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from the Alabama desk of
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Culture vs. Strategy: Which Matters More?

Famous management guru Peter Drucker said that “culture eats strategy for breakfast.” A good business strategy is vitally important to ensure success. In the absence of a positive culture, however, a company likely will struggle to be successful. Drucker was talking about the shared beliefs, attitudes, behaviors, values, and typical practices of members of a business enterprise. Every organization has a culture, whether positive or not; so, Drucker’s point was that a company’s leaders must intentionally focus on creating a positive culture, rather than just allowing it to evolve spontaneously.

Like businesses, not-for-profits also have cultures. In the organizations that we work with or for, we observe – and experience – their cultures. Some cultures are stronger than others, but they most definitely exist. Just like in the business environment, we create and implement strategies to achieve the desired outcomes – in our case, generating increased philanthropic support for the institutions we serve. Those strategies are crucial; they can be bolstered, however, if we honor and capitalize on the very best aspects of the institutions’ cultures.

When I joined Auburn University as its vice president for development, I learned very quickly how very strong Auburn’s culture is. There is an authentic sense of family, loyalty, passion, practicality, and commitment to hard work. Indeed, some of those characteristics are outlined in The Auburn Creed, penned in 1943 by then-Auburn professor and football coach George Petrie: “I believe that this is a practical world and that I can count only on what I earn. Therefore, I believe in work, hard work. . . And because Auburn men and women believe in these things, I believe in Auburn and love it.”

Among the most interesting practices – or rituals – at Auburn is rolling the trees at Toomer’s Corner in downtown Auburn following a win by one of its athletic teams. The vision of hundreds, sometimes thousands, of people throwing toilet paper into trees is probably puzzling to many, as it was to me early on. I quickly learned that “rolling Toomer’s” was a shared experience that brought together members of the Auburn Family, from toddlers to grandparents, from locals to people who traveled hundreds of miles to attend the athletic competition.

When we were planning the public launch event for Auburn’s first billion-dollar

campaign, our primary goal was to effectively demonstrate the University's impact and importance; to excite people about what we collectively wanted to achieve, both for Auburn and, by extension for society; and to inspire their generous participation in the campaign. Naturally, we had Auburn alumni and donors talk about the tremendous impact Auburn had on their lives; we showcased some of our superb students who talked about the outstanding educational and life-changing experiences they were enjoying; and we had some exciting surprises, both in the form of gift announcements and "celebrity" appearances.

To wrap up the event, and to ensure we sent our guests away with the strongest possible sense of belonging, enthusiasm, and commitment, we had life-sized replicas of the Auburn Oaks appear as a backdrop. As the Auburn Singers, our fantastic student choral group, concluded their singing of "Stars Fell on Alabama," pressure cannons shot rolls of toilet paper across the venue into the trees. There were numerous wow moments during the event, and this one literally took people's breath away. People still talk about the campaign kickoff event seven years later. The campaign was highly successful, and the Auburn Family continues to generously support the university.

This is but one example of how to effectively incorporate an institution's culture and traditions into an overarching strategy to engage people and inspire them to invest their philanthropy in your cause. Culture plays a key role in how and to what degree people feel an authentic connection to an organization. Determining how to effectively marry culture with strategy should be a constant in our work.

Our Team

Fire the Staff. Pay the Board

A Blade of Grass, a small arts organization in New York, found itself needing to both boost fundraising and ensure a greater commitment to its mission, a need that was heightened during the pandemic. Executive Director **Deborah Fisher**, who joined the organization in 2020, laid off all full-time staff, taken a 10 % pay cut as the sole employee, and reduced the number of board members from 11 members to six.

And, oh yes, the organization has taken another unusual approach: it is now putting the remaining Board members, all artists or arts leaders, on the payroll by offering them an annual honorarium for up to three years, which will be funded by philanthropist and founder **Shelley Rubin** as she steps away from the Board a decade after she started A Blade of Grass.

Fisher believes that the change will create a board that will do more at a time when the organization needs strong leadership to thrive. With a paid professional board, she sees the organization being more committed to an artist-led point of view and able to work more creatively with a better understanding of what's at stake. But with the change comes new responsibilities, including, most importantly, fundraising expectations.

Sandra Kidd thinks this is intriguing, but wonders what donors will think...

Having board members actively involved in fundraising is the goal of every non-profit I know, but paying them to fundraise? Many questions. And if the goal is to move away from being donor-supported, how will paying the board help to develop other revenue models? Let's check back in a year. Best of luck to them!



VSE Reports Giving Up FY21

Gifts to colleges and universities in the fiscal year that ended June 30, 2021, totaled \$52.9 billion, a 6.9% increase from \$49.5 billion the previous year. The annual

When 2 Wordles Collide A Nonprofit Wins

Six years ago, Steven Cravotta was an 18-year-old who developed an app, a game called Wordle!, uploaded it and waited. He

Voluntary Support of Education report key findings: foundations accounted for the largest share (33.1%) of dollars raised, followed by alumni (23.2%), non-alumni individuals (16.6%), other organizations (13.9%), and corporations (13.2%). Giving by alumni increased 10.8% on a year-over-year basis, while contributions from other organizations—which include donor-advised funds—grew 9.1% and foundation funding rose 6.4%. By contrast, in FY20 contributions from both foundations and alumni had been down from the previous year. [More here.](#)

FY21 Endowment Returns Rose Sharply

College and university endowments posted dramatically higher investment returns, asset values, and giving levels in FY21 compared with fiscal year 2020. A report from the **National Association of College and University Business Officers (NACUBO)** and TIAA reports the average size of endowments in FY21 was \$1.1 billion, up 35% from FY20, with the median endowment at about \$200 million. The study also found that for the 12 months ending June 30, 2021, endowments generated an overall average return of 30.6% (net of fees), up sharply from a 1.8% overall average return in FY20. All endowment size cohorts saw returns greater than 20% for FY21, though the return gap between the largest endowments (more than \$1 billion in assets) and the smallest (\$25 million or less) was more than 13 percentage points. [More here.](#)

originally thought the project was a bust; its average daily download rate was in the single digits. Then last December he checked the app’s stats and noticed it had 500,000 downloads in a span of five days. He realized a slew of people looking for the viral, web-only game “Wordle,” created by Josh Wardle, were mistakenly downloading his app instead.

Cravotta’s Wordle! has since become the No. 1 game in the App Store in eight countries (8 million downloads and counting), and the now 24-year-old is cashing in on that success for a good cause. With Wardle’s blessing, Cravotta will donate \$50,000 to Boost! West Oakland. Boost! provides free tutoring and mentorship for children in Oakland, CA – the city where Wardle, used to be based. As both games centered on word puzzles, Cravotta felt the money should go to a literacy-focused nonprofit. Wardle agreed.

*Do yourself a favor, and read the whole story. **Washington Post**, 2-22*



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