



Executive Summary

2021 NACRO Financial Metrics Survey

NACRO BENCHMARKING COMMITTEE

INTRODUCTION

First launched in fall 2020, NACRO's Financial Metrics Survey aims to build an industry standard reference point to establish an "all-in number" for corporate investment in higher education. Measuring institutional performance of corporate investments is a key goal of the Financial Metrics Survey, allowing institutions to identify strengths and weaknesses in current approaches to corporate relations.

At the core of the survey exists what NACRO refers to as the "Four Easy Numbers," which include an organization's dollar totals for gifts and non-gift revenues, as well as the portion and type of these investments supplied by corporate entities.

The 2021 Financial Metrics Survey was open to respondents from November 2021 to January 2022. Twenty-seven institutions provided data which were included in the analysis. Survey data is accessible to NACRO members via Tableau, an interactive online data management and reporting platform that enables interactive comparison of peer institutions.

"The single most common metric used to evaluate corporate relations is revenue secured. As many know, finding an all-in number—gifts, grants, contracts, what-have-you—of all corporate-sourced funding for an institution is like finding a needle in a haystack.

Imagine how valuable it would be to not only have that all-in number on demand, but also have this data available over a series of years, showing not just the trends across the information each year, but shifts in funding over time. And the results from the longitudinal analysis of established data on corporate engagement will enable institutions to understand trends and respond accordingly.

Through NACRO's Financial Metrics Survey, we have the potential to reshape how corporate engagement is valued and managed internally at universities in a way that embraces our ever-changing reality."

—Audrey Metcalf, Assistant Director, Corporate Relations, Washington University in St. Louis

The call for participation in 2022's Financial Metrics Survey will begin in Fall, with the survey's opening date taking place in January 2023.

CALL TO ACTION

Would the leaders of your institution be interested in seeing this report and/or being a part of the 2022 Financial Metrics Survey?



Please click here or scan the QR code with your phone to provide the name, title, institution, and contact information of the appropriate individual. The Gold Standards Subcommittee will be sure to send them the report, along with the announcement of the call for the survey.

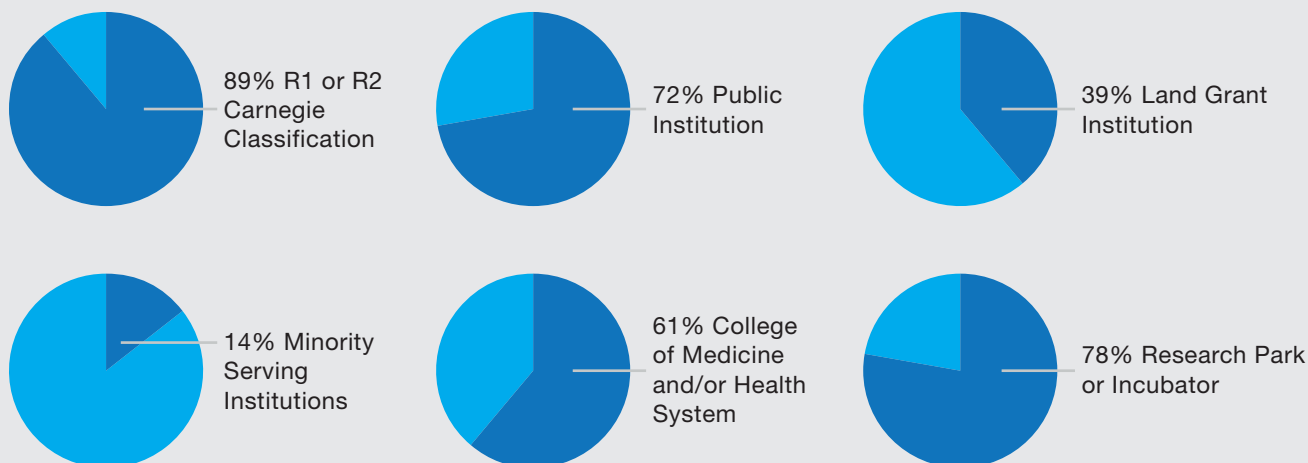
A Decade in the Making

While the survey itself is relatively new, preparation for the launch of the 2020 Financial Metrics Survey began a decade ago with a pilot survey in 2012.

Observing a gap in available benchmarks captured in existing surveys such as HERD (corporate research funding) and CASE (philanthropic funding), NACRO aimed to create a new collective data set that would assist its members in determining true peer institutions, setting office and officer metrics, advancing internal management conversations, and otherwise elevating industry best practices.

RESPONDENT BREAKDOWN

To make observations using a larger pool of data, responses from both the 2020 and 2021 Financial Metrics Surveys were combined and analyzed as a single set. Of the 36 total respondents, 15 institutions submitted data for both the 2020 and the 2021 surveys.



Twelve distinguishing demographic features were collected for each institution with a goal for institutions to identify or compare their institutions to like institutions.

Demographics obtained in 2020 and 2021 reflect NACRO's membership of primarily large, public, research universities. This limits the accessibility and benchmarking potential for universities that differ from the primary respondent pool and is one of the justifications for the organization to "Grow Membership," as outlined in Strategic Element #1 of NACRO's strategic planning recommendations (see the Executive Summary "NACRO Strategic Plan, 2022–25").

DATA OBSERVATIONS



Gifts: University Support

Total gratuitous funding received by an academic institution from corporate and non-corporate sponsors.



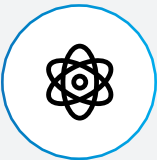
Gifts: Corporate Support

Total gratuitous funding received by an academic institution from for-profit corporations and corporate foundations.



Everything but Gifts: University Support

Total non-gift funds received by an academic institution from corporate and non-corporate sponsors.



Everything but Gifts: Corporate Support

Total non-gift funds received by an academic institution from for-profit corporations and corporate foundations.

THE FOUR EASY NUMBERS

Across all 27 respondents, regardless of demographics, the averages of the four easy numbers were:

GIFTS

\$267.4M

University Support
Average

\$40.5M

Corporate Support
Average

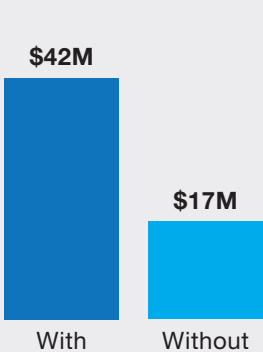
EVERYTHING BUT GIFTS

\$758.5M

University Support
Average

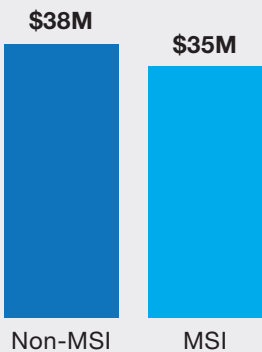
\$65.8M

Corporate Support
Average



Innovation Parks

Institutions with a Business or Innovation Park reported a 2.5-fold advantage in corporate gifts. This advantage may be dependent on institution size. Correlations such as this will be examined as more data is collected.



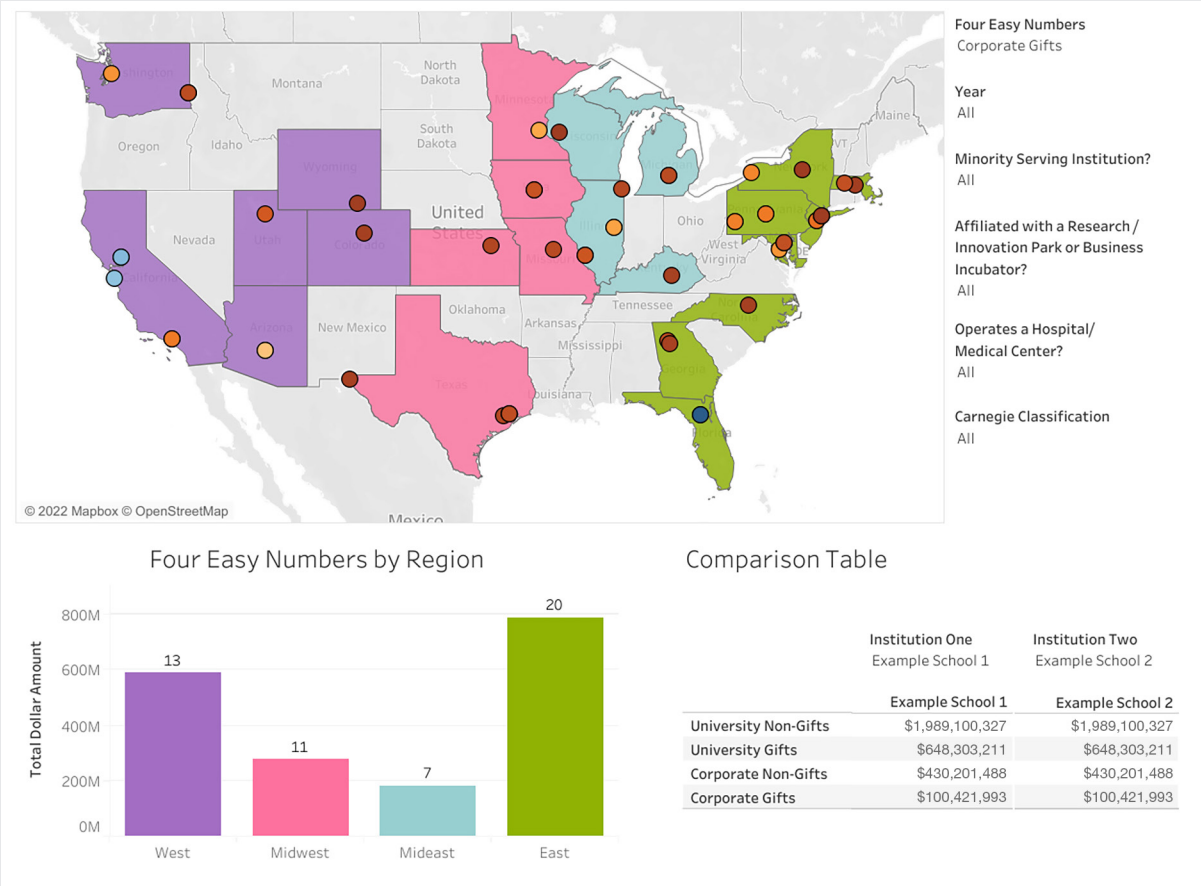
Minority Serving Institutions (MSI)

Annual corporate gifts reported by MSI's and non-MSI's were roughly the same. However, MSI's saw a 32% increase on average in corporate gift support for students and student programming.

BRINGING DATA TO LIFE

The Gold Standards Subcommittee created a new, interactive dashboard using Tableau that enables direct peer comparisons and enhances user experience. Currently, the dashboard includes the “Four Easy Numbers” and a subset of demographics.

As the respondent pool grows, the dashboard will be expanded to include a more robust set of demographics and detailed corporate support, building a data set that serves as a basis for true peer-to-peer comparisons.



Access the dashboard through the NACRO website under Member-Only Content: [NACROcon.org](https://nacrocon.org)

THE RESPONDENT CHALLENGE

With only a modest increase of responses from 2020 to 2021, the Gold Standards Subcommittee faces the challenge of increasing the response rate of the Financial Metrics Survey.

While comparisons can be made, the sample size does not allow for definitive statements regarding trends in corporate investment at higher education institutions.

This is especially apparent in the data captured for detailed corporate support (i.e., the specific corporate investment in specific areas such as athletics, clinical trials, community outreach, research, and student programs).

No university has been able to fully identify allocation of corporate investments, which demonstrates institutional limitations in holistic data warehouses and the ability of corporate relations officers/offices to operate beyond traditional silos.

WHAT'S NEXT FOR FINANCIAL METRICS?

The main priority of the Gold Standard's Subcommittee next year will be to improve the response rate of the 2023 Financial Metrics Survey. The subcommittee will promote the survey to leaders and stakeholders at institutions who can benefit from survey results and have the ability to work beyond silos to collect survey data.



CONCLUSION

The Financial Metrics Survey aims to create a new standard by which institutions can measure success from one year to the next and against peers.

With two full years and modest participation in the survey, the Gold Standards Subcommittee has spent time analyzing the how best to achieve increasing participation so findings can be indicative of overall corporate investment trends in higher education.

In a day and age where institutions are asked to submit data to a number of various organizations, it takes time to establish significance and relevance in the marketplace.

As the subcommittee prepares for the third year of the Financial Metrics Survey, it challenges itself to reach leadership of higher education institutions, who are often not members of NACRO themselves, but will find the results of this data of interest and can incentivize their team to work across silos to produce the data needed to complete the survey.

ACKNOWLEDGMENTS

The 2021–22 Gold Standards Subcommittee would like to extend its gratitude to the many hours and people that work together to execute the survey. Thank you the members of the Gold Standards Subcommittee, the Benchmarking Committee and those institutions who have participated in 2021 Financial Metrics Survey.

2021–22 Gold Standards Subcommittee:

- » **Benchmarking Co-Chairs:** Audrey Metcalf and Tim Hausman
- » **Gold Standards Subcommittee Co-Leads:** Ashley Chan and Angela Ver Ploeg
- » **Members:** Stacey Barnes, Charles Hasemann and Kimberly Jacobs
- » **Benchmarking Committee Intern:** Janette Jerusal

