

A grounded theory study of major gift fundraising relationships in U.S. higher education

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Abstract

Nurturing relationships with major donors is a priority for nonprofits and “relationship fundraising” is the dominant paradigm. This grounded theory study addressed practical needs and a dearth of research by analyzing how fundraisers develop relationships. In a first-of-its-kind study, we interviewed 20 pairs of higher education fundraisers and major donors (n=40) from multiple U.S. institutions. We discovered five tiers of relationships from a basic connection, personalized association, confident relationship, purposeful partnership, to consequential bond. Fundraisers initiated the progression until the final tier; the theoretical model shows their intentionality in the relationships’ development. Major gifts occurred in all tiers. The model illustrates how fundraisers build relationships, shows donors’ expectations, and affirms the relational nature of major gift fundraising. It provides some of the only empirical evidence regarding major donors and the relationship fundraising philosophy touted in practitioner literature. The analysis reveals connections to theories from social psychology and relationship marketing.

Keywords: Fundraising, Fundraisers, Relationship Fundraising, Donor Behavior, Higher Education Advancement, Major Donors

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Introduction and Literature

Nonprofit leaders in the U.S. say forming relationships with major donors is a central priority (Buteau, Martin, & Loh, 2019). After all, practitioners report a large proportion (80-95%) of organizations' donated dollars come from relatively few donors (5-20%) (Lysakowski, 2013). Moreover, the number of people making small and medium sized gifts is declining (Rooney, 2019). Gifts at all levels almost always follow solicitation, usually by fundraisers, and the quality of the solicitation can influence gift amounts (Andreoni, Rao, & Trachtman, 2017). Large contributions can take months, years, or even decades to come to fruition (Breeze, 2017), indicating that a "relationship" based on sustained interactions between a donor and organizational representatives is typically needed to secure major gifts. A more comprehensive understanding of the relationships that facilitate gift making is needed to enable fundraisers to work more effectively and efficiently with current donors, holistically assess their overall donor portfolios, and build personalized plans for advancing with new donors.

"Relationship fundraising"—a philosophy that foregrounds donor experiences and emphasizes providing personalized strategies for engaging donors—is the dominant paradigm in fundraising (Breeze, 2017). Fundraising teams began to adopt this approach in the 1990s as the nonprofit sector became increasingly crowded with organizations. Its roots are from relationship marketing (Skarmeas & Shabbir, 2011) and relational selling strategies previously popularized in the for-profit sector, which emphasize building long-term relationships with customers, meeting customer needs, and improving the buying experience in order to encourage repeat purchases and continued business (Crosby, Evans, & Cowles, 1990). The approach mirrors broader relationship development strategies found throughout social psychology literature associated with developing

personal friendships (Greene, Derlega, & Matthews, 2006) and even romantic relationships (Rosen, Cheever, Cummings, & Felt, 2008).

Fundraisers who engage in relationship fundraising strategies work to develop genuine connections with donors who are viewed as unique individuals with distinct needs, rather than simply the means to achieve fundraising goals (Burnett, 2002). Both anecdotal and empirical evidence demonstrate that relationship fundraising strategies are effective in increasing donor loyalty and providing a more meaningful giving experience, however several limitations exist: 1) guides to help fundraisers engage with donors and solicit gifts derive largely from the practitioner literature and do not explore the evolution of relationships, 2) the effects of relationship fundraising strategies on major (versus annual) donors are rarely studied, and 3) fundraisers' perspectives and roles in the relationship development process are rarely included in academic research.

First, from the practice literature, the "major gift cycle" depicts the process of securing major gifts through phases including identifying a potential donor, developing and deploying a cultivation and engagement strategy, soliciting and negotiating a gift, acknowledging and stewarding the contribution, and, in the best case, renewing the gift (Hodge, 2016). The cycle itself lacks details about the interpersonal dimensions of each phase, creating the need for supplemental information and interpretation. Knowles and Gomes (2009) used sales, marketing, and fundraising literature to develop a model (abbreviated AID-TIM) to increase the likelihood that donors will give. Model steps include: Awareness and understanding, Interest and involvement, Desire to help, Trial gift, Information about what/how to give, Major gift action. However, the model was not tested empirically and does not address the evolution of potential relationships, limiting its usefulness.

The second limitation is illustrated by empirical studies, which provide evidence that relationship fundraising strategies increase donor loyalty among direct mail and other lower-gift level, annual donors (Sargeant, 2001; Waters, 2008). Relationship fundraising strategies also improve feelings of quality of life and happiness among annual donors versus non-donors (Sargeant & Shang, 2010). These studies provide evidence of the efficacy of using relationship fundraising tactics in donor communications. But they do not address the direct interpersonal interactions of major donors with nonprofit organizations' staff and other communal experiences.

Third, despite fundraisers' proximity to major donors, relatively little academic research explores how they form relationships and influence giving. Some studies recognize the importance of fundraisers' savvy, interpersonal skills, communication abilities, and intellect in achieving fundraising success; however, these do not include donor perspectives or provide a structure for fundraisers to use with donor interactions (Croteau & Smith, 2011; Shaker & Nathan, 2017). Another study identified a key role for fundraisers as being networkers who build trusted relationships with donors but includes few details about how the relationships take shape (Nyman et al., 2018). Alborough (2019) identified four types of fundraiser-donor relationships along a spectrum from highly personalized to highly transactional (e.g., intimate reciprocal, personal reciprocal, distant reciprocal, and transactional), but did not explore movement along the spectrum and did not exclusively focus on major donors.

Current Study

This study responds to nonprofits' need to facilitate strong relationships with their major donors and raise more money, heeds scholars' calls for additional information about fundraisers' roles in philanthropic giving, speaks to fundraisers and donors' desires for satisfying and meaningful associations with one another, and complements the practitioner literature with new,

scientific information about major donor fundraising's interpersonal dimension (Breeze, 2017; Buteau et al., 2019). The purpose of this study was to analyze the development of successful fundraising relationships with major donors, before, during, and after gifts were made. The study took place in the U.S. higher education context, which receives more in philanthropic contributions than all but the religious sector (Giving USA Foundation, 2020) and is the site of most of the research about U.S. fundraisers (Shaker & Nathan, 2017). To our knowledge, this was the first study to include sets of fundraisers and major donors (20 pairs, 40 participants) and to consider both perspectives. This study used a grounded theory approach in which the data, rather than extant theory, was the analytical focal point (Glaser & Strauss, 1967).

We discovered five tiers of relationships progressing from a basic connection, personalized association, confident relationship, purposeful partnership, to consequential bond. Fundraisers initiated the progression until the final tier; the theoretical model shows their intentionality in the relationships' development. Major gifts occurred in all tiers. The model illustrates how fundraisers interact to build successful relationships and affirms the relational nature of major gift fundraising, with donors having distinct preferences and expectations. It provides some of the only empirical evidence regarding major donors and the relationship fundraising philosophy touted in practitioner literature.

Methods

Grounded theory studies aim for construction of a substantive theory or model, illuminating an everyday situation from the perspective of those who experience it (Merriam & Tisdell, 2016). Such studies include adherence to a systematic philosophy, constant comparison between data and interpretation, and simultaneous data collection and analysis (Charmaz, 2014; Corbin & Strauss, 2014). Charmaz's (2014) constructivist grounded theory attests to the social

construction of reality and creation of knowledge by interviewers and interviewees.

Constructivist grounded theory was selected as the most applicable method to examine the process-oriented, context-specific interactions of fundraisers with major donors.

Participants and Interview Procedures

Following informal conversations with fundraisers about gaining access to major donors, we chose the snowball sampling approach. This strategy relies on known contacts as participants and for referrals, is common for social science qualitative research, and is sometimes used to gain access to social elites where significant trust is required (Moyser & Wagstaffe, 1987; Noy, 2008). Snowball sampling has limitations: it is nonrandom, can lead to selection bias, and can limit generalizability (Golafshani, 2003). Highly valued donors were involved in this project, making fundraiser referrals, as trusted parties, essential to the research design. After IRB approval, the researchers contacted fundraisers in their regions. Participants each nominated a donor from whom they had successfully cultivated, secured, and stewarded a major gift. (Participants were also asked questions about less positive fundraising relationships for comparison).

Twenty fundraiser and donor pairs were interviewed (n=40). The mean age of the fundraisers was 43 (range: 24-72). Forty percent of the fundraisers were female, 85% were Caucasian, and 60% held graduate degrees. Participants had worked in fundraising for 16 years on average, though several were just beginning their careers. The fundraisers had worked with the participating donors for between 1-35 years (mean=8 years, median=5 years). Eleven pairs included fundraisers and donors of different genders. The donors, who were all Caucasian and institutional alumni, had a mean age of 71 (range: 42-93). Sixty percent held graduate degrees

and just over half were female. The donors' largest single gifts/pledges to their institutions ranged from \$10,000 to \$40 million, for a pooled total of \$70 million.

No more than 2 pairs were interviewed from the same campus. Participants were from 14 4-year institutions (including 4 campuses of two university systems) from 7 states in the American Midwest. Eight institutions were public doctoral universities and 6 were private master's colleges/universities and baccalaureate colleges, as defined by the Carnegie Classification of Institutions of Higher Education (Indiana University Center for Postsecondary Research, n.d.). Similar institutions in enrollment size and research/teaching emphasis can be found across the country. This sample was chosen because of researcher proximity and to focus on "typical" institutions rather than the most elite and selective schools, in the hope of making the findings relatable for a wide swath of fundraising programs.

Participants completed brief screenings to provide demographic, gift, and communication style information. Thirty-eight interviews were in person and two by phone (September 2018-December 2019). Donors and fundraisers were interviewed separately for between 35 and 116 minutes (fundraiser mean = 76 minutes, donor mean = 64 minutes). The interviews followed a semi-structured approach with open-ended questions and follow-up prompts to elicit descriptive reflections (Charmaz, 2014). Questions for fundraisers and donors were comparable, with small adaptations. For example, "Please tell me the history and details about the largest gift that you worked with [fundraiser/donor name] on for the university;" and "In thinking about the story of the gift, can you tell me more about how your relationship with [fundraiser/donor name] began, evolved, and changed?" The screening questionnaires, interview protocols, and a sample from the coding process are available from <https://tinyurl.com/ac63ebj5>.

Data Analysis

Interviews were audio-recorded, transcribed, reviewed, anonymized, and entered into the DeDoose software program. Coding began immediately following the first interview and continued using the constant comparative method, which requires making comparisons within interviews, between interviews, and between coding/analysis levels and interviews (Glaser & Strauss, 1967). Substantive coding began with line-by-line review of the first several interviews, generating more than 600 codes. The researchers together derived a smaller set of emergent focused codes that highlighted the most salient codes and brought related codes together. The researchers frequently returned to the data for clarification.

Coding continued using an incident-by-incident strategy in which larger data sections were reviewed for alignment with focused codes; additional codes were created and reviewed in consideration of the focused codes (Charmaz, 2014). Memo-writing after each interview included discussion of the most relevant codes and comparison to previous interviews. A nascent theoretical model emerged with three tiers, each with relational characteristics. The prior codes and subsequent interview codes were reviewed in comparison to the model. Data was sorted into the structure (Creswell, 1998), which, after multiple refinements, was finalized with five tiers.

The researchers sought to enhance credibility and trustworthiness using several strategies, including documenting the model's development (Charmaz, 2014). We reflected on our fundraising experiences and how presuppositions might influence the study. We double-coded multiple interviews and each other's interviews to assure that the model accurately represented the pairs' experiences. The model was collaboratively developed and discussed with practitioners, donors, and researchers in debriefings (Greenwood & Levin, 2003; Lincoln &

Guba, 1985), helping ascertain a preliminary level of qualitative generalizability (i.e., is the study naturalistic and transferable within similar contexts?) (Smith, 2018).

Theoretical Model

Figure 1 models the process of fundraisers and major donors' relationship development. It visually describes the fundraisers' process of navigating through and within five increasingly deep relational tiers and includes consideration of the overall donor experience. The gerunds beginning each tier reflect intentionality on the part of the fundraisers (except for Tier 5) and the descriptive phrase in quotations describes the fundraisers and donors' general assessment of each tier. Donors were active participants in the development of the relationships, many holding clear expectations for how they wanted the interactions to take shape. Philanthropic donations were made in all relationship tiers, and many pairs worked together on multiple gifts. Gift size did not determine the nature of the relationships. Participants were distributed across the relationship tiers as follows: Tier 1, 0 pairs; Tier 2, 2 pairs; Tier 3, 8 pairs; Tier 4, 6 pairs; Tier 5, 4 pairs.

--Insert Figure 1 Here--

Tier 1: Establishing a “basic connection”

Relationship formation began with the first interaction. In this tier, *establishing a “basic connection,”* fundraisers sought to discover donors' institutional connections, communication preferences, and general relational expectations. These interactions generated surface information and impressions.

Fundraisers described “searching for affinity” through an exchange of superficial information (i.e., name, job title, major, graduation year) and exploratory questions. Fundraisers tried to learn donors' basic characteristics and interests (information they would share openly

with most people) to begin building rapport. Donors described forming quick, but often lasting, opinions based on fundraisers' demeanor and style.

Because all the donors were alumni, an existing mission connection provided an easy starting point for "building on interests". Fundraisers sought to read between the lines and practice active listening. Some fundraisers built on shared personal interests (e.g., hobbies, educational experiences) while others limited the conversation to university-related business.

In the phase "exploring relational expectations," the pairs describe the formation of early and unspoken relational norms. Fundraisers gauged donors' initial openness (or reticence) to sharing information as well as their non-verbal cues. The donors appreciated and participated in developing rapport—while also expecting skilled professional behavior.

Some participants described moving through Tier 1 within a single meeting; all participants had progressed beyond this level. Many fundraisers and donors agreed they immediately "just clicked," quickly traversing this and the next relational tier. These pairs felt an instant mutual appreciation and comfort. Exceptional circumstances also swiftly advanced some relationships. One pair met shortly after the death of the donor's partner. In another case, the donor was involved in the fundraiser's hiring process. In this tier, donors were spontaneous and instinctual in their interactions; fundraisers were planned, cautious, professional, and strategic.

Donors who were satisfied with their first impressions of the fundraisers and felt willing to "invest" in the fundraisers as institutional conduits, allowed the relationships to progress. Fundraisers were responsible for recognizing the donors' willingness to proceed and deciding a course of action for moving ahead. All participating donors wanted to proceed past Tier 1, but some fundraisers discussed (non-participant) donors who made gifts and desired little additional interaction. Though these interactions were successful in generating gifts, fundraisers tended to

feel they were insufficient, lacking opportunity for understanding the donors' feelings about their contributions, stewarding gifts, or making inroads toward future giving.

Tier 2: Forming a “personalized association”

In Tier 2, the fundraisers described *forming a “personalized association”* with donors and planning tailored interactions. The fundraisers built knowledge about donors' personalities and preferences and used that knowledge in creative and thoughtful ways.

Fundraisers were “discerning preferences and norms” and creating preliminary donor portraits containing likes, dislikes, priorities, tendencies, and inclinations. By paying attention, assembling ideas, and collecting information, the fundraisers created the foundation for strategic action. Fundraisers explored donors' institutional experiences and professional lives and families and inferred the social norms signaled by the donors' actions. Some fundraisers were the lone person connecting donor and institution while other donors already had close institutional relationships.

By “acting intentionally,” fundraisers used what they learned to intensify donors' institutional affinity and participation. They facilitated conversations about donors' philanthropic goals and institutional opportunities and orchestrated campus visits and interactions (for example, with university students and faculty). They invited donors' opinions about happenings related and unrelated to the institution and asked well-considered questions about donors' families and work. Meanwhile, donors were looking for authentic interactions, not “cookie-cutter” ones or interactions that were “just about the money.” One donor said of their fundraiser and general expectations:

I think what makes it successful has been they take the time to understand what makes you tick in regard to the college...[and] what it is about college that makes you want to

be affiliated with [it]...On my end, you want to be seen as not just a wallet...To know where your heart is, so is your treasure. A good advancement person should know those things, that's a part of the job (University donor).

The fundraisers tried to prove themselves, build donors' trust, and show that the relationships were worthy of donors' time and energy.

This tier was characterized by feelings of uncertainty, and fundraisers described a cycle of "judging outcomes and adapting." If initial strategies or interactions did not generate the hoped-for outcomes, they reevaluated and tried again. Fundraisers demonstrated flexibility by being open, versatile, and willing to change course as needed, based on donors' (usually unspoken) feedback.

A description of one donor encapsulates much about the first two tiers and the need for understanding and adaptation:

It was pretty clear when you start talking with [the donor] ...that he is a no-nonsense [person]...You have to be prepared, and that's how he wants to interact...You can tell him funny stuff and he'll laugh. But [the donor is] really kind of intellectually into stuff. ...He wants to know more about it, how it's going to work, and what the impact will be.... [The donor] often just walks around with a smile on his face. Don't let the smile fool you...He just doesn't smile and [act] friendly all the time—he actually is pretty tough (University fundraiser).

This illustrates how fundraisers needed to go beyond what a donor said, making associations between spoken and unspoken information, physical expressions, and witnessed interactions.

Tier 2 contained an emerging sense of friendliness. In some instances, fundraisers helped potential donors recognize their financial ability to be philanthropic and were the first to

introduce donors to new philanthropic project ideas. Reflecting on other less successful experiences, fundraisers described how relationships could get “stuck” in this tier when they misinterpreted donors’ interests or could not identify meaningful, personalized giving opportunities. Donors, meanwhile, mentioned avoiding other fundraisers who were rote in their communication style. Relationships progressed when these pairs recognized a “match” between the donor’s expectations and what the fundraiser was able and willing to provide.

Tier 3: Solidifying a “confident relationship”

Participants described a third relational tier, *solidifying a “confident relationship,”* characterized by a sense of ease, natural rhythm, and pattern of interactions leading toward stability. Fundraisers described confident relationships and an absence of guesswork about how to successfully interface with donors and build philanthropic interest and commitment.

The relationships evolved in part through “sharing strengthening experiences,” that were memorable, proved the fundraisers’ professional and personal care, and added depth to the parties’ ways of knowing. In one example, a fundraiser organized a campus visit based on the donor’s institutional history and possible philanthropic priorities. The donor reflected, “We had a beautiful day... We had great conversation... [The fundraiser] was literally with me a long time... [The fundraiser] gave me a hug goodbye... that showed that [the fundraiser] valued me as a person.” It was a defining and reinforcing experience for the pair, who already appreciated each other and felt connected.

Some pairs’ shared experiences were negative and related to donors’ dissatisfaction with the institution or administration of their philanthropy. Fundraisers could not always resolve these situations, but they tried, while maintaining professional ethics, personal responsibility, and attention to institutional needs. The donors’ noticed and remembered the fundraisers’

approaches. At times fundraisers “pushed back” on donors’ gift requirements or researched the donors’ philanthropic ideas, expressing concerns or making suggestions. Meanwhile, donors typically sought and valued this input, recognizing fundraisers’ responsibility to represent institutional interests, as well as donor interests. Increasing stability in this tier meant most relationships were strengthened through these honest negotiations, rather than weakened.

Fundraiser participants described “acting instinctively,” based on conviction about the donors’ priorities and values. Fundraisers were progressively more confident in their strategy, interactions, and belief that the donors felt appreciated, respected, and known. Interactions were less scripted, and relational boundaries were established. If a significant gift was yet to occur, it was likely pending the right combination of purpose, amount, and timing. One fundraiser said,

I think we get to that point where sometimes we have to talk to donors and say, “We want to talk to you about a campaign gift, but I want to make sure the timing’s right.” It’s rare that I would have to have that conversation with [the donor] ...I don’t have to plan the steps with [the donor] as much as I have to plan the steps with somebody like [another donor]. ...Whereas [with this donor] it’s like you just kind of let the relationship flow...Less choreographed is a good word. And it makes your job easier (University fundraiser).

Some, but not all, donors credited the fundraisers in important ways for their giving—donors described fundraisers who brought the gift to fruition, influenced the giving level, or identified the purpose of the gift.

These relationships were “thriving on harmony.” In alignment with the relationships’ strength, predictability, and consistency, fundraisers were more relaxed. They had proven themselves, through understanding donors’ relational and philanthropic needs. The interactions

were informed by trust, established through fundraisers' professionalism, consistency, and interpersonal skills. Many pairs called the other "friend"—though these friendships were distinguished from purely personal friendships due to the philanthropic, "business" purpose. One fundraiser said their donor wanted more interaction than was feasible, but the fundraiser was comfortable enough to simply explain their time limitations. The relationship proceeded smoothly and with integrity.

Tier 3 relationships were in a secure place with indefinite potential to continue as they were. At times, however, fundraisers realized that the donors were poised for something more and that further relational momentum would have positive philanthropic and personal outcomes for all parties.

Tier 4: Diversifying a "purposeful partnership"

In Tier 4, *diversifying a "purposeful partnership,"* fundraisers called upon donors to become volunteers and advisors, extending their institutional involvements. The relationships deepened as fundraisers shared more information and donors wanted to see institutions and fundraisers succeed.

Several fundraiser and donor participants progressed into this relationship tier by "stretching boundaries." In the relationships to this point there had developed an unspoken understanding of the right level of information sharing for both parties. However, now some fundraisers saw value in connecting more deeply with the donors and initiated a different way of interacting. These shifts were usually organized for deliberate and philanthropically-related reasons. Fundraisers, for example, asked donors for advice regarding other donors or to leverage their giving to inspire peer philanthropy. At times, the relationships stretched as fundraisers who had favored a more reserved relationship style invested in the relationship personally, sharing

added details about themselves, trusting donors, and recognizing the association as more than fleeting. This last change usually came in response to donors' signals for more depth.

Assuring the vibrancy of long-term donor relationships was an ongoing concern for the fundraisers. "Broadening institutional attachments" was a strategy. Some donors had strong existing relationships with institutional leaders, faculty, and alumni, in which case the fundraisers supported and strengthened those interactions. In other instances, the fundraisers made new introductions and initiated additional institutional experiences, creating multiple points of contact, affinity, and responsibility.

In the "embarking on shared action" phase, donors helped fundraisers in sustained ways professionally, for example, in helping to achieve their fundraising goals by chairing campaigns, planning events, soliciting peers, and being strategic partners. These donors became "insiders" in the fundraising program and made non-financial contributions that were important for a venture's success. By entrusting donors with institutional work, fundraisers created an avenue for enhancing donors' philanthropic understandings. One donor reflected on the relationship's interpersonal and institutional dimensions:

Well, I've given money (chuckle)...and that makes [the fundraiser] happy and the college. But it's something mutual for us...I think because she's open and willing to work with me and talk with me. I think I've been the same with her and that's [made the relationship] a good thing...[The fundraiser is] doing her job and I enjoy working with [the fundraiser] and I want [the fundraiser] to be successful, too...I guess part of what I feel now with this campaign is that I want it to be successful for [the fundraiser] and for the dean and for the college (University donor).

Between this pair and for select others, communication was direct and detailed around a common goal—as in work settings. Still, this phase included some risk; one fundraiser worried that a donor knew too much about the fundraising team’s internal frustrations, perhaps impacting the donor’s overall institutional perceptions.

Tier 4 was characterized by reshaping boundaries, often facilitated by fundraisers’ requests for new engagements or levels of personal or professional transparency. In this tier, fundraisers sought to embed donors more thoroughly in institutions and to draw them further into institutions’ philanthropic enterprise. Alliances formed between fundraisers and donors as they developed strong working friendships.

Tier 5: Actualizing a “consequential bond”

In Tier 5 relationships, participants were *actualizing a “consequential bond”* like significant and lasting relationships with family members, mentors, and close colleagues and friends. These relationships typically evolved only between fundraisers and donors who collaborated on philanthropic undertakings. Donors initiated these relationships by asking fundraisers deep questions about their lives and/or shared intellectual interests and through their own openness. Fundraisers usually, but not always, accepted the donors’ (tacit) invitations to progress, but with reflection and caution. More than one fundraiser noted that they generally resisted relationships of this type due to ethical concerns.

Tier 5 relationships were uniquely characterized by fundraisers’ “feeling equally known” by donors, which signaled a notable change from the prior tiers. Throughout the prior tiers, fundraisers worked to understand donors and attend to their concerns; donors had no such responsibility. In Tier 5, however, donors showed strong and ongoing interest in knowing the

fundraisers' values, priorities, hopes, and challenges. Equality of disclosure and mutual respect were defining features of these relationships.

A second unique aspect of this tier was “acknowledging different expectations” for the relationship and ways of interacting. Fundraisers recognized that their relationships would continue even if circumstances changed, for instance if the fundraiser left the university or changed roles. This shifted the expectations from temporary working relationships to enduring bonds. One participant said:

I think you become friendly with a great number of donors. We're friendly people or we wouldn't have our jobs. But whether I'm actual friends with them is a completely different subject. But I would name two [who I am friends with]. I consider myself fortunate. They can keep me or not as their development director. That's up to them. They have often chosen to do that...we have code words like: “We're having an official conversation right now,” so that we know the boundaries...of what we're doing (University fundraiser).

The different expectations did not (and could not) mean the letting go of professional ethics and responsibilities or all boundaries. The need to maintain professional responsibility and institutional loyalty—and the ability to continue asking for gifts—was recognized by the fundraisers and respected by the donors.

Finally, participants articulated “recognizing meaningful depth” in alignment with their own relational approaches. These relationships were important to the fundraisers who reported learning and growing from knowing the donors. Donors likewise felt that their lives were richer and better because of the relationships. One fundraiser articulated a general philosophy as well as the exceptional nature of one relationship:

I'm pretty open to an extent with [most] donors and then with others I'm really open... [With this donor] I've talked about how [my family experiences] influenced me, good and bad, in my life. I've talked about the struggle of that...I mean we work with hundreds of donors and virtually none of them do I do that, I go that deep with...But, I mean, it's very few things I've held back in terms of that relationship in particular. We've spent a lot of time together over the years (University fundraiser).

This tier was characterized by emotional and intellectual bonding. These relationships were inspirational and affirming for the fundraisers and satisfying for the donors who found that philanthropy maintained an easy, if not always paramount, role. These were rare in the fundraisers and donors' experience, potentially transformational, cautiously contemplated and undertaken, and far from "typical" philanthropic relationships.

Discussion

This research models how relationships between higher education major donors and fundraisers begin, are maintained, and evolve over time. The model provides new evidence about major donors and insights into the relationship fundraising paradigm. It responds to calls to explore fundraisers' roles in developing relationships with major donors. It brings a missing element to models such as Knowles and Gomes' (2009) AID-TIM structure, which presents fundraisers with a series of steps but does not explore the interpersonal dimension of fundraising relationships. This model names and describes relational tiers experienced by the fundraisers and donors, providing a nomenclature and analytical structure for use in fundraisers' everyday work. This section summarizes key study findings, relates them to literature on fundraising, and explores intersections with theories derived from relationship marketing and social psychology.

First, this study affirmed the relational and dynamic nature of (successful) fundraiser and major donor philanthropic relationships presented in practitioner literature (i.e., Hodge, 2016). Derived from relationship marketing, the connections achieved between study participants were “relational” (based on trust, satisfaction, commitment) rather than the “transactional” (focused on costs and benefits and instrumental returns) approach that is more common in low-level (or annual donor-type) relationships (MacQuillin & Sargeant, 2016). From social psychology, social penetration theory finds that interpersonal communication in relationships progresses from shallow and non-intimate to deep and intimate (Altman & Taylor, 1973), helping draw individuals emotionally closer together (Reis & Shaver, 1988). The progression was similarly linear here. Fundraisers and donors’ initial interactions were characterized by inconsequential sharing (especially by the fundraisers). As donors revealed more of themselves, fundraisers also became more open while adhering to the norms of the relationships (Greene, Derlega, & Matthews, 2006).

Second, the model shares similarities with business relationship development (Shanka & Buvik, 2019), but with distinct differences. According to social exchange theory, individuals enter business relationships with the expectation that the benefits (either social or economic) will outweigh the costs (Lambe, Wittmann, & Spekman, 2001). Strong relationships between buyers and sellers develop because the parties are willing to invest in each other long-term, to maintain open and honest communication, and to trust each other (Grönroos, 2004). Similarly, the fundraisers built trust with donors through demonstrations of professional competence, including effective communication. As the relationships felt more stable, less uncertain, and not episodic, the fundraisers and donors became socially bonded. Their relationships thrived and were able to sustain conflict, when it arose (Grayson, 2007). Like Dwyer et al.’s (1987) seminal work on

buyers and sellers, donors and fundraisers also described ongoing interaction, confidence, increasing mutuality, and willingness to invest in the relationships. However, an element of Dwyer et al.'s model, the buyer's and seller's interdependence for procuring a product or service, did not exist in our study. Fundraisers and donors' relationships hinged on donors' personal values, allowing fundraisers to emphasize philanthropy's moral purposes and provide a different relational impetus and foundation. This echoes practitioner literature that describes a voluntary exchange in which organizations provide nontangible, nonmaterial returns to donors well beyond what is experienced in business relationships (Rosso, 2016). Another key difference is that this commitment can last for a donor's lifetime, as organizations are expected to "steward" large contributions and estate commitments indefinitely, whether or not a donor ever makes another gift.

Third, a crucial aspect of these relationships was fundraisers making a "match," or finding the overlap, between the donor's values and organizational need (Breeze & Jollymore, 2017; Hodge, 2016), and fundraisers' ability to "match" their communication style and relational norms to donors' norms. Our model does not assign a prescribed level of intimacy, or personal or emotional closeness (Laurenceau, Barrett, & Pietromonaco, 1998), to the tiers, rather it focuses on the norms established by pairs. Members of each pair were in relative agreement about their level of intimacy and its limitations. Typically, donors set the relational norm and expected fundraisers to respond appropriately. Those expectations were usually met. This reflects practitioner ideas about relationship fundraising and the "donor-centered" approach, which asks fundraisers and organizations to adjust their strategies and behavior based on donors' needs, preferences, and expectations (Burnett, 2002). It also aligns with social psychology concepts around self-disclosure, which explain the reciprocal give-and-take nature of exchanging personal

information as possibly the most effective way to build intimacy between individuals (Greene et al., 2006).

Though findings suggest that donors set the relational tone, fundraisers had their own agency in the matching process. Aligning with findings from social psychology research (Omarzu, 2000), fundraisers' preferences, personality, and cultural influences, along with the context of an interaction and donor expectations, influenced their decisions about what level of information sharing was personally and professionally appropriate and authentic. A characteristic that made these relationships positive was respect for the boundaries of both parties. This contributed to the development of trust, shown by other research as a necessity for major donor giving (Morrison, 2015).

Fourth, findings present a nuanced gift-making process. Fundraisers played different roles in facilitating gifts, gift-making was not dependent on the relationship tier, donors made multiple gifts during the relationships, and soliciting gifts got easier over time and as relationships deepened. As in other research, donors' mission-connection drove giving decisions (Morrison, 2015), and according to the donors, fundraisers' professionalism, empathy, and attention helped bring those desires to fruition. Fundraisers often served as curators of the donors' institutional experiences, advisors helping donors shape gifts' purposes, and guides as donors learned about philanthropy—even “co-creating” gifts (Nyman et al., 2018). Donors had strong feelings toward the institutions, and these oriented their giving. They also valued their relationships with the fundraisers; these feelings formed part of their lived experiences with the institutions. This aligns with research locating fundraisers as conduits through which beneficiaries experience organizational missions and become connected to beneficiary experiences (Alborough, 2019). Some fundraisers were donors' only consistent institutional

point of contact, but in other cases presidents, faculty, fundraising colleagues, and deans had independent relationships or were important contributors to fundraisers' donor relationships.

Fifth, this study revealed the conditions that created the closest partnerships and deepest friendships between fundraisers and donors. Some of the most invested relationships were between the biggest institutional donors and their assigned fundraisers. Donors in Tiers 4 and 5 were also those with the closest collegial or personal connections, often resulting from shared institutional undertakings, but not always the largest gifts. Donors who were most valued not only had financial resources, but also skills and inclinations that were important and appealing to the fundraisers and the institutions. A small number of the relationships became "true friendships," defined as communal relationships in which one person meets the other's needs and demonstrates concern without expecting anything in return (Mills, Clark, Ford, & Johnson, 2004). In these cases, both parties were intrinsically motivated to continue (Price & Arnould, 1999). Our discoveries about these relationships align with Alborough's (2019) finding that "intimate reciprocal relationships" between fundraisers and donors are rare and require a high level of emotional commitment. We found that the Tier 5 relationships were transformational for both parties, suggesting that fundraisers and donors felt psychological well-being because of their connection (Deci & Ryan, 2008) and could become emotional or intellectual "soulmates" (Hodge, 2016). In this tier, fundraisers reported feeling fully known, understood, and heard. Although the fundraisers did not have equal wealth or status to donors, they became relational peers and may have helped the donors achieve fulfilled and satisfying lives (Knee, Hadden, Porter, & Rodriguez, 2013). The study shows fundraisers maintained the relationships' philanthropic focus and were intentional about preserving ethical boundaries. They reported that relationships could certainly go off-track, but that was not more likely in Tier 5 than in earlier

tiers. No fundraiser recommended actively seeking Tier 5 consequential bonds with donors as a fundraising tactic; this would have been unethical.

Sixth, there were several ways in which other fundraising relationships were reported as going awry. The relationships included in this study were chosen by fundraisers and reflected positive experiences, however, some participants did reflect on relationships they did not consider positive, including some that generated gifts. Fundraisers commented on these as underdeveloped relationships (i.e., a donor declined all overtures, a donor made the fundraiser uncomfortable). Donors also described subpar relationships with fundraisers (i.e., a fundraiser lacked personal warmth and authenticity, a fundraiser failed to follow up and meet professional expectations). Some fundraisers discussed difficulties maintaining boundaries and professionalism, especially early in their careers, and reported learning these lessons and passing them on to less experienced colleagues. The complex reality is that fundraising relationships are professional relationships that may contain deeply personal and emotional moments. When individuals disclose unexpected or inappropriate information, the disclosure can damage the relationship (Derlega, Winstead, & Greene, 2008). Fundraisers are compelled to be somewhat more tolerant of these “mistakes” than donors, but they should also be empowered to walk away from problematic situations. As fundraisers seek to know their donors to connect them to organizational needs, many donors discuss deeply personal information about their backgrounds, beliefs, and concerns. Fundraisers must follow AFP (2014) ethical standards of confidentiality, putting philanthropic mission first, and avoid exploiting any relationship for their own or the organization’s benefit. Conversely, there are no ethical standards to “protect” the fundraisers. When donors share intimate information, fundraisers may feel obligated to share similarly

personal information (Sprecher et al., 2013) which can test their professional and personal boundaries.

Limitations and Future Research

The relationships in the study were positive and prized for generating significant gifts—this study did not investigate “failed” relationships or annual gift fundraising programs. Also, our study was regional and U.S.-based, within higher education, only alumni donors, a relatively small sample with a majority of male fundraisers, and mostly racially/ethnically homogenous. The snowball sampling approach has shortcomings. Collectively, these sampling limitations indicate opportunities for additional research. Research could explore whether this model is applicable beyond higher education, if relationship development with non-alumni differs, and whether relationships take a different path with more racial diversity and less homogeneity among donors and fundraisers. Alternate methods (experimental, survey, other qualitative structures) could also be used to explore the applicability of the model in other contexts, populations, and settings.

We plan subsequent analyses of the donor interviews using Ragsdale’s (1995) exploration of interpersonal communication competence within fundraising. We are also interested in how the donors received fundraisers’ self-disclosure, building upon Knee et al.’s (2013) finding that receiving a warm and attentive response is critical to individuals growing closer. Building on Hon and Grunig’s (1999) study of relationships between individuals and organizations, subsequent research could consider possible influence of the fundraiser’s self-disclosure on donor sentiments about the organization. Trust, an implicit or explicit component of successful fundraising according to multiple studies (i.e., Breeze & Jollymore, 2017;

Morrison, 2015), certainly warrants deeper examination, including donors' desires to be trusted by fundraisers and organizations.

Practical Implications

A key goal of grounded, substantive theory is to shed light on everyday situations and be applicable to practice (Merriam & Tisdell, 2016). This study could serve a number of practical purposes. A goal of the project was to help fundraisers form better relationships with their donors, through deepening their understanding of how positive relationships develop. This model can serve as a tool for examining a particular relationship or group of relationships and developing personalized approaches and strategies that are authentic for the fundraiser, appropriate and satisfying for the donor, and in alignment with institutional mission and goals. As a reflection activity, fundraisers can also be asked to articulate a professional, relational philosophy that includes their personal and ethical approach to serving their institution and their donors. The model can aid in discussions of what is appropriate and ethical within fundraising relationships. Fundraising managers can use the model for reviewing fundraisers' assigned donors according to the relational tiers and to evaluate the progression of individual relationships. In fundraiser hiring, listening to how candidates talk about their relationships with donors (or other professional relationships) in relation to this model can help evaluate whether they understand how to build positive and ethical philanthropic relationships. In evaluating fundraisers, the model can foster discussions about how contacts and interactions might be measured for their quality, not just quantity.

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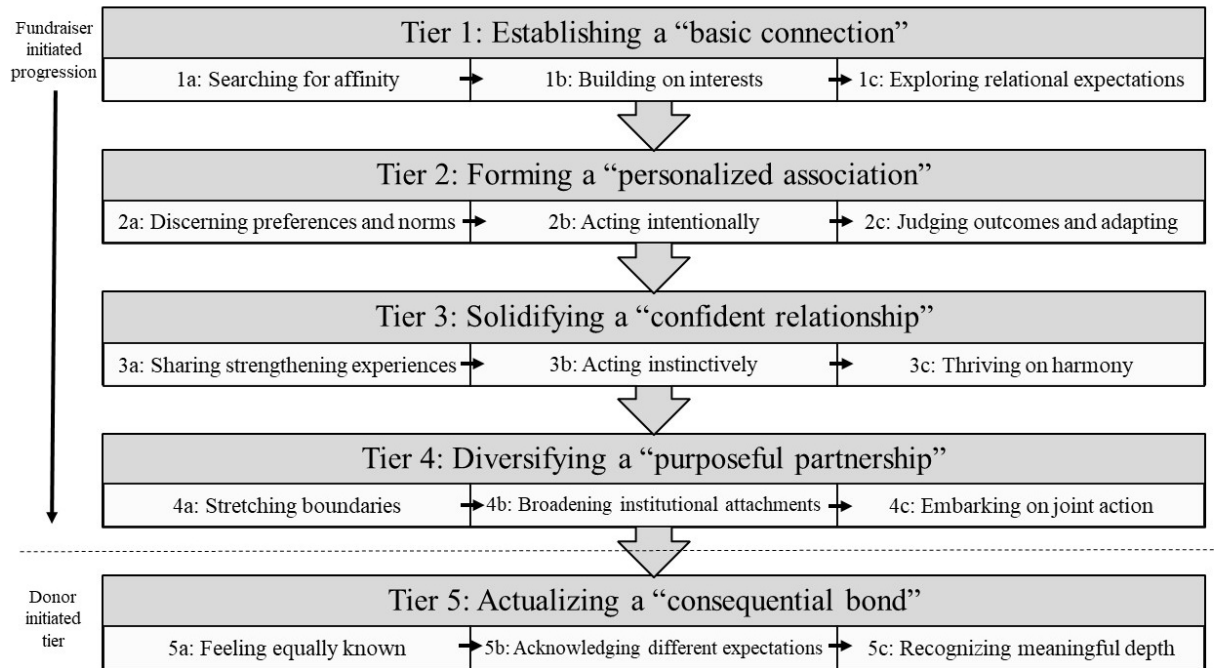
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Figure 1

A theoretical model of five developmental tiers of major gift fundraising relationships in higher education.



Note: The study’s philanthropic relationships are articulated by five relational tiers navigated by fundraisers as they deepen philanthropic and personal understandings of their major donors. The model is read from top to bottom, and within each tier, from left to right. The gerunds at the beginning of each tier articulate the fundraisers’ strategic efforts in Tiers 1-4. The words in quotations in each level name and define the relationship, as experienced by both the fundraisers and major donors. The numbered phases within the tiers indicate a secondary progression manifest for the fundraisers. Although fundraisers most often initiated progression between tiers, movement was only possible when and if donors signaled willingness (explicitly or implicitly). Not all relationships progressed through every tiers; some relationships remained in a tier indefinitely, while others moved quickly through multiple tiers. As shown by the dotted line across the model and the labels on the left, donors, rather than fundraisers, initiated Tier 5 relationships, but only with fundraisers’ (tacit) consent.