programs may fall victim to inadequate funding. In this context, understanding private philanthropy is a critical component of American higher education as institutions strive to best accomplish their work in academia while motivating private philanthropic investments.

Implications

In a mission-driven and increasingly competitive marketplace of higher education, colleges and universities providing the best possible learning experience for future citizen-leaders of our society by exposing them to transformative ideas, new ways of understanding, and innovative lenses to learning and thinking. To advance academic programs, research initiatives, learner-centered curriculums, and student support services, university and faculty leadership, board of trustees, and staff take advantage of and

leverage the theoretical and empirical philanthropy studies, such as those presented in Chapter 2, literature review, and in this study's findings.

Upon analysis and reflection, the **fundamental reason and sentiment expressed freely and by donors interviewed was their belief that their gifts could truly make a difference in people's lives.** From their initial contributions and on, donors felt a sense of shared community and civic engagement knowing their philanthropy benefitted more than one individual or an institution, but communities, environmental systems, and the greater society. This remained the nexus of their motivations to be steadfast supporters of the university and to bestow progressively and significant larger gifts over the years. The factors that inspired and compelled their philanthropic investments--personal asks, the feeling of being blessed more than one expected, the sense of joy and legacy in giving, religious-connectedness to the university's mission, and the trust and in-depth relationships with the university leadership, faculty, and students, gave solid evidence to the hypotheses that there were common sets of motivational factors in current major donors who previously gave much-smaller gifts and continued giving to the same organization.

In all, the donors recognized that by potentially bettering the trajectory of another's life, they had contributed to a **collective impact to empower and inspire humanity and to generate a sense of optimism for the human condition.** Altogether, no donors interviewed considered themselves humanitarians. They **all humbly submit to "do my part" and "this is just what people are supposed to do--to give**

back.” Without fanfare, donors quietly imparted a sense of solace and palpable peace in their acts of giving.

Future Research

Going forward, with this study’s insights, higher educational institutions could better partner with donors to make the best possible gifts and to better students’ learning experience. Donor-partnerships support teaching and research programs, provide scholarships for those who could not afford to attend college otherwise, and empower a university and its greater community with the freedom to plan for future generations of scholars and informed citizen-leaders.

More than philanthropic investments, the cornerstone of university philanthropy is student achievement, faculty scholarship and research. In accomplishing this goal free of donor bias, more research is needed on the influence of donors in higher education, notably on academic freedom and integrity, scholarly inquiry, and critical curriculum designs and pedagogies.

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Appendix A –Interview Questions

University Donor Motivation Study

- 1) Tell me about your experience with the university as a donor?
 - (a) How did you first become familiar with the school?
 - (b) How long ago was that?
 - (c) What was the school like at that time?
 - (d) What were the students like?

- (2) Tell me about the first time you donated, how you felt, and what motivated you?
 - (a) How did you come to that realization?
 - (b) What was your vision or legacy for giving?
 - (c) Wow, that (i.e. realization) sounds like a powerful shot in the arm; tell me more about it?

- (3) What did you hope would happen with your donation when you first started giving?
 - (a) How has that been like over the years?
 - (b) How has the progress of the project(s) in which you and your family invested sustained your excitement for the project(s) and/or the university over the years?
 - (c) Are there times that you thought “my gift is doing exactly as I expected to” and what have those moments been like?

- (4) After those initial gifts and experiences, what has affected your level of giving?
 - (a) Tell me more about how it is to know that, with your gifts, you are truly making a difference in people’s lives?

- (b) Tell me about that point in your giving history when you thought “if I give more, we can do more with the project!”
 - (c) How has that experience been like--increasing your gifts over the years?
- (5) Overall, do you have any feedback on how the gifts were used?
 - (a) Tell me more...
 - (b) When the above happened, how have we regained your trust for giving to this project again?
- (6) Is that why you have given over the years?
 - (a) You are obviously a known major donor in this town and, I am certain, you receive quite a bit of solicitations from various good causes. What is that experience like?
- (7) Why us? Why this organization?
 - (a) I would love to learn about your philanthropy work with other organizations. Tell me about them?
 - (b) Why us, or better yet, why not another organization(s) that you could bestow your gifts, or add to the amount you have already given to other agencies?

Appendix B – Informed Consent

University Donor Motivation Study

You are invited to participate in a research study which will involve the study of motivation factors in donors who have given to the university. My name is Karin Chao-Bushoven and we have known each other through my work at the university. I am currently a graduate student at Humboldt State University, department of education, and I am completing my thesis. The purpose of this research is to better understand donor motivation.

If you decide to participate, you will be asked to take part in an interview. Your participation in this study will last approximately one hour, and it will be recorded to ensure the accuracy of my notes. With your consent, direct and/or summary of quotes may be used; however, your personal information and all interview data will be kept confidential.

There are no known risks involved in participating. There are some benefits to this research: it will be an opportunity to reflect on your inspiration for giving and on your legacies at the university. Just as importantly, you are providing valuable insight for future institutional leaders, students, and faculty to learn about true donor motivation. Your participation in this project is voluntary. You have the right not to participate at all or to leave the study at any time without penalty.

Any information that is obtained in connection with this study and that can be identified with you will remain confidential. Measures to ensure your confidentiality are as follows: the use of pseudonyms or codes in data recording, data sheet linking identities

to pseudonyms or codes is handwritten and kept in a locked storage space, and will be destroyed after the study is completed.

If you have any questions about this research at any time, please call me at 559-999-8062 or my faculty advisor Dr. Eric Van Duzer at eric.vanduzer@humboldt.edu. If you have any concerns with this study or questions about your rights as a participant, contact the Institutional Review Board for the Protection of Human Subjects at irb@humboldt.edu or (707) 826-5165.

Your signature below indicates that you have read and understand the information provided above, that you willingly agree to participate and that you understand that your participation is voluntary and you may stop at any time.

___ I agree that Karin Chao-Bushoven may use my direct and/or summary of quotes. My personal information will be kept strictly confidential.

Signature

Date

Appendix C - Codes from respondents' answers and sample quotes

Code 1: Reasons for attending the university

Definition: Initial motivation in selecting this university for undergraduate studies

Quotes:

Subject B: Well, this university was my escape from my parents--a safe escape. It was far enough from my parents, but still a Christian school.

And, my parents were okay with that.

Subject D: I lived right next to the school and I automatically assumed I was going to school there.

Subject E: This university was in the church denomination. And, back in the 70's, this university was the only school that my parents said I should go to.

Code 2: Alumni

Definition: Donors or their children's' attendance as a student at the university

Quotes:

Subject A: Even though I did not get to go to school there, I know some good Christians who have graduated from there and they are good people.

Subject B: My experience at the university was a good one. Being from Canada, I like California.

Subject C: My children all went to school there. I am glad my daughter graduated from there.

Subject D: I am grateful that I went to school there, even as the experience did not adequately prepare me for med school. But, I did not know it at the time.

Subject E: I made some friends at school. I met my wife there and I have been happy about that.

Code 3: Impact of the University on donors' lives

Definition: How their experience being associated with the university changed their lives.

Quotes:

Subject A: The university was a perfect fit. You teach students about the Lord. You are a Christ-centered school.

Subject B: I like the school because it was based on values--Christian values and you are still holding on to that value.

Subject C: It was my husband's school, so when he started giving, we just started with the university. Then, all my kids went to school there and one of them graduated from there. So, we stayed with it.

Subject D: The university changed my life. I was saved. I found Jesus. My track coach led me to Jesus.

Subject E: The university became a 4-year accredited university while I was there, over 45 years ago. We were so excited and celebrated with floats and parades. I had a great time at the university. Made some good friends and met my wife there.

Subject E: It's my university. I was asked by the university president to serve on the board. Well, I just thought to myself, let's see how I can come along and help.

Code 4: Reasons for making the first gift

Definition: Donors' motivation for beginning the philanthropic relationship with the university

Quotes:

Subject A: Well, like I said, you guys are a good fit for any Christian to give because I want to see more pastors and for them to spread the gospel.

Subject A: You guys have been around for a long time and it does not seem like you are going anywhere soon. The university is stable.

Subject B: Since I ran track, I first started giving because someone asked me to give to a track project. I like the person who asked and I thought the project was a good one.

Subject B: It's the personal connection that I have with the university.

Subject B: It's gratifying to know that I can make a difference at the university.

Subject B: I want to do my part to help people.

Subject B: I want to help one student at a time and make a real difference.

Subject C: If you have a project for special needs--just let me know and I can help. Everyone has a special gift and talent in life and, even if they are special needs people, they can still contribute. I want to support that.

Subject C: I want to nurture others and to help them grow. And, because two of my three kids are special-needs kids, I just have a real heart for that. It is even more important because all of them went to the university.

Subject D: For me, it's track/field, academic, and pre-med programs at the university.

Subject E: I have been giving for so long that I don't remember when I started.

Subject E: I always saw my dad gave and I kind of always thought that is what I would do, too. Besides, I like the university's mission and where you are going.

Code 5: Reasons for subsequent and larger gifts

Definition: Motivation and decisions-making process behind donors committing to giving and making progressively larger gifts.

Quotes:

Subject A: Well, since I trust the university, and there is no reason not to give again and more, I just kept on giving. And, as long as you guys do with my money what you say you would do, there is no reason to not continue to give and to give more.

Subject B: Well, once I got into the habit of giving and I learned more about the program, I just continued.

Subject B: As I get older, I am giving more serious thoughts about legacy and priority--the university is focused on academics and that makes me want to give.

Subject B: I am blessed with so much and it makes me feel good to give to others. The more I am blessed with, the more I have shared.

Subject B: I like giving to the university and I have continued over the years because you stand for what I believe in and I went to school there.

You are one of the top 3 designations of my giving, besides my church and my mission work in Guatemala.

Subject C: if you have a project for special needs--just let me know and I can help. If you can keep telling me what my money is doing and the good it is doing, then I'll give.

Subject C: We know it takes a while to get a good program going, so we are patient with the process.

Subject C: Not everyone has a fortunate life like I have now. My ministry is to help others and to do all I can.

Subject C: Jesus has blessed us with a lot in life and, since this is my husband and my children's' school, whenever we have the resources, we want to share.

Subject D: I have to know there is a real need and that I can help and make a difference.

Subject D: Trust is always a big issue for my gift. I want to know that my gift is making a difference and I need to see the impact.

Subject E: Well, since I went to school there, I have an obligation to continue supporting it. My father and mother started supporting you, my brothers and I are now, and it is my plan to continue doing it.

Code 6: Locus of control

Definition: Donors' sense of having or not having a say in how their gifts are being used.

Quotes:

Subject A: Well, I am too busy to worry about it.

Subject B: I love to hear about what my programs are doing. But, I am too busy to keep up.

Subject D: I want to know if my money is actually making a difference and I want to see the results.

Subject E: I just assume you guys are doing what you told me you are doing. I don't need to worry about every detail. You guys handle all that.

Code 7: Reasons that donors would stop giving

Definition: Motivation and decision-making process that would deter a donor from giving again to the university.

Quotes:

Subject A: If I hear that the university has financial problems, I'll stop giving. I don't like to give to a place where they are wasting money, like another organization we had given to before and they closed their door a few months after.

Subject A: There are just too many needs out there. I cannot give to everyone and for everything.

Subject B: I guess if you stop making a difference in the students' lives, I'll stop giving. Or, if you tell me that the university no longer needs the money, then I'll stop, too.

Subject C: The school has made good on the money that we give. If you just take the money and not show results, then I'll stop giving.

Subject D: If I can't trust you or if an organization does not respect my gift and do what they say they would do, and then I don't want to ever give again.

Subject D: I don't want my money to be wasted.

Subject D: The first time I had stopped giving was because I was not involved in how the money was used. No one discussed it with me. I deserve an explanation.

Subject E: Well, if the university stopped doing the good things that it is doing and you don't need money, then, I'll direct our resources elsewhere.

Code 8: Philanthropy with other organizations

Definition: Donors' engagement, giving to other nonprofit organizations, and their motivation.

Quotes:

Subject A: I am surprised that not more charities call us for money.

Subject A: I really don't have a lot of time to think about other organizations or to read their proposals. I need to do proper research, which takes a lot of time. So, many times, I just keep giving to the same organizations since I trust you already to do good work.

Subject B: I have my big 3 giving areas: this university, my Church, and Guatemala. If I give to other organizations, it's for small stuff. And, if the university does not need my money anymore, then I'll get another big charity to give to.

Subject C: Well, I know what I like to give and if you touch my heart...and, you know, I want to help out kids who are special needs, like my own children.

Subject D: I am very selective about what I give to, the older I get. I need to know the program well before giving.

Subject E: well, you never know, if those other organizations can find us and have a good reason, we'll consider it.