


EXECUTIVE SUMMARY

2022 FINANCIAL METRICS

SURVEY
NACRO 



INTRODUCTION

NACRO METRICS SURVEY BACKGROUND

First launched in Fall 2020, NACRO's Financial Metrics Survey is designed to capture the numerous ways in which industry supports higher education, be it for research, philanthropic support of educational programs, investments in executive education, or additional activities. Unlike other instruments that record these components on behalf of just one area of the institution (e.g., the HERD report for research or the VSE for advancement), this tool captures and categorizes all funding received from industry, providing a comprehensive "all-in" understanding of industry impact. As the survey grows in broad organizational participation and longevity, this data will be an invaluable tool for peer comparisons and detection of best practices in the academia-industry interface.

At the core of the Financial Metrics Survey exists the "Four Easy Numbers," which includes an institution's dollar totals for gifts and non-gift revenues, as well as the portion and type of these investments supplied by corporate entities.

The 2022 Financial Metrics Survey was open to respondents from January 9, 2023, through March 3, 2023. **34 institutions** provided data which was included in the analysis. Survey data will be accessible to NACRO members via Tableau in late July 2023. Tableau is an interactive online data management and reporting platform that enables interactive comparisons of peer institutions.



"The Financial Metrics Survey was a gamechanger for me and my institution. Through the survey I was able to capture and report total contributions from industry to the university for the first time in the history of my institution, providing university leadership and corporate relations officers on campus with invaluable insights which were not available otherwise."

**-John Garnetti, Managing Director,
Office of Business Engagement,
University of Wisconsin-Madison**

"WPI approached FY22's Financial Metrics Survey as a pilot year to understand our internal structures related to corporate investment. This process allowed us to combine data with our holistic institutional engagement model to identify opportunities and challenges. Our leadership values the data collected, as a first step towards determining strategies to grow corporate investment as an institution in a post-COVID environment. Our goal is to include this survey as our annual touchpoint to measure our work."

**-Lisa Drexhage, Associate Director
of Corporate Relations, Worcester
Polytechnic Institute**

The call participation in the 2023 Financial Metrics Survey begins in the fall, with the survey's opening date taking place in January 2024.

Would the leaders of your institution be interested in seeing this report and/or being a part of the 2023 Financial Metrics Survey?

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.

[CLICK HERE TO ACCESS
FINANCIAL METRICS SURVEY](#)

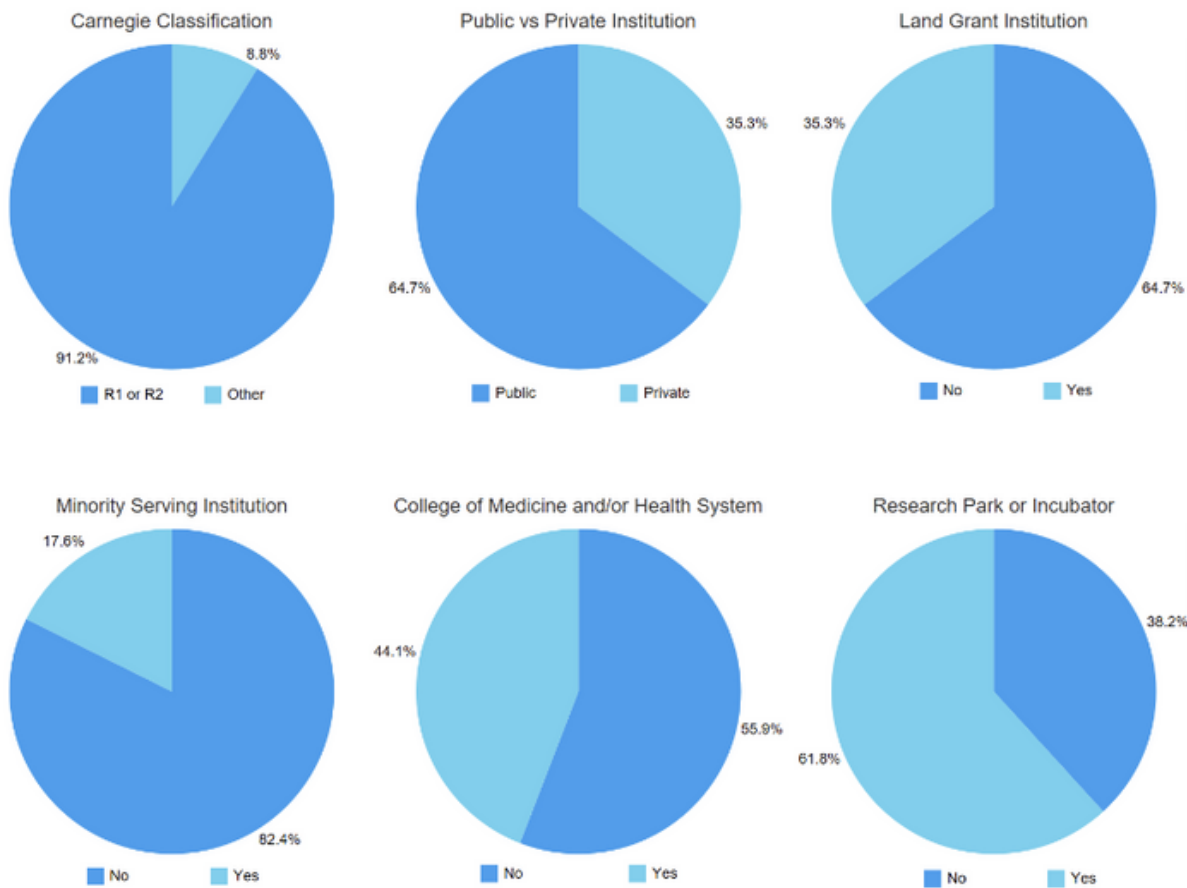
HISTORY

While the Financial Metrics Survey formally launched in 2020, preparation began a decade ago with a pilot survey in 2012. Observing a gap in available benchmarks captured in existing surveys, such as HERD (higher education research expenditures) 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.**

The Financial Metrics Survey is administered and analyzed by the NACRO's Benchmarking Committee and its Gold Standards Subcommittee.

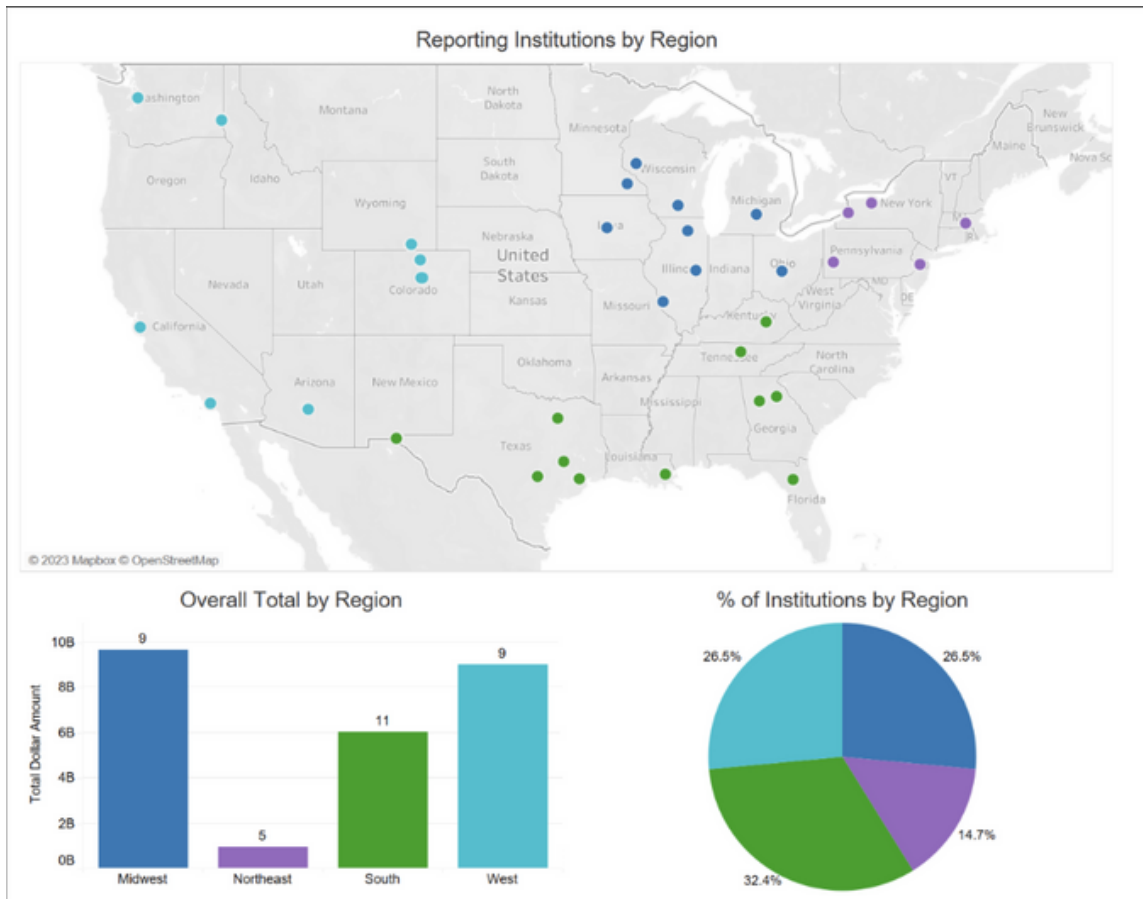
RESPONDENT BREAKDOWN

The following characteristics were examined among the 34 institutions that responded to the 2022 Financial Metrics Survey:



Numbers remained consistent in most of the characteristics with two exceptions. Significant decreases were observed in the percentages of respondents with a College of Medicine and/or Health System (-17%) and with a Research Park or Incubator (-16%).

*73.5% of participating organizations were R1 institutions and 17.6% were R2 institutions. This is consistent with NACRO's current membership composition. We anticipate continued growth of participation among R2 institutions as NACRO's membership continues to diversify.



PARTICIPATION GOALS & RECRUITMENT EFFORTS

In summer 2022, the Gold Standards Subcommittee began establishing participation goals for the Financial Metrics Survey. Objectives included:

- Increase overall participation to secure 50 total survey submissions.
- Submissions from all institutions represented on NACRO’s Board of Directors.
- Achieve representation among respondents that mirrors NACRO’s membership.

The subcommittee also revitalized recruitment efforts to achieve these participation goals. We continued to offer a free, one-year membership raffle. Additionally, the subcommittee invited a comprehensive list of higher education leaders from both NACRO-member and non-member institutions to participate. As we neared the submission deadline, members volunteered to reach out individually to invitees who had not yet responded.

We also developed several mechanisms to overcome participation barriers. Gold Standards Subcommittee member John Garnetti from the University of Wisconsin-Madison created a video tutorial guiding



PARTICIPATION GOALS & RECRUITMENT EFFORTS CONTINUED

respondents through the survey submission process and other members volunteered to host virtual office hours so that respondents could have one-on-one support for the process. The subcommittee also adapted the data collection tool to provide recommendations on which offices/personnel respondents might turn to for financial information.

While we did not quite reach our goal for the number of participating institutions, we did see some significant progress in participation. 34 institutions responded to the 2022 Financial Metrics Survey—a substantial increase from 27 respondents in 2021 and 24 respondents in 2020. Nearly 71% of institutions represented by NACRO’s Board of Directors were among the respondents. There remains significant opportunity to increase the diversity of institutions represented, including Minority-Serving Institutions and non-R1/R2 universities.

12 distinguishing demographic features were collected for each institution with a goal for these organizations to identify peers and/or compare industry impact results. Demographics obtained in 2022 reflect NACRO’s membership of primarily large, public, research universities. This limits the accessibility and benchmarking potential for institutions 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

FOUR EASY NUMBERS

Across all **34 respondents**, regardless of demographics, the averages of the four easy numbers were:

Gifts:

\$273M University Support Average

\$48M Corporate Support Average

Everything But Gifts:

\$393M University Support Average

\$67M Corporate Support Average

DEFINITIONS

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.

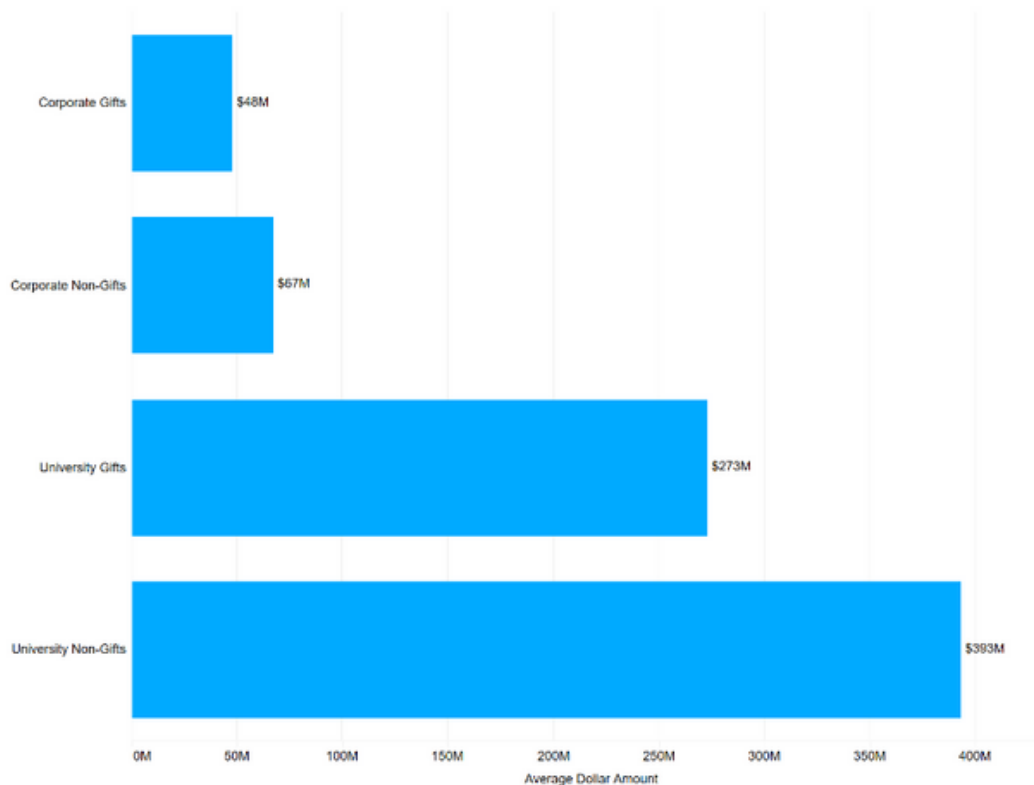
Everything But Gifts: University Support

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.

Average Amount for the Four Easy Numbers



4 EASY NUMBERS OVER THE YEARS

Compared to averages in 2020 and 2021, university and corporate gifts had incremental increases, while corporate non-gifts remained consistent. There are significant fluctuations in university non-gifts. This is, in large part, due to small sample sizes and low retention of previous respondents.

Gifts - University

- 2020: \$243M
- 2021: \$267M
- 2022: \$273M

Gifts - Corporate

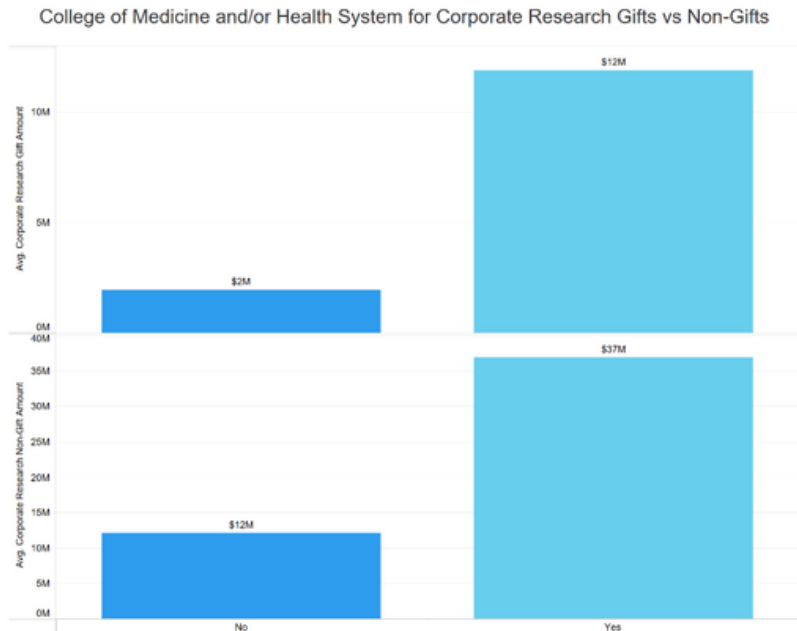
- 2020: \$34M
- 2021: \$41M
- 2022: \$48M

Everything But Gifts - University

- 2020: \$623M
- 2021: \$759M
- 2022: \$393M

Everything But Gifts - Corporate

- 2020: \$68M
- 2021: \$66M
- 2022: \$67M



BRINGING DATA TO LIFE

The Gold Standards Subcommittee utilizes an 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.

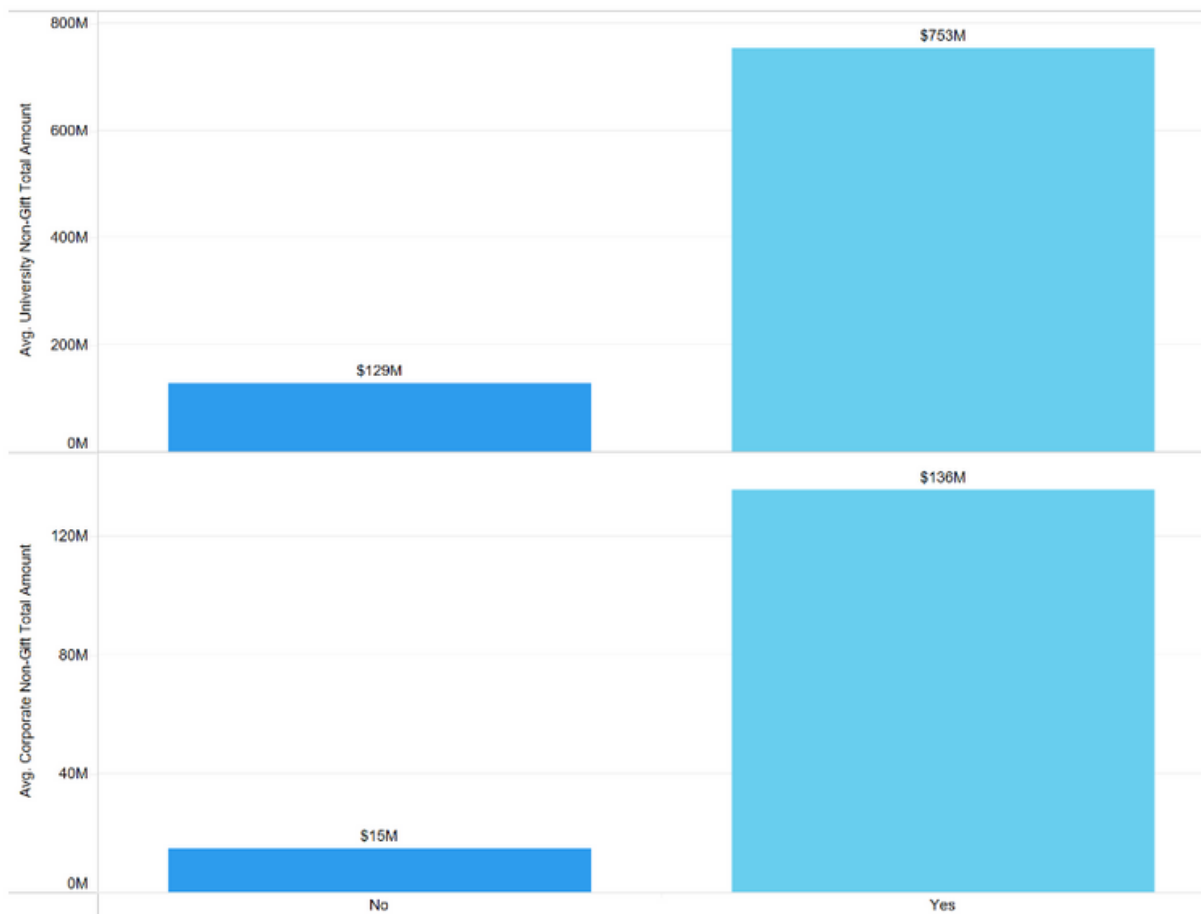
As the respondent pool grows, the dashboard will be expanded to include a more robust set of demographics and detailed corporate support, building a data set that serves as a basis for true peer-to-peer comparisons.

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

COLLEGE OF MEDICINE OR HEALTH SYSTEM OBSERVATIONS

Institutions with a College of Medicine or an affiliated Health System received significantly higher corporate gift and non-gift support specifically dedicated to research. Philanthropic corporate research support was six times higher for this demographic, and non-gift corporate research support was three times higher. Looking more broadly at overall support, this demographic also saw non-gift corporate support that was nine times higher than institutions without a College of Medicine or affiliated Health System. The one anomaly was that overall philanthropic corporate support was slightly lower for this demographic.

College of Medicine and/or Health System for University vs Corporate Non-Gifts



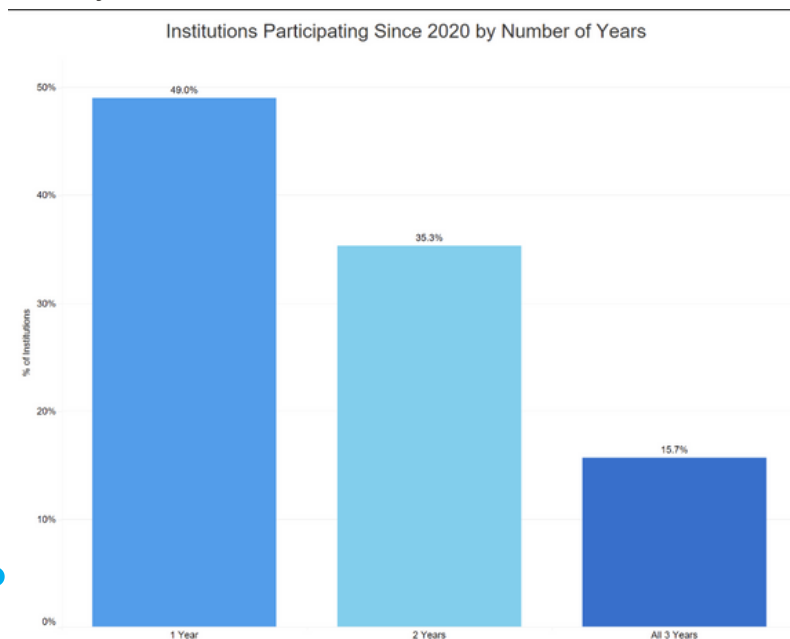
LONGITUDINAL TRENDS

In the 2020 Financial Metrics Survey Executive Summary, the Gold Standards Subcommittee stated that it would conduct its first in-depth analysis—incorporating all three years of data—at the completion of this year’s survey; however, with only eight institutions responding all three years, the sample size is too small to conduct this in-depth analysis as planned.

The subcommittee has, however, identified promising participation trends; observations include:

- Percentage of respondents who provided all “4 Easy Numbers” increased by 14.7% between 2021 and 2022.
- Percentage of respondents who provided any corporate gift and non-gift data increased by 12.1% since 2020.
- Percentage of respondents who provided institution-wide gift and non-gift data increased by 14.8% since 2020.
- Percentage of respondents who provided ALL corporate gift and non-gift data from the four Easy Numbers increased by 14.1% since 2021.
- Percentage of respondents who provided ALL university and corporate gift data increased by 12.3% since 2020.
- Percentage of respondents who provided ALL university and corporate non-gift data increased by 16% since 2021.

When pooling together all three years of responses and data, we found that only 15.7% of respondents participated all three years. Nearly half of all respondents since 2020 participated in only one year of the survey.



THE RESPONDENT CHALLENGE

With only a modest annual increase of responses since the survey's 2020 launch, the Gold Standards Subcommittee faces the challenge of identifying barriers to participation, addressing retention of participants, and 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 organization 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.



CONCLUSION

WHAT'S NEXT FOR FINANCIAL METRICS

The Financial Metrics Survey originated from a need to build a **gold standard for institutions to track corporate support data**. It aims to create best practices by which institutions can measure success from one year to the next and against peers. With three full years and modest participation in the survey, the Gold Standards Subcommittee has analyzed 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 several various organizations, it takes time to establish significance and relevance in the marketplace.

While significant progress was made this year, there is still substantial room for growth. The Gold Standards subcommittee has identified participation barriers and retention of past participants as top priorities to address for the 2023 Financial Metrics Survey. To that end, the Gold Standards subcommittee seeks to better understand the following challenges in the coming year:

- What are the barriers faced by institutions when attempting to complete the Financial Metrics Survey?
- How can the Gold Standards subcommittee make it easier for institutions to submit their Financial Metrics Survey data?
- What prompts so many institutions to submit data for the HERD and VSE surveys, and what implications does that have for the Financial Metrics Survey?
- In what way, if any, can the Subcommittee utilize HERD and VSE survey data fill in the gaps resulting from low participation in the Financial Metrics Survey?
- What perceptions do NACRO members have about the Financial Metrics Survey and what motivates members to participate? How do those perceptions and motivations differ compared to the broader institutions and/or institutional leadership?
- Why have so few institutions participated in the Financial Metrics Survey every year since 2020?

Additionally, the Gold Standards subcommittee will explore new outreach methods to encourage participation. This includes the development of resources and/or training opportunities that demonstrate how institutions can utilize the survey after completion. We will also explore multi-year participation commitments for key institutions, such as those represented on the NACRO Board of Directors. Finally, the Subcommittee will continue to build on and strengthen the new strategies established this year to increase participation, such as individualized outreach and the virtual tutorial.

Improving survey participation remains a vital goal for the Gold Standards subcommittee; however, the committee will shift its focus in the coming year. Rather than focusing on participation incentives and marketing strategies, the subcommittee will instead focus on identifying and removing barriers, improving retention, and analyzing feedback from members and institutions. The subcommittee will continue to promote the survey to leaders and stakeholders at institutions that can benefit from the results and work beyond silos to collect industry impact data.

ACKNOWLEDGEMENTS

The 2022–23 Gold Standards Subcommittee would like to extend its gratitude to the many hours and people that work together to execute the survey. Thank you to the members of the Gold Standards subcommittee, the Benchmarking Committee, and those institutions who have participated in 2022 Financial Metrics Survey.

2022–23 Gold Standards Subcommittee:

Benchmarking Co-Chairs:

- Tim Hausman, University of at Texas El Paso
- Ben Webb, The Ohio State University

Gold Standards Subcommittee Co-Leads:

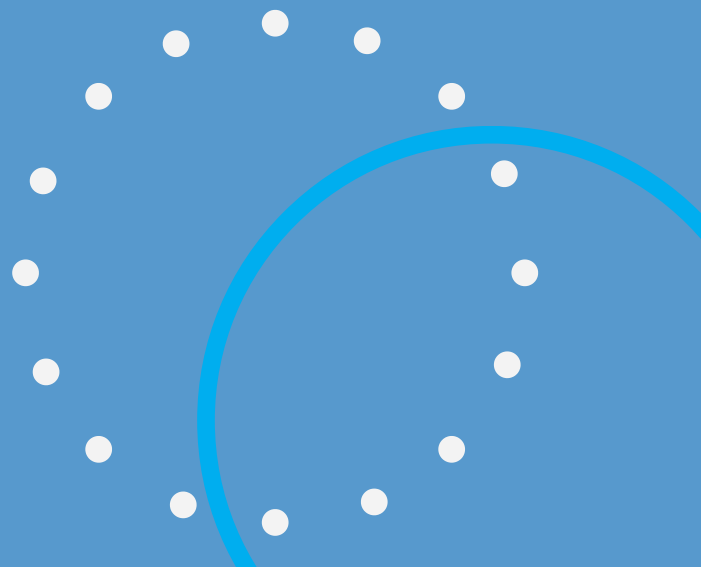
- Angela Ver Ploeg, University of Wyoming
- Erin Smith, Northern Illinois University Foundation

Members:

- Stacey Barnes, Iowa State University
- Lisa Drexhage, Worcester Polytechnic Institute
- John Garnetti, University of Wisconsin–Madison
- Charley Hasmann, Michigan State University
- Heather Hirsch, Texas A&M University
- Audrey Metcalf, Washington University in St. Louis
- Mauricio Valencia, Stanford University

NACRO Data Analytics Support Staff:

- Heather Pruitt









THANK YOU



MAY 2023: NACRO BENCHMARKING COMMITTEE

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INFORMATION: NACROCON.ORG