

Impact and Outcomes

DeVos Institute training intensives in Miami and Detroit (2010–2012)

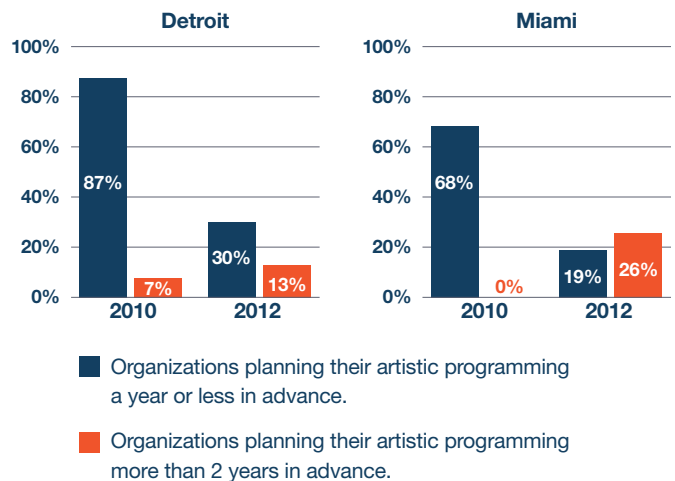
From 2010–2012, the Institute led two-year teaching and mentoring programs in Miami and Detroit aimed to stabilize the participating organizations’ practices in artistic planning, fundraising, marketing, and board development. The Miami program offered support to 65 organizations; the Detroit program served 52. These organizations ranged from traditional performing, presenting, and visual arts organizations to botanical gardens, public libraries, and arts education providers.

The following statistics represent the impact of the program as reported by 57% of participants in Detroit and 49% of participants in Miami.

Artistic Planning

The vast majority of organizations are planning their artistic programming further in advance.

- The number of organizations planning their artistic programming a year or less in advance—a dangerous position—decreased by 57% in Detroit and 49% in Miami.
- The number of organizations planning their artistic programming more than 2 years in advance increased by 6% in Detroit and 26% in Miami.



Why this outcome matters:

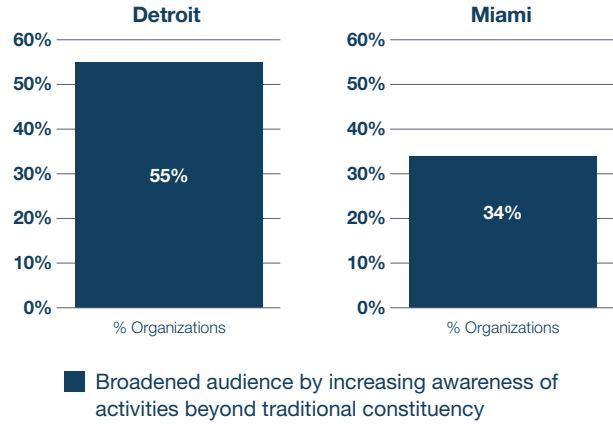
Long-term artistic planning lays the framework for organizational and financial stability. The further in advance an organization plans its art the more likely it is to successfully fundraise and aggressively market world-class art and transformational programming. This point was delivered time and again throughout the seminar series, starting with the first seminar. This is a special concern for culturally-specific and avant garde visual arts organizations, of which there were many in the Miami and Detroit cohorts; these organizations have a tendency to plan

their programmatic offerings in direct response to community needs and feedback, which often happens on a shorter time-frame than more “mainstream” organizations. For this reason, advances in this area are especially important and promising. This has specific ramifications for fundraising success, given that the shorter the planning timeframe, the shorter the period available to organizations to identify appropriate funding from an increasingly diverse donor pool. While strides were made, organizations continue to require emphasis in this area, as an ideal timeframe for planning is 3 years in advance.

Marketing

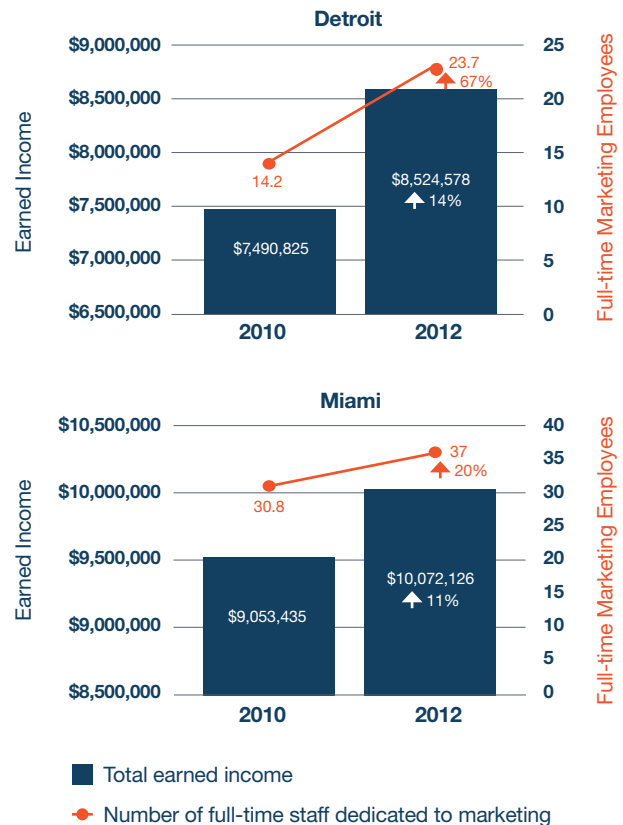
1. Organizations expanded their audience beyond their traditional constituency.

- The number of organizations who expanded their audience by increasing awareness of their organization beyond their traditional constituency increased by 55% in Detroit and 34% in Miami.



2. Organizations increased earned income.

- Among respondents, total earned income **increased 14% in Detroit** (from \$7,490,825 to \$8,524,578, up \$1,033,753) and **11% in Miami** (from \$9,053,435 to \$10,072,126, up \$1,018,691).
- Among respondents, each organization increased earned income by an average of \$51,688 in Detroit and \$50,935 in Miami.
- Using respondents' averages as a representative sample, **the total projected increase of earned income across the cohort is \$2,687,776 in Detroit and \$3,310,775 in Miami.**



3. Organizations increased human resources dedicated to marketing efforts.

- Among respondents, organizations increased full-time employees (FTE) dedicated to marketing by 67% in Detroit (up .47 FTE on average) and 20% in Miami (up .30 FTE on average).
- Using respondents' averages as a representative sample, **the total projected increase of full-time employees dedicated to marketing across the cohort increased by 24.5 FTE in Detroit and 19.5 in Miami.**

Why this outcome matters:

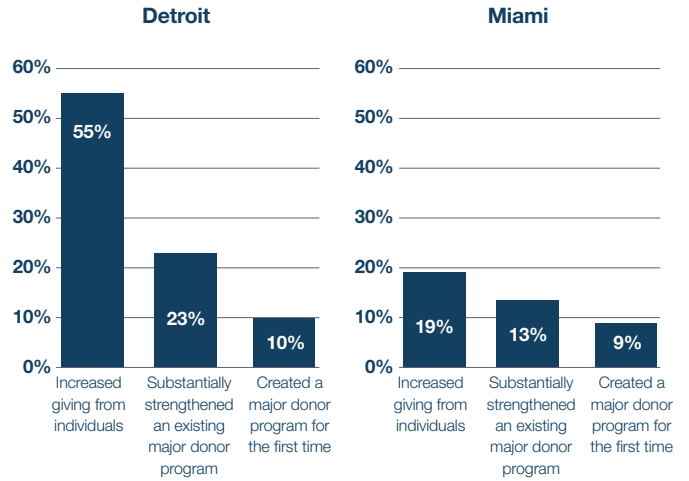
While the programs placed a strong emphasis on contributed income, earned income remains a primary indicator of fiscal health and was the subject of the series' third seminar. Question 1 seeks to understand how well organizations are expanding their audiences beyond traditional boundaries—a key indicator of engagement, community impact, marketing effectiveness, and financial diversification. With 34-55% responding in the affirmative, it can be argued that strong progress was made in this area in both cities. Actual revenue

increases of 11-14% in just over a year signal expanded capacity in marketing effectiveness and an overall increase in commitment. A modest increase in marketing personnel signals that while capacity is expanding in this area, more attention is needed as organizations struggle to increase general operating support. (This is likely tied to continuing contractions around this type of support at the city and state levels, as well as comparatively low levels of individual giving, which is rarely tied to a specific project and cannot be spent on staff costs.)

Fundraising

1. Organizations reported a meaningful increase in individual giving.

- 55% of organizations in Detroit and 19% of organizations in Miami reported an increase in giving from individuals.
- Approximately 10% of organizations in both cohorts created their first major donor program in organizational history.



2. Organizations increased contributed income.

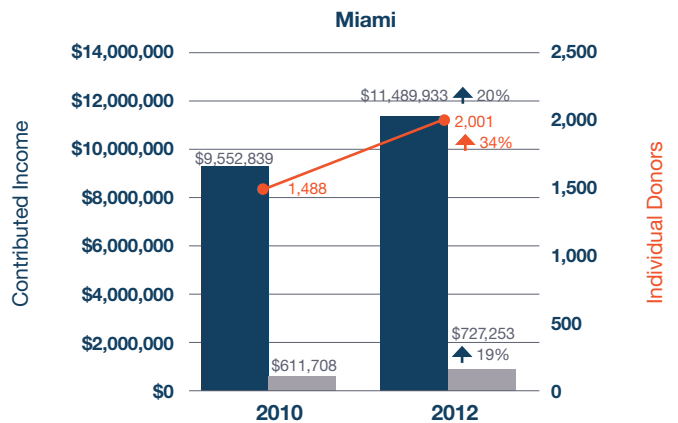
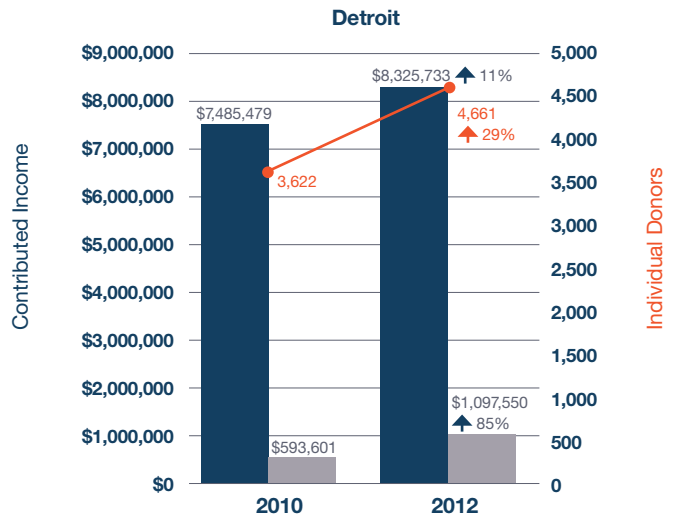
- Among respondents, contributed income **increased 11% in Detroit** (from \$7,485,479 to \$8,325,733, up \$840,254) and **20% in Miami** (from \$9,552,839 to \$11,489,933, up \$1,937,094).
- Among respondents, each organization increased contributed income by an average of \$56,017 in Detroit and \$107,616 in Miami.
- Using respondents' averages as a representative sample, **the total projected increase in contributed income across the cohort is \$2,912,884 in Detroit and \$6,995,040 in Miami.**

3. Organizations increased gifts from individuals.

- Among respondents, gifts from individuals **increased 85% in Detroit** (from \$593,601 to \$1,097,550, up \$503,949) and **19% in Miami** (from \$611,708 to \$727,253, up \$115,545).
- Among respondents, each organization increased gifts from individuals by an average of \$38,765 in Detroit and \$7,703 in Miami.
- Using respondents' averages as a representative sample, **the total projected increase in gifts from individuals across the cohort is \$2,015,780 in Detroit and \$500,695 in Miami.**

4. Organizations increased the number of individual donors.

- Among respondents, the total number of individual donors **increased 29% in Detroit** (from 3,622 to 4,661, up 1039 donors) and **34% in Miami** (from 1,488 to 2,001 donors, up 513 donors).



- Total contributed income
- Total value of individual gifts
- Total number of individual donors

5. Organizations increased human resources dedicated to fundraising efforts.

- Among respondents, organizations increased full-time employees (FTE) dedicated to fundraising by an average of .28 FTE in Detroit and .5 FTE in Miami.
- Using respondents’ averages as a representative sample, **the total projected increase in full-time employees dedicated to fundraising across the cohort is 14.6 FTE in Detroit and 32.5 in Miami.**

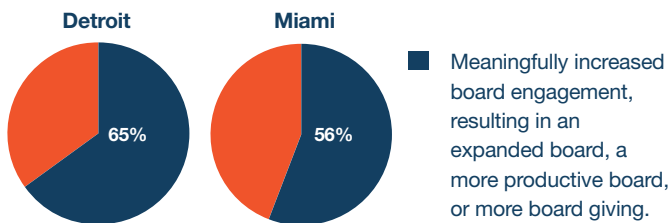
Why this outcome matters:

Fundraising from individuals received substantial focus in the second, fifth, and sixth seminars, and in many of the one-on-one consultations. Individual giving received a high level of focus throughout the program, as the Institute believes that this area represents the most promising path to financial stability and diversification for all participants. An increase in gifts from individuals in both cities represents meaningful progress in this area, a major priority and a special challenge for cultural institutions, especially from 2010 levels when the full effect of the recession was still felt by many organizations.

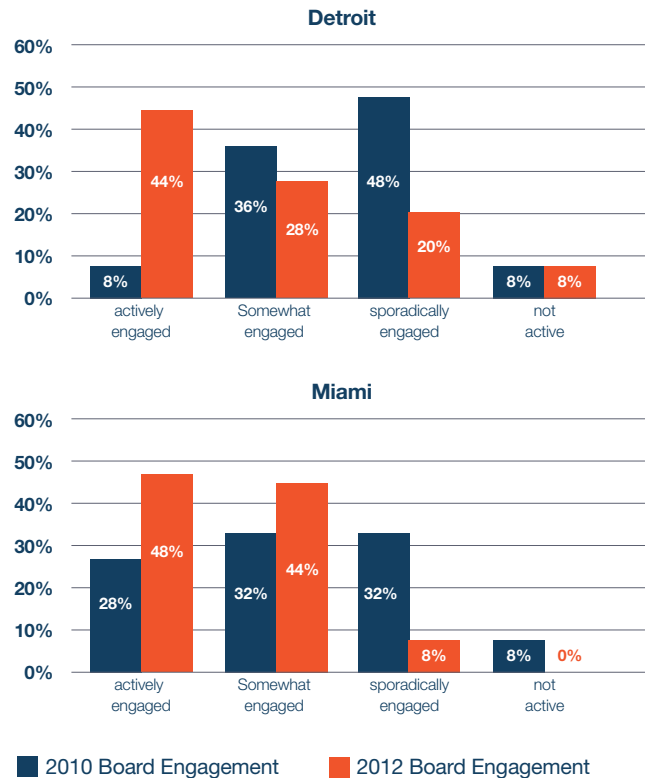
However, a great deal of work remains to be done in this area. While Detroit increased gifts from individuals by an astonishing 85%, individual giving as a percentage as the total contributed income represents only 13.2%. Similarly, Miami increased gifts from individuals by a meaningful 19%, but individual giving as a percentage as the total contributed income represents only 6.3%. Stewardship of these new relationships will be a major challenge moving forward. Significant attention appears to have been paid by the cohort to the development of human resource in this area.

Board Engagement

1. Organizations reported a significant increase in board engagement.



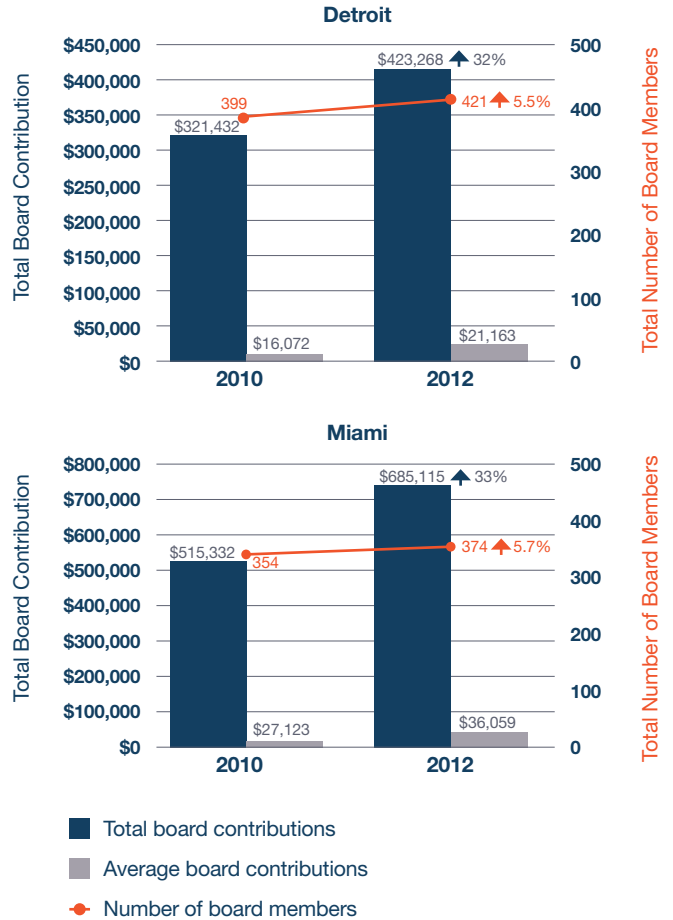
- 65% of organizations in Detroit and 56% of organizations in Miami reported a meaningful increase in board engagement, resulting in an expanded board, a more productive board, or more board giving.
- Organizations reporting an “actively engaged” board increased 36% in Detroit and 20% in Miami, while organizations reporting a “sporadically active” board decreased 28% in Detroit and 24% in Miami.



Board Engagement continued

2. Organizations increased total board contributions.

- Among respondents, total board contributions **increased 32% in Detroit** (from \$321,432 to 423,268, up \$101,836) and **33% in Miami** (from \$515,332 to \$685,115, up \$169,783)
- Among respondents, each organization increased board contributions by an average of \$5,092 in Detroit and \$8,936 in Miami.
- Using these averages as a representative sample, **the projected increase in total board contributions across the cohort is \$264,784 in Detroit and \$580,840 in Miami.**

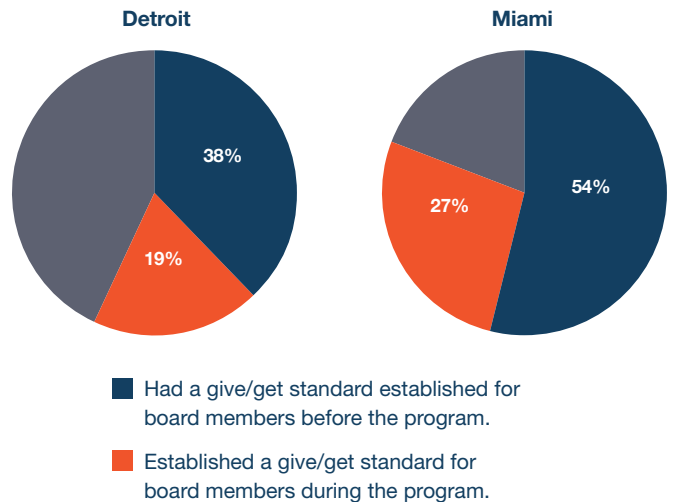


3. Organizations increased board membership.

- Among respondents, the total number of board members **increased 5.5 % in Detroit** (from 399 to 421, up 22 members) and **5.7% in Miami** (from 354 to 374, up 20 members).
- Among respondents, each organization increased board membership by an average of .81 members in Detroit and .77 members in Miami.
- Using respondents' averages as a representative sample, **the total projected increase in board membership across the cohort is 42.1 in Detroit and 50.1 in Miami.**

4. Organizations established or increased participation in a give/get policy for board members.

- 38% of organizations in Detroit and 54% of organizations in Miami reported having a give/get standard for board members prior to the program.
- Of these organizations, the average give/get standard increased 23% in Detroit, from \$1,825 to \$2,363, and 22% in Miami, from \$2,910 to \$3,714.
- Of the organizations who did not have a give/get policy prior to the program, 19% of organizations in Detroit and 27% of organizations in Miami instituted a standard for board giving.



Board Engagement *continued*

Why this outcome matters:

Board engagement received substantial attention throughout the course of the program; this was especially the case in Detroit, when it was made clear from the results of the *Capacity Measurement Index* (CMI)—a proprietary evaluation tool developed by the Institute—that this area presented a primary threat to participating organizations. The most fundamental indicator of fundraising strength for an organization is the engagement and generosity of the Board—each in terms of time, personal resource, and in the resource they are able to attract from friends, associates, and colleagues. Substantial progress was made in these areas, particularly with regards

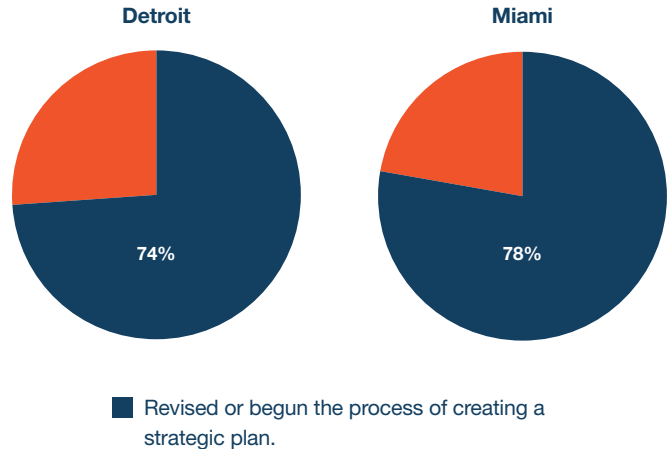
to board giving. However, the amount of board contributions (\$423,268 in Detroit and \$685,115 in Miami) as a percentage of total contributed income (\$8.325 million in Detroit and \$11.489 million in Miami) remains too modest at approximately 5.1% and 6% of total contributed income respectively. Engagement also shows evidence of significant progress with 72% and 92% of board members, in Detroit and Miami respectively, showing signs of true engagement by the end of the program; however much work remains to be done in this area. Of all subjects covered by the seminar series, board engagement and giving remains the most threatened aspect of organizational sustainability.

Strategic Planning

74% of organizations in Detroit and 78% of organizations in Miami revised or began the process of creating a Strategic Plan.

Why this outcome matters:

A commitment to long-term strategic planning strengthens an organization internally but also, and critically, in its relationship with its funders, relieving both parties of the stress involved in attempting to finance major organizational change in a limited timeframe. This was the focus of the program's fourth seminar; outcomes in both cities represent a strong move in the direction of long-term, integrated planning on the part of a vast majority of program participants.



The Institute received the following feedback from participants attributed to their involvement in the program:

Detroit

- “I secured a \$500,000 gift (over 5 years) to endow [a new program]—I was spurred to make a huge ask by the capacity building program.”
- “With the help and guidance of the capacity building training we were able to successfully increase our board of directors by 10 members and successfully integrate an increasingly diverse board—increasing their engagement and commitment to the organization and increasing collaboration internally and externally with our financial and programmatic partners.”
- “Our organization has begun a major donor campaign, along with a sustainable funding system that is developing long-term individual donors. Not only are the numbers and the amount given by individuals increasing, we have also secured 2 major gifts from individuals dedicated to building the long-term sustainability of the organization.”
- “For years we have wanted to open a special collection vault but the project was perceived to be too large and too costly—but we felt it was too critical to Detroit history to miss. With the right partners, a risk was taken and a grant submitted despite the naysayers who said we would get it, but we did. The grant was \$95,000.”

Miami

- “We’ve begun to rebuild our Board and increased our give/get standard from \$1,000 to \$2,000 per person, and we’re asking them to be part of creating a new strategic plan (in the process we also rebuilt the board with new blood).”
- “Each board member now takes on a project to help promote and/or support the organization.”
- “We learned the importance of Institutional Marketing and the need to focus on a long term strategic plan.”
- “We launched the first ever annual campaign in our 26-year history and raised over \$120,000 in donations and pledges.”
- “We are initiating the development of an institutional master plan that will be unveiled as part of our 10th anniversary season announcement. This will include a plan for all exhibits, public programs, etc.”
- “Over the past year we have increased donations from individuals by \$25,000, foundations by \$20,000, Federal grants by \$10,000, and State by \$20,000.”
- “We have reinforced positive ideas about developing board enthusiasm and individual support. This has helped us in reassigning fundraising dollars for a reserve fund rather than an endowment fund.”