

M. Ann Abbe

As universities seek to find private contributions from the community, they must turn to an obvious source of income that has been under-asked and undercultivated—women. Historically, women have not provided sacrificial gifts, primarily because they have not been financially or psychologically prepared to do so. Today, however, several forces—education and career choices, business acumen, charitable giving attitudes, wealth and life expectancy—converge to make this the opportune time to solicit women for major gifts.

Yet it is not enough to recognize this fact. Universities must create new models of fund-raising strategies that appeal to women. In doing so, universities must also consider generational differences that significantly affect women's decisions to give.

Women and Philanthropy: The Next Fundraising Frontier

Decreased state dollars. Corporate and foundation partnership requirements. New programs. Old programs needing additional dollars.

With these thoughts always in mind, most university administrators struggle to raise sufficient funds from private sources. Yet most neglect one obvious source of private funding that is undercultivated and untapped—women.

Women represent the greatest source of new giving in fundraising. In fact, numerous external forces are now converging to make the cultivation and solicitation of women—especially alumnae—particularly fruitful. Now is the time to pursue the next frontier in fundraising. Now is the time to focus on women.¹

Convergence

If one accepts the premise of Martha Taylor and Sondra Shaw Hardy (1995), co-founders of the Women's Philanthropy Institute, that raising money from women is the last stage of the women's movement, and that women are now on the leading edge of the fundraising movement, one must understand that "philanthropy is an act of power" (McCarthy, 1990). And one must understand, as well, the forces that allow women to express this power at the end of the twentieth century.

¹In classifying any group of people, one must begin with a disclaimer. All women will not possess all characteristics of this group. But in order to analyze typical philanthropic responses, generalizations must be made, with the caveat that they are just that—generalizations—and will not apply to every woman.

Why now? Quite simply, women didn't own or control sufficient financial resources until now. This change has been brought about by several converging forces.

Education and Career Choices

Today, one million more women than men enroll in colleges and universities in the United States, resulting in the average ratio of 54% women vs. 46% men enrolled (Stamats Quick Takes, 1999). In addition, more than 40% of law and medical degrees are awarded to women, as well as 40% of MBAs and 40% of Ph.D. degrees. And while women on average still earn only 74-75% of what men earn, younger women with the same educational background are earning nearly the same as young men (New Directions in Philanthropy, 1998). Thus, better education and degrees in fields that traditionally command higher salaries provide women with higher income and a greater earning capacity, a trend beginning in the late 1960s and more fully realized during the 1990s.

Business Acumen

Couple that with information provided by The National Foundation for Women Business Owners, which, in 1999, reported on the explosion of women-owned businesses in the 1990s. More than 9 million women now own businesses, compared to just 400,000 women business owners in the 1970s. In fact, women-owned businesses employ 35% more people than all the Fortune 500 companies combined, and a 1996 *New York Times* article (New Directions In Philanthropy, 1999) reports that U.S. women, at that time, were creating businesses at three times the rate of men.

Business ownership provides one critical factor for women. It allows them to learn and understand financial management, a long-standing stumbling block both for investing and charitable giving. It also allows women to feel more in control of their futures, resulting in increased confidence in financial decisions, whether those decisions involve financial investment or estate planning giving opportunities.

Charitable Giving Attitude

Traditionally, more women than men make contributions to charities. In 1995, 71% of women made contributions to nonprofits, compared to 65% of men. Even so, women gave 93% of the total dollars given by men, even though they made only 74-75% of men (CASE Currents, 1999). In addition, an independent research group called Independent Sector found that women make three times more cash contributions than men, with significant implications for annual fund programs in higher education.

Yet women themselves report that they are asked for gifts less frequently than men, and when they are solicited, they are asked for fewer dollars than they are capable of giving.

Wealth

“The rate at which women are acquiring wealth today is as significant a change in society as when women received the right to vote.”

—Jessica Bibliowocz

Manager, John A. Levin & Co, New York Investment House

The Winter 1997-98 IRS Statistic of Income Bulletin (New Directions in Philanthropy, 1999) reports that the U.S. had 3.5 million households with a net worth of \$1 million or

more. Of those households, 37% were headed by women, with an average net worth of \$1.37 million, slightly more than that for men, and, interestingly, women carried less debt than men. In general, women prefer not to carry large debt, with implications for multi-year pledges, perceived as debt.

In addition, the growth of the number of top women wealth holders is significant, with a 20% increase between 1992-95, compared to 8% in the growth in the number of top male wealth holders. And a 1999 PBS survey indicated that women hold 51.3% of the nation's personal wealth. Today, 25% to 30% of married women earn more than their husbands (Living-Today, 1999; New Directions in Philanthropy, 1999).

If universities are to successfully secure new funds from private sources, they must recognize this new wealth and begin the cultivation process with women now. The cultivation cycle for women is longer than for men. Relationship building and volunteering are long-term processes, but are strong indicators of future contributions from women—and become prerequisites to giving for many women.

Age or Life Expectancy

It is public knowledge that women live an average of seven years longer than men and inherit the family wealth. However, what is not realized as frequently is that if a woman lives to age 65 years, she has a 40% chance of living to 90 years and a 78% chance of living to 80 years. Compare that with a man's 25% chance of living to 90 and a 63% chance of living to 80 years if he lives to 65 years (New Directions in Philanthropy, 1999)—strong evidence of the need for creating a women's philanthropy program.

While not always true, in many cases it can be too late to cultivate the wife once the husband dies—not because she can't give, but because she needs considerable time to build a relationship, learn about finances and estate plans, and feel comfortable enough with the university to make a truly transformational gift.

As education and career choices, business acumen, accumulation of wealth, attitude, and longevity converge, women now possess a greater capacity to make major contributions to universities than any time in our history. However, most fundraising models and approaches were developed to raise money from men. As society changes and women possess greater amounts of wealth, we must analyze these models and create new ones that are more appropriate for successfully raising money from women.

Issues

Prior to implementing a women's philanthropy program, a university must understand the historical context of women and money, gender differences, and generational differences among women—all of which have a dramatic impact on fundraising approaches and methodologies used with women.

Historically, women were not allowed to own property, inherit wealth, vote, or work in professions other than teaching or nursing. These prohibitions had the detrimental affect of keeping women from the seat of power, as well as remaining unprepared to handle financial affairs. Women were to be "taken care of" by their men, and it was assumed, therefore, that financial management was of no importance to them—the "don't worry your pretty little head" syndrome.

Over centuries of American history women gradually changed this attitude, moving into positions of power and wealth. Yet national research shows that most women, other than those who have climbed the corporate ladder or founded their own businesses, have little understanding of financial management, investing, and estate planning vehicles, and, thus, are ill-prepared for managing either created or inherited wealth.

In order to capitalize on the women's market, universities must follow the lead of marketing and advertising companies, as well as some investment houses, to learn what approaches work best with women prospects. Marketers have known for years that women are generally more risk averse than men. They want and gather a greater amount of information before making decisions, and are more likely to build consensus than men: women are 84% more likely to build consensus, while men are 60% less likely to build consensus (Copernicus Marketing Investment Strategy Group, 1998). Most importantly, women are interested in building relationships with an organization before investing and making major purchase decisions.

These characteristics directly correlate to women philanthropists, who indicate via hundreds of interviews and focus groups nationwide (Women's Philanthropy Institute and personal interviews conducted in the Dallas/Fort Worth metroplex) that developing a sense of trust and an on-going relationship is vital in the decision to make a gift. It is not surprising, then, that a majority of these same women report that they typically volunteer with the organization prior to making a contribution—in essence, building a trusting relationship first.

National interviews, focus groups, and surveys by the Women's Philanthropy Institute and its founders also reveal that women philanthropists prefer anonymity, which, unfortunately, results in a dearth of female role models for generations of women. On the other hand, men often want and receive public recognition, providing abundant role models for other men.

The results are that women, in general, are not motivated by competition between prospects, by status, by peer pressure, or by recognition. They are driven by their internal values and passions to assist organizations with which they have been involved as volunteers and that have a direct impact on social change.

Motivations for Giving

Focus groups, interviews, and surveys provided by the Women's Philanthropy Institute show that women are typically motivated by a desire to:

- **Create.** Women enjoy creating new programs or creating new solutions to old problems, rather than maintain the status quo.
- **Change.** Women give for social change, channeling their values and passions into organizations that provide a match with those values. They are also motivated by dramatic change in their lives, such as divorce or death of a spouse.
- **Connect.** Women give to make connections and partnerships with other women and their passionate causes.
- **Collaborate.** Women enjoy working with other women and leveraging their contributions for social change.

- Commit. Women give after commitment. In short, if institutions engage women in meaningful volunteer capacities, they will most likely receive contributions from those women.
- Care. Women give to causes about which they care passionately.
- Celebrate. Women enjoy celebrating success.

As universities create women's philanthropy programs, or simply cultivate and solicit women, fundraising strategies should reflect these motivations.

Generational Differences

Just as one size does not fit all, all women do not fit these patterns. Other differences, determined primarily by age, affect women's giving patterns. In short, philanthropy is often influenced by when, where, and how women grew up (Kaminski, 1999).

- Traditionalists, born between 1910-1930, were influenced by the Great Depression and often feel they don't have enough to give, even though they are quite comfortable financially. They are concerned about outliving their money and about passing on enough money to their children. These gifts are often given anonymously or in a husband's name.
- New Older Women (term coined by Sondra Shaw Hardy), born between 1931-1945, were influenced by Betty Friedan's *The Feminine Mystique* and World War II. Often they were the first women in their law classes or the first women on corporate boards. Quietly assertive without becoming threatening, they are more likely than traditionalists to give in partnership with their spouses.
- Boomers, born between 1946-64, were influenced by civil rights and the Viet Nam war. They express individualism and self-fulfillment. Approximately 20 million of these women never married or have been divorced. More in control and comfortable with their money, they are more likely to give without consulting a partner. They are still interested in social change, as well as concerned about aging parents and children in college.
- Busters, born between 1965-78, are more likely to resist a separate focus on women. Heavily influenced by technology and consumerism, they want to fix the world, rather than change it. Quality of life issues are important, and these women want involvement in the organization's program development.
- Boomlets, born between 1979-95, are the first generation with enough mass to rival Boomers. Trends are just developing, but this group is focused internationally. They commonly have friends of other ethnicities.
- Corporate/Entrepreneur. The corporate woman presents a different set of challenges. These women are more financially sophisticated, should be approached in a businesslike manner, have a strong sense of self-worth, and want to be involved in the process from inception. They are interested in a long-term vision of the organization.

Regardless of age and generational differences, most women continue to desire and expect the development of a trusting relationship with an organization before being solicited, particularly for a major or lead gift. One woman philanthropist from Dallas—a New Older Woman—reiterated that development officers must be patient, for as long as five years or more, with women from whom they want major gifts.

Model Programs

Approximately 10 years ago, a small handful of key universities began focusing on women and philanthropy, creating specific programs to cultivate them. That number is slowly increasing, but with the prediction that slow growth is ready to explode.

Most of the early programs focus on financial and leadership education/training and fundraising. Perhaps at the top of a list of successful university programs are the University of Wisconsin-Madison and UCLA, as well as programs at Cornell University, Ohio State University, the University of Michigan, and others. Each program is customized for its particular environment. All emphasize the importance of financial education and relationship building.

Creating a Women and Philanthropy Program

Where does one begin? By conducting a gender analysis of the university's database. Find the answers to such questions as,

- How many female alumnae?
- How many female students?
- How many women are targeted for cultivation and are in the "moves" fundraising process?
- Are women on critical advisory boards and councils?
- Are both husband and wife acknowledged for gifts?
- Who actually makes the decisions for joint gifts?
- What gender patterns emerge?

Armed with information from this analysis, as well as demographic and wealth trends, the next step is to secure a deep commitment from the president of the university and the chair of the development board. Without this commitment, a women and philanthropy program will not blossom or bring the desired results—to raise new money to create new programs, or for new solutions, both of which are preferred by women.

Conclusion

"You've come a long way baby," and "I can cook up the bacon, and bring it home, too," were television rallying cries of the 1970s. Today, it is time for women not only to bring home the bacon, but to become better educated about how best to give it away.

Creating a women and philanthropy program will provide the necessary impetus. Can your university afford not to?

Suggested Readings

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Note: The author acknowledges the rich data resources of the Women's Philanthropy Institute based on their many years of research. For more information, please contact, WPI at 6314 Odana Road, Suite 1, Madison, WI, 53719, 608-270-5205.

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