ABSTRACT

Fife, Earl Thomas. Fund-Raising Effectiveness in Selected Community College Foundations. (Under the direction of Duane Akroyd)

This study examined the variability and predictive value of selected intrinsic, extrinsic, demographic and transformational leadership factors on the effectiveness of community college fund-raising.

The sample consisted of 218 persons functioning as the foundation director in a two-year public community college or technical college in the United States between December 2003 and March 2004. Intrinsic factors of college size, foundation age, number of foundation staff, size of endowments and use of funds; extrinsic factors of sources of foundation support, per capita income and geographic location; and demographic factors of age, gender, ethnicity and time in position of foundation directors were collected by a survey/questionnaire. Transformational leadership characteristics were measured by a modified form of the Multifactor Leadership Questionnaire (Form 5x-Short) “Leader Form,” developed by Bass and Avolio.

Descriptive statistics, multiple regression analysis and multivariate analysis of variance were the statistical methods used to analyze the data. Results indicated that, while community college foundations are similar in the sources from which they raise their funds and in the uses of those funds raised, there is great variability among the majority of other intrinsic, extrinsic and demographic variables examined.

In contrast to other studies found in the literature, few of the variables examined exhibited significant relationships to the dependent variable in the study, total annual funds raised by the foundations. Two intrinsic variables, size of the college (measured by
curriculum FTE) and the number of foundation staff, exhibited significant predictive value on total annual funds raised. While college size indicated some measurable effect on total funds raised—larger colleges typically raised more money—differences in college size also accounted for significant differences in sources of funding between large and small colleges. Large colleges tended to receive more contributions from business and industry, while small colleges tended to receive more contributions from individuals other than alumni.

Similarly, when examining sources of funding by college location (rural, suburban, urban), urban colleges (which also tended to be larger) received a larger proportion of their annual income from business and industry than did rural colleges. The two other funding sources examined, alumni contributions and endowment income, provided small proportions of annual foundation income. Neither did either of these funding sources exhibit significant differences by college size or geographic location.

Results for the predictive value of transformational leadership factors on annual funds raised exhibited some significance for two of the five factors, inspirational motivation and individualized consideration. However, when examined by transformational leadership characteristics of foundation directors, sources of funding exhibited no significant differences.

Recommendations for future research include additional study of potential factors affecting foundation income, and further examination—both quantitative and qualitative—of the transformational leadership characteristics of foundation directors and their relationship to fund-raising effectiveness.
FUND-RAISING EFFECTIVENESS IN SELECTED COMMUNITY COLLEGE FOUNDATIONS

By

E. THOMAS FIFE

A dissertation proposal submitted to the Graduate Advisory Committee of North Carolina State University In partial fulfillment of the Requirements for the Degree of Doctor of Education

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DEDICATION

This dissertation is dedicated to my parents, for instilling in me the value of learning; and to my wife and sons for their understanding, encouragement and patience.
Earl Thomas Fife, the son of Earl Emerson Fife and Lillian Jasper Fife, was born March 15, 1951, in Washington, DC. He attended the Prince William County, Virginia, and Morgantown, West Virginia, public schools, graduating in 1969 from Osbourn Senior High School in Manassas, Virginia. He received his B. A. degree in English in 1973 from Wake Forest University and his M. A. in English in 1975, also from Wake Forest University.

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Mr. Fife is married to Martha Elizabeth Secord, and they have two sons, Justin and Stephen. He resides in Kenansville, North Carolina.
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Thanks to my colleagues and friends in NC-CORD, from whom I have learned much over many years about foundations and fund-raising, and from whom I continue to learn.

Finally, to my wife and sons, my sincere gratitude for their understanding, patience and encouragement during the many years of this journey.
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CHAPTER ONE
INTRODUCTION

Decreasing state support of funding for higher education, coupled with increasing competition for scarce dollars among higher education institutions (Hebel & Selingo, 2001), is focusing more and more attention on the need to raise supplemental funding from the private sector. Most four-year colleges and universities, with a long history and tradition of philanthropic giving programs, have well-established development programs and departments in place and enjoy a relatively high level of expertise at what is commonly called “college advancement” (Daniel, 2002; Worth, 1993).

Schuyler (1997), drawing on studies by Adams, Keener, and McGee (1994) and Robison (1982), indicates that community colleges, on the other hand, with a much shorter history and tradition, are relatively new players at the game of college advancement and fund-raising in the private sector. The first community college foundation was not begun until 1962 and over 80% of community college foundations nationwide were begun after the late 1960s (Robison, 1982). With the growing need to develop or increase private fund-raising efforts, more community colleges now have a foundation or some form of advancement program. Recent figures indicate that approximately 90% of the more than 1,100 community colleges in the nation now have affiliated, separately incorporated, non-profit fund-raising foundations (Craft & Guy, 2002).

Recent economic and political trends have made the need for community colleges to seek increased private support more urgent (McCabe, 1996). Enormous tax cuts, the curbing of state spending, and the struggling textile and automotive industries (Hebel &
Selingo, 2001) are all likely to lead to a long-term shrinking of revenues. The American Association of Fund-raising Counsel’s press release for the publication of *Giving USA 2002* (American Association of Fund-raising Counsel, 2002), which tracks philanthropic gifts in four categories, indicated decreased giving amounts in all categories but one. Adjusting figures for inflation, *Giving USA 2002* reported that individual giving decreased 1.7%, bequest giving decreased 4.5%, corporate giving decreased 14.5%, and foundation grants increased 2.5% (American Association of Fund-raising Counsel, 2002). Even the increase cited in foundation giving becomes less encouraging when coupled with the trend of decreasing private foundation support of higher education (Pulley, 2002).

Given this current need to seek or increase support from the private sector for community colleges, recent literature focuses on how foundations can be more successful in raising funds from the private sector (Rhodes, 1997; Worth, 1993). In determining what defines success in fund-raising for community colleges—and higher education in general—three general areas of consideration emerge consistently in the literature. First, are intrinsic factors related to the college itself, such as size, staffing, and use of funds (Clements, 1990; Meadows, 1999). Second, are extrinsic factors, such as the environmental and demographic factors of per capita income, population of the college’s service area, and unemployment rates (Gatewood, 1994; Jenkins, 1997). Third is leadership of the foundation (Eldredge, 1999; Miller, 1997). Fund-raising literature addresses the leadership roles of president, chief development officers and college trustees (Patton, 1993), much of it focusing principally on the role of the college’s president (Fisher & Quehl, 1989; Lowenstein, 1997). Writers on leadership such as
Bolman and Deal (1997), emphasize the importance of effective leadership to organizational success. Viewing a college foundation as an organization, it seems appropriate to examine the role leadership in the foundation plays in the effectiveness of its fund-raising.

Research on Community College Fund-raising Effectiveness

Several studies in the literature provide valuable insight into what determines community college fund-raising success. A number of studies assessing fund-raising effectiveness at various types of higher education institutions have examined intrinsic factors such as enrollment, staffing, and the categories of contributors, related to the nature of the institution itself (Gatewood, 1994; Hunter, 1987; Miller, 1997). Extrinsic factors, those related to the environment and demographics of the area that the institution serves, also frequently emerge in the literature (Clements, 1990; Gatewood, 1994; Till, 1999).

One of the early baseline national studies of fund-raising effectiveness of college foundations was conducted by Pickett (1977), who looked at fund-raising results of 200 liberal arts colleges. He compared “results” with “potential” in order to control for what he considered the differences between an “effective” college and a “fortunate” one. Pickett felt a college could be “fortunate” in gaining funds through no effort of its own. He defined “potential” as a combination of the financial resources available in the college’s geographical environment and the access the college has to these resources. He identified four variables to measure resources and eight variables to measure the college’s access to these resources.
While Pickett’s study focused on four-year liberal arts colleges, his approach of comparing fund-raising potential to fund-raising results as a way to determine success has been adopted by many successive researchers in their assessments of fund-raising in four-year colleges, church-related colleges, libraries and community colleges (Clements, 1990; Grohar, 1989; Heyns, 1994). However, in a review of the literature since Pickett, there is a great deal of variability in the factors identified as significant in determining levels of fund-raising success, regardless of the type of institution studied (Loessin & Duronio, 1993; Mucklow, 1989).

Studies focusing on four-year colleges (Pavlovich, 1993; Till, 1999) tended to view factors such as the number and affluence of alumni, size of college, SAT scores of students, size of endowment, and federal support for research and development as key factors in determining fund-raising potential. Pickett (1977), in measuring a college’s access to private resources, identified factors such as cost of attendance, graduate school alumni attendance, and value of endowment. A more recent study of four-year colleges by Pavlovich (1993), found that variables such as average SAT scores, institutional type, and size of endowment accounted for most variance in giving potential for these colleges. One of his findings was that colleges interested in improving fund-raising potential should increase endowment size and admissions selectivity, and attract students from higher socio-economic backgrounds. These studies of four-year colleges focus more on factors of selectivity in assessing potential and access to potential, factors not as applicable to community colleges.

While there is variability among factors identified as important in determining fund-raising success, some commonality can be seen, regardless of the type of institution
studied. These types of factors include the level of maturity of the foundation (Gatewood, 1994; Hunter, 1987); its size (Loessin & Duronio, 1993; Meadows, 1999); its use of funds (Clements, 1990; Warnick, 1990); the demographics of the college's service area (Jenkins, 1997; Mucklow, 1989); the types of partnerships or community relations between the college and business and industry in the service area (Gatewood, 1994; Miller, 1997); and characteristics and levels of involvement of the college’s president, chief advancement officer, trustees, and foundation directors (Eldredge, 1999; Pavlovich, 1993).

Research focusing on community college fund-raising placed at least some emphasis on the demographics of the college’s service area as an important determinant of a foundation’s potential to obtain resources and its access to these resources. These studies (Gatewood, 1994; Jenkins, 1997; Mucklow, 1989) found that factors such as population, unemployment rates, geographic location, and the wealth of the foundation were closely related to fund-raising potential and success of the foundation.

Another factor of success in the literature associated with community colleges was community partnerships, especially with business and industry located in the college’s service area (Hunter, 1987; Miller, 1997). These partnerships were found to be important predictors of fund-raising potential and access to that potential for community colleges. Hunter (1987) found that successful fund-raising had a high degree of dependence on support from business and industry located in the college’s service area. She also noted that significant support from individuals did not come from alumni. Miller (1997) also found that strong community partnerships and strong communications with stakeholders were important determinants of fund-raising success.
Leadership and Foundation Effectiveness

In addition to effectiveness predictors dealing with the colleges themselves and characteristics of their service areas, another type of factor emerging from the literature deals with those persons actively involved with or principally responsible for fund-raising at their respective institutions. Several community college studies (Hunter, 1987; Jenkins, 1997; Miller, 1997) found that active participation in fund-raising activities by college officials such as the president, chief advancement officer, trustees and foundation directors had a significant effect on the foundation’s fund-raising success. This factor of active involvement was relevant not only for community colleges, but was cited also in studies of four-year colleges (Eldredge, 1999; Grohar, 1989; Pavlovich, 1993; Till, 1999), whether public or private. Some research focuses on the leadership roles of college trustees or an independent board of directors for the foundation (Fisher & Quehl, 1989). Research further suggests that factors such as the size of a foundation’s board of directors (Mucklow, 1989) or the selection of board members for their fund-raising abilities and influence (Hunter, 1987) are important components in determining the efficacy of a foundation’s fund-raising.

Research on the roles of individuals associated with the foundation’s administration and operation suggests that the leadership provided by these individuals has a significant relationship to the foundation’s success. This question of leadership and its relationship to fund-raising success is an area that is receiving more attention in the recent literature (Eldredge, 1999; Miller, 1997), particularly the key leadership roles played by those occupying central leadership positions at the college. Much research focuses primarily on the role of the college president in fund-raising (Fisher & Quehl,
1989; Vaughan, Mellander, & Blois, 1994). As an example, in interviews with seven prominent community college presidents in 1993, on the eve of their retirements, Vaughan (Vaughan, Mellander, & Blois, 1994) reported that each president interviewed identified financing and fund-raising as a key issue—if not the key issue—urgently facing presidents of community colleges now and in the future. Other writers and researchers agree (Rosso, 1991) and point out the important leadership role the president must play both within the college and in the community.

Much of the literature on leadership in higher education fund-raising focuses on the role of the president’s leadership in foundation success, yet most foundations are led by a chief development officer or foundation director. What is missing in foundation leadership studies is an examination of the relationship between the leadership qualities of the foundation director and the fund-raising success of the foundation. Ironfield (1988) and Patton (1993) write about the importance of the development officer in this context, but they are two of only a few giving direct attention to the development position and its importance to the effectiveness of the foundation.

Because it is typically the foundation director who occupies the primary leadership role of the foundation, it is his or her leadership that will have the major impact on the level of the foundation's success. Perhaps even more than the extrinsic and intrinsic factors associated with fund-raising effectiveness, examining more closely the relationship of the leadership traits of foundation directors to the levels of success of their foundations should provide us better predictors of the types of traits most desirable for persons in these positions and, by extension, the success of their respective fund-raising efforts.
Transformational Leadership

The success of organizations is largely a leader-follower relationship (Bolman & Deal, 1997). It follows that, in fund-raising organizations, leaders must inspire and motivate followers to recognize the need for giving, to support the philosophy or vision behind the fund-raising rationale. This type of leadership is characterized in the literature as “transformational” leadership (Bass, 1984; Yukl, 1994). Followers of a transformational leader feel trust, loyalty and admiration toward the leader and are motivated to do more than they normally would (Yukl, 1994). Especially where a leader-follower relationship is voluntary, such as in fund-raising, transformational leadership would be expected to elicit a more effective fund-raising response.

Burns (1978) was one of the first to work closely with leader-follower relationships, classifying relations as either “transactional” or “transformational.” His seminal conception of transformational leadership was formulated from descriptive research on political leaders. He described “transactional” leaders as those who viewed the leader-follower relationship principally as one of exchange. The self-interest of the follower was the main motivation (Burns, 1978). In contrast, “transforming” leadership occurred “when one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality” (p. 20).

Bass (1985) built on Burns’ theories of transactional and transformational leadership, dedicating what he described as a new paradigm to Burns in his book. Bass’ definition of transactional leaders is broader, including components of leader-follower exchanges such as contingent rewards and the use of incentives to influence follower
motivation. In Bass’ model, the transformational leader is one characterized as motivating followers to do more than they originally expected to do.

While Burns (1978) viewed Maslow’s hierarchy of needs, in which the leader recognized and exploited the needs of the followers, as fundamental to the transformational process, Bass saw this upward shift in level of need as evidence of transformation, but not as a necessary condition. Burns also viewed transactional and transformational leadership as opposite ends of a continuum, while Bass viewed leaders as exhibiting a variety of behavioral patterns using both transactional and transformational styles (Bass, 1985). Bass’ theory led to an initial pilot study with 70 male senior industrial executives to validate his theory of the characteristics of transformational leadership. Subsequent studies with groups in private industry, the military, and education (Bass, 1996; Bass & Avolio, 1994) have identified four components of transformational leadership: charismatic leadership-idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. It is the employment of one or more of these components that characterizes the behavior of leaders and their impact on followers as transformational. Results from all of these studies have shown that transformational leaders were more effective and satisfying as leaders than those characterized primarily as transactional (Bass and Avolio, 1994).

Statement of the Problem

There is a significant amount of literature related to assessing the effectiveness of fund-raising in higher education (Loessin & Duronio, 1993; Pickett, 1977; Schuyler, 1997). However, there are several limitations in attempting to use much of the existing literature to evaluate the effectiveness of fund-raising specifically related to community
colleges. The majority of research relates to four-year institutions, often private ones. Consequently, the question can be raised about the appropriateness of these studies for assessing community colleges. Factors of success often used for four-year colleges are SAT scores, the cost of attendance, selectivity of admissions criteria, the number of alumni of record, alumni giving, and alumni affluence. These factors are not appropriate to the consideration of community colleges. Instead, because community colleges typically have a more localized clientele, considerations such as local demographics and community partnerships are more pertinent factors to use in determining their fund-raising potential (Gatewood, 1994; Miller, 1997).

A second problem is the consideration of research approaches used. Much of the literature consists of studies of “perceived” effectiveness, depending upon “expert” opinions of what effectiveness is and how it should be evaluated. Many of those identifying effectiveness factors may not even be from effective institutions. The problem here is that many of the “experts” identifying effectiveness factors may actually be from foundations that are ineffective in raising funds. They are chosen only because of the position they hold. Other studies (Gatewood, 1994) that have objectively defined effectiveness usually do so only by the total amount of money raised by the foundation. Such an approach leaves out any consideration of the institution’s “potential” for voluntary support. In other words, there is no adjustment or accounting for extrinsic or intrinsic factors that may affect the institution’s capability to raise private funds.

A third limitation of the literature on previous studies is the consideration of leadership as a factor in evaluating effectiveness. While leadership is consistently identified in the literature, it is typically referred to as participation in or support of the
institution’s internal leadership, usually including some combination of the president, trustees, chief development officer or development staff, and foundation directors. Few studies focus specifically on the influence of the leadership of the chief development officer or foundation director; instead, most research has focused on the leadership of the president (Eldredge, 1999; Loessin & Duronio, 1993).

Given these limitations, there is no single theoretical model in the literature that includes the extrinsic and intrinsic factors most closely related to community colleges as a means of consistently explaining what accounts for effectiveness in community college fund-raising. However, some factors previously discussed are appropriate to a consideration of community college foundations and have been shown to have predictive value in determining what makes fund-raising effective at these institutions. In addition, while leadership has been examined as a predictor of fund-raising success, no extensive examination of the transformational leadership qualities of community college foundation directors has been conducted. Because the literature on leadership points to successful organizations being led by transformational leaders, the transformational leadership characteristics of the foundation director will be included in this study as one of the factors determining fund-raising success.

**Conceptual Framework**

The conceptual model (Figure 1) illustrates the predictive relationship of factors from the literature shown to have an effect on fund-raising effectiveness. The term “effectiveness” will be limited to the amount of money raised by the foundation within a given year in relation to its fund-raising “potential” as determined by the financial resources available in the college’s geographical environment and its access to those resources. The amount
of income reported on Federal Form 990 for 2002 will be used as the dependent variable in assessing effectiveness.

While many factors are addressed in the literature, only those shown to be relative to community colleges will be selected. In the model, factors are categorized as four types: intrinsic factors, extrinsic factors, demographic factors, and transformational leadership factors, as indicated in Figure 1. Intrinsic factors include: the size of the college (as determined by full-time equivalent curriculum enrollment); the age of the foundation (length of time it has been in existence); the number of staff (or full-time equivalents) devoted to fund-raising activities; the size (amounts) of foundation endowments; the use of foundation funds (percentage used for scholarships and/or student loans).

Using Pickett’s (1977) concept of effective versus fortunate foundations, extrinsic factors, or associated data relative to the colleges’ service areas, will also be used in the analysis of effectiveness. Data such as the amount of financial support from area business and industry, per capita income, and geographic location (whether urban or rural) will be applied to the analysis as a means of controlling for differences of fund-raising potential among foundations located in diverse geographic areas. A third area of examination will be demographic factors associated with the foundation director at each college in the study.

The last area of examination will be the impact of the leadership of the development officer on the level of effectiveness of fund-raising. While many studies have been done on presidential leadership, none has specifically focused on the development officer, the position which, arguably, most directly leads the foundation’s
fund-raising efforts. Consequently, the characteristics of transformational leadership exhibited by development officers will be studied to determine whether there is a predictive relationship between their leadership behavior and the level of fund-raising success of community college foundations.

**Intrinsic Factors**
- Size of College
- Age of Foundation
- Number of Staff
- Size of Endowments
- Use of Funds

**Extrinsic Factors**
- Sources of Foundation Support
- Per Capita Income
- Geographic Location

**Demographic Factors**
- Age of Foundation Director
- Gender of Foundation Director
- Ethnicity of Foundation Director
- Length of Time in Position

**Leadership Factor**
- Transformational Leadership

**“Effectiveness” of Community College Foundations (Total Annual Funds Raised)**

**Figure 1. Conceptual Framework of Research**
Purpose

The purpose of this study is to examine certain variables selected from the literature that may predict the fund-raising effectiveness of community college foundations. From this purpose the following research questions are derived:

1. What is the predictive value of intrinsic factors (a. college size, b. foundation age, c. number of staff), extrinsic factors (per capita income), demographic factors (a. age of foundation director, b. time in position), and transformational leadership factors (a. idealized influence-attributed, b. idealized influence-behavior, c. inspirational motivation, d. intellectual stimulation, e. individualized consideration) of foundation directors, foundations and colleges on total funds raised annually by the foundation?

2. Are there differences in community colleges’ sources of funding (a. business/industry, b. individuals not alumni, c. alumni, d. endowment interest) by colleges’ size (as measured by FTE curriculum enrollment)?

3. Are there differences in sources of funding (a. business/industry, b. individuals not alumni, c. alumni, d. endowment interest) by colleges’ geographic location (rural, suburban, urban)?

4. Are there differences in sources of foundation funding (a. business/industry, b. individuals not alumni, c. alumni, d. endowment interest) by transformational leadership characteristics (a. idealized influence-attributed, b. idealized influence-behavior, c. inspirational motivation, d. intellectual stimulation, e. individualized consideration) of foundation directors?
Significance of the Study

Recent trends of widespread budget cuts, Wall Street shakiness, and the shrinking of revenues to state governments have created a great deal of anxiety among fund-raisers. Higher education, including community colleges, has become increasingly dependent on philanthropic funding to maintain programming no longer sufficiently supported by traditional funding sources. More than ever before, community colleges—already lagging seriously behind their four-year counterparts—must improve the effectiveness of their fund-raising efforts to compete, perhaps to survive, in the future.

While several significant research studies have been done analyzing the effectiveness of college fund-raising efforts, no clear and consistent models of fund-raising effectiveness emerge from the literature, especially concerning community colleges. This study will add to the body of literature, helping to provide a better understanding of the predictive value of selected intrinsic, extrinsic, and demographic factors on community college fund-raising success. Additionally, while previous research discussed the roles of the president, development officer, and trustees as important factors in fund-raising success, no study has specifically examined the level of transformational leadership exhibited by the development officer and its direct effect on the level of fund-raising success. Given the emphasis now being placed on leadership, especially transformational leadership, as a requisite for success in any type of organization, the analysis of this factor and its predictive value on fund-raising success of community colleges could provide useful information to those in, or those selecting candidates for, these positions.
Definition of Terms

*Community College*

A community college is defined as a public two-year post-secondary institution that typically awards two-year associate degrees, one-year diplomas, and certificates in programs of study of less than one year’s duration. Technical colleges and technical institutes are also included in this definition. The principal distinction between technical colleges and community colleges is that technical institutions typically do not offer the first two transferable years of the baccalaureate degree.

*Fund-raising Effectiveness*

For this study, fund-raising effectiveness is defined as the total amount of money raised by a community college in a given year, and as reported on Federal Form 990. The benchmark year used as the dependent variable for this study is 2002.

*Transactional Leadership*

As defined by Burns (1978) and Bass (1985), transactional leaders motivate followers by exchanging rewards—or the promise of rewards—for services rendered. The relationship does not go beyond this exchange process.

*Transformational Leadership*

As defined by Bass and Avolio (1994), transformational leadership is an expansion of transactional leadership, whereby transformational leaders motivate others to do more than they originally intended and often even more than they thought possible. Transformational leadership is identified by five leader characteristics which influence followers: idealized influence (attributed), idealized influence (behavior), inspirational motivation, intellectual stimulation, and individualized consideration.
CHAPTER TWO
REVIEW OF THE LITERATURE

The changing financial environment in which community colleges find themselves, signaled by trends such as decreasing state and federal support, is focusing more attention on the need for community colleges to become more adept at fund-raising in the private sector (Hebel & Selingo, 2001; Orcutt, 1999; Van der Werf, 1999). Writers like McCabe (1996) and Daniel (2002), both former community college presidents, discuss the seriousness of this decline of traditional financial support and the growing urgency of developing effective programs of private fund-raising.

McCabe (1996) has made the point that, while community colleges provide the most of any public service for each dollar of public funds spent, they are “undervalued, underappreciated, and underfunded” (p. 25). McCabe believes that the result of underfunding is systematically starving the institutions that have the most to offer in helping to solve society’s most pressing problems. Similarly, Daniel (2002) asserts that this trend of decreasing support means community colleges must develop alternative approaches to funding with the help of their college foundations. Over the last twenty years, tax appropriations as a percentage of personal income have declined an average of 30 percent, and many two-year colleges now receive 50 percent or less of their operating budgets from government sources (Transue, 2002). This trend would seem to indicate that the decline of government appropriations to community colleges is likely to continue.

In order to improve their fund-raising programs, community colleges must better understand their niche in the private fund-raising arena and determine how best to
position themselves for effective fund-raising efforts. While community colleges have often emulated fund-raising models of senior institutions (Glass & Jackson, 1998a), they need to recognize that such models are not always suitable because of some key differences between four-year institutions and two-year community colleges.

Smith (1993) addressed this disparity in private funding between community colleges and senior institutions by referring to three main challenges that faced community colleges. First, they are challenged by their image and identity (p. 348). Community colleges are still relatively new as higher education institutions, founded to be accessible, not exclusive. Alumni that transfer and graduate from four-year schools tend to identify with the senior institution, making donor contributions to that alma mater, rather than to the community college. Second is the challenge of constituencies and connections (p. 348). Community colleges are not resident institutions; students typically commute to classes and are working as well as attending college. There are no dormitories and little campus life such as athletic teams or campus organizations; therefore, alumni have fewer fond “memories” of college associations and friendships, often an impetus to giving. The third challenge is organizing and inventing methods of motivating giving (p. 349). At most community colleges, development is still a relatively new process. A development office is often a token, staffed part-time by a staff member that has other duties, in contrast to the university development office, staffed by one or more fund-raising professionals.

Despite these challenges to successful community college fund-raising, McCabe (1996) expresses optimism for long-term success if community colleges will recognize and draw upon their strong base of public support. Smith (1993) refers to this same base
of local support as an advantage community colleges have because of the sense of “ownership” most communities feel toward their community college, which can be used to build a strong local donor base (p. 351). Also, because much of a community college’s programming is designed to meet local needs, promoting the economic development and well being of the community, community colleges can get support from the local businesses and industries they serve (Pollack, 2000; Hall, 2002).

Fund-raising as Effectiveness

The trend of diminishing public funding (Daniel, 2002; Van der Werf, 1999), coupled with the challenges of image (Smith, 1993), constituency (Glass & Jackson, 1998a; Smith, 1993), and motivation (Kelly, 1998), indicates the increasing urgency for community colleges to become more effective at raising support from the private sector. To be successful in their private fund-raising efforts, however, community colleges must first determine what effectiveness in fund-raising means and how effectiveness is determined.

Studies of educational fund-raising have proposed different approaches or operational definitions of what factors need to be considered for fund-raising success (Brittingham & Pezzullo, 1990; Clements, 1991; Gatewood, 1994; Keener, Carrier, & Meaders, 2002; Loessin & Duronio, 1993). A recent review of fund-raising literature by Glass and Jackson (1998a) identified some of these as a) the total amount of money raised, b) the percentage of total institutional revenue generated through private gifts and donations, c) the amount of private funds raised per student, d) satisfaction with fund-raising performance, e) the amount of income raised compared to costs of fund-raising operations, and f) measures of how well an institution realizes its full potential based on
models of effectiveness that account for institutional and service area characteristics and conditions (p.724).

Brittingham and Pezzullo (1990) discuss fund-raising in terms of institutional effectiveness and three general approaches that have been used in studies about effectiveness. First are studies of “perceived effectiveness” (p. 19). In these approaches, researchers use an operational definition of effectiveness derived from an “expert panel” (p. 19) by the frequency with which a characteristic is cited in a survey, or through correlational analysis of institutional characteristics. This approach depends on the staff’s judgment, usually without regard to the institution’s effectiveness. Problems with this approach include: 1) What if the norm is not necessarily optimal? 2) What was effective years ago may not be now, but has not been dropped from the conventional wisdom. 3) What is effective for one type of institution may not be for another (with a different set of characteristics).

The second type of study (Brittingham & Pezzullo, 1990) is one of “objectively defined effectiveness” (p. 20). These studies are more useful and more generalizable in their findings. They define effective and ineffective institutions first, usually based on total support and then adjusted by size or number of alumni. The problem remains, however, that dollars raised—no matter how scaled for institutional differences—do not account for potential, the college’s access to the financial resources available in their geographic area (as defined by Pickett, 1977).

A third type of study (Brittingham & Pezzullo, 1990) is one of “effectiveness adjusted for potential” (p. 20). In these studies, effectiveness is scaled according to some measure of the institution’s potential for fund-raising. Typically, they calculate some
percentage of potential actually achieved in fund-raising results. Brittingham and Pezzullo (1990) point out that the challenge in this type of effectiveness study is developing and validating useful measures of an institution’s potential for raising funds.

One of the early researchers to use this “effectiveness adjusted for potential” approach was Leslie (1969, cited in Loessin & Duronio, 1993), who conducted one of the pioneer studies of fund-raising in higher education. He was the first to introduce the idea that measuring effectiveness strictly by money raised was insufficient because institutions differed greatly in their potential for fund-raising. Because of these differences, he pointed out the need to develop methods of identifying distinctions and of measuring potential in order to define and improve the effectiveness of fund-raising.

Leslie’s study focused on 105 higher education institutions of differing types, examining the relationships among their fund-raising outcomes, institutional characteristics, and organizational and operational features. His study found a strong relationship between expenditures in support of fund-raising and funds raised. The significance of Leslie’s work was that he was the first to demonstrate that empirical research could be used in studying fund-raising effectiveness.

Building on Leslie’s concept, Pickett (1977) conducted a national study of fund-raising results of 200 randomly selected private liberal arts colleges. His approach was to measure the fund-raising performance of these institutions against what he termed their fund-raising “potential.” His reasoning was that gift income alone provided no information about potential; consequently, judging a college’s performance solely on gift income could confuse a “fortunate” college with an “effective” one. Pickett defined potential as the financial resources available within the college’s geographical
environment combined with the access the college had to those resources. He used four variables to measure available resources: the number of alumni, number of families with incomes greater than $50,000 in the standard metropolitan statistical area nearest the college, total value of grants from major foundations in the state, and value added by manufacturing in the statistical area.

To measure access to these resources, he used eight variables: in-state enrollment, cost of attendance, graduate school attendance of alumni, age of the college, value of endowment, federal support for research and development, tenure of the president, and college enrollment. From all of these variables, the number of alumni, value of endowment, cost of attendance, age of the college, in-state enrollment, and graduate school attendance proved to be important in explaining gift income. By comparing the predicted totals with the actual totals for each college, he was able to identify colleges as either overproductive or underproductive in actual fund-raising performance. From his results, Pickett concluded it was possible to reliably predict a college’s fund-raising potential. He further concluded that a college’s environmental “position”—the factors determining access to financial resources—was more important than its geographical location. His results showed that overproductive colleges were characterized by strong institutional direction, involvement and leadership of trustees, and more fund-raising “effort” in terms of budget and staffing.

In a multi-year study begun in 1986, Loessin and Duronio (1993) analyzed fund-raising results and institutional characteristics of over 500 higher education institutions of all types, ranging from research universities to two-year colleges. Their purpose was to attempt to determine whether institutional characteristics were equally related to fund-
raising results in each type of institution and among different donor groups. The institutional characteristics they examined were type, educational and general expenditures, size of endowments, expenditures per student, tuition, enrollment, alumni, and age. Institutions selected for their study were representative of those regularly reporting fund-raising results to the Council for Financial Aid to Education (CFAE). Higher education institutions that report their annual fund-raising results to CFAE raise approximately 85% of total annual voluntary contributions to higher education and are therefore representative of institutions raising the majority of private funds given to support higher education.

Using three-year averages (1987-89) for institutional characteristics and fund-raising results, observation of the descriptive data indicated that private institutions generally received more voluntary support than public institutions of the same type, and that total voluntary support and institutional resources increased overall as the complexity of the institutions increased. In other words, community colleges received the least support, while research universities received the most. From these observations, Loessin and Duronio (1993) concluded that comparing fund-raising results across institutional types is inappropriate because of the differing environments within which different types of institutions operate.

Loessin and Duronio (1993) found no single or consistent pattern of relationships between institutional characteristics and levels of fund-raising either across or within types of institutions. Institutions with similar amounts of resources did not always have similar fund-raising results. Relationships between institutional characteristics and fund-raising also differed between public and private institutions. Generally, wealth was more
of a factor in attracting support for private institutions; size was more of a factor for public institutions.

Sorting institutions by type, Loessin and Duronio (1993) predicted fund-raising results for each institution, then compared predicted totals with actual totals. Their results were similar to those of Pickett (1977), in finding that some institutions were raising more money than predicted, and some institutions less than predicted. The results of their study, then, indicted that institutional characteristics alone are not adequate to explain why some institutions raise more money than other institutions with similar characteristics.

If these quantitative factors were insufficient to predict or explain fund-raising success, were there other, qualitative, factors that might help explain why some institutions were more effective than others? To test this idea, Loessin and Duronio (1993) selected ten institutions—one private, one public from each of the five categories they had earlier studied—for which the funds raised were higher than statistically predicted. They then visited each institution to conduct interviews with presidents, chief development officers, and other staff members involved in fund-raising, as well as examining documents and other materials related to the institutions’ relative fund-raising programs. Results of this qualitative research failed to yield a clear pattern of qualitative factors that fit all institutions. However, some factors did consistently appear related to a number of the institutions studied. These were presidential leadership, the chief development officer’s leadership and role in setting institutional mission, and entrepreneurial fund-raising programs (Loessin & Duronio, 1990, p. 47).
Some conclusions to be drawn from the research of Loessin and Duronio (1993) are that institutions do vary in their capabilities to raise funds, but it is difficult to identify precisely and consistently what factors most impact these capabilities. Their results suggest that one of the most important factors of success in fund-raising may be insight into and understanding of the uniqueness of one’s own institution, coupled with deliberate and sustained efforts to raise money. They also concluded that leadership in fund-raising at all levels of the institution and significant commitment to fund-raising can have significant impact on success, regardless of the institution’s prestige or wealth.

An even more recent national study, focusing specifically on resource development in public community colleges, surveyed 968 public two-year community colleges with membership in the Council of Resource Development (CRD), the American Association of Community Colleges (AACC), or both (Keener, Carrier, & Meaders, 2002). The study used a modified version of the Katsinas two-year college typology to classify colleges in the study by size, geographic location, and governance structure.

Results of the study indicated that foundation revenue seemed to be largely a function of size and location of community colleges (Keener et al., 2002, p. 16). Regardless of size, the main sources of foundation revenue for colleges in the study were gifts from individuals and bequests. The next level of revenue source, however, indicated a correlation to size of the college. For small colleges, the second largest source of revenue was corporations and external foundations. For medium-sized colleges it was a combination of interest income (defined as interest from endowments and other investments) and corporations. For large colleges, it was interest income. Geographic location of colleges—their classification as rural, suburban, or urban—also appeared in
the study to be a determinant of the level of external foundation funding received (Keener et al.). Fund-raising potential indicated a steady increase, based on 50% mid-ranges, as colleges moved from rural to suburban to urban.

Brittingham and Pezzullo (1990) refer to Loessin and Duronio’s research as the one recent large-scale study, along with several smaller ones (Duronio, Loessin & Borton, 1988; Loessin, Duronio & Borton, 1987, 1988, as cited in Brittingham & Pezzullo, 1990), that have used the approach they earlier recommended as “effectiveness adjusted for potential.” From their review of the literature, they concluded that results of these studies show that, in general, success appears related to three types of variables: history, capacity, and effort (Brittingham & Pezzullo, 1990, pp. 22-25).

History is generally referred to in the literature as the opportunity for an institution to have gained experience and practice in fund-raising. A history of effort in fund-raising typically includes factors such as a veteran development staff that knows the college and community and, therefore, knows which fund-raising methods work, and which do not, for their particular college (Brittingham & Pezzullo, 1990, p. 23). Another factor is a sense of tradition and expectation on the part of students and alumni. While this factor is evident at four-year institutions, it does not typically apply at community colleges, where there are not generally strong alumni development programs (Brittingham & Pezzullo).

Such references in the fund-raising literature to the sense of history and tradition of giving are supported by more recent studies specifically related to community colleges (Glass & Jackson, 1998a; Keener et al., 2002). The decade of the 1960s, which marked the greatest development and growth of community colleges, was a period when the
majority of financial support was provided by state and local taxes, tuition, and fees (Glass & Jackson, 1998a). Since the 1980s, however, significant decreases in state support, with no increases from federal or local sources, have forced community colleges to make up the difference either by increasing tuition and fees or by seeking private funding (Van der Werf, 1999).

Capacity is defined as the hypothetical maximum support the institution could raise under the best conditions (Brittingham & Pezzullo, 1990, p. 22). In the literature related to four-year institutions, capacity is usually described as partly a function of size and the collective wealth of alumni. It also includes the institution’s total resources, viewed as prestige (leading to alumni and donor loyalty and contributions), expenditures per student, or location, often viewed as regional economic growth (Brittingham & Pezzullo).

Pickett (1977) identified location as one of the most important factors in determining an institution’s fund-raising potential. While Pickett’s study was associated with four-year colleges, later studies identify community relationships associated with community colleges as possibly the best opportunity for developing fund-raising potential (Glass & Jackson, 1998a; Hall, 2002). Because of the close relationships between community colleges and the communities they serve, public relations programs related to relationship building within the community and with area businesses have been found to be directly related to fund-raising success (Kelly, 1998).

Effort is defined in the literature as the priority given to fund-raising by the institution and is often measured by size of staff and amount of budget devoted to fund-raising functions, as well as by the relationships of the president and chief development
officer (CDO) to the fund-raising function (Brittingham & Pezzullo, 1990, pp. 23-24). A larger staff and budget mean better research and records, more personal contact, more promotion, and more fund-raising activities. Support of the president is seen as crucial in many studies (Jenkins & Glass, 1999; Loessin & Duronio, 1993). The role of the CDO is viewed as a critical issue in fund-raising effectiveness by Jackson and Glass (2000). Other research identifies the reporting relationship between the president and CDO (Glass & Jackson, 1998b), such as whether the CDO occupies a staff or line relationship, and the importance of the CDO being part of the management team of the institution (Hall, 2002), as determinants of the level of fund-raising effectiveness.

Of these three, capacity is the least amenable to change (Brittingham & Pezzullo, 1990). History is somewhat amenable to change because history continues to create itself. An institution can build tradition and expectations. Effort, however, is most amenable to the influence of presidents, other officers and governing boards (Brittingham & Pezzullo, p. 24).

Intrinsic Factors

The majority of studies reviewed in the literature examined a number of intrinsic factors to determine their effect on fund-raising effectiveness. While different research approaches and methods have been used, a number of commonalities can be seen in the types of institutional characteristics that emerge in the research findings as associated with fund-raising performance.

Size of the College

Major studies of fund-raising effectiveness have indicated that success in fund-raising is partly a function of size (Keener et al., 2002; Loessin & Duronio, 1993; Pickett,
While Pickett focused on private liberal arts colleges, the size of the college's enrollment proved to be a significant factor in predicting its fund-raising potential. Loessin and Duronio also found a significant correlation between the size of the college’s enrollment and the potential for fund-raising success, regardless of whether the college was public or private, four-year or two-year. Further evidence of the significance of the factor of size was found by Keener et al. in their study of community college fund-raising. Classifying community colleges by enrollment categories as either small, medium or large, their findings indicated that fund-raising success was largely a function of institutional size.

Age of the Foundation

While the age of a college foundation, or the length of time it has been established and operating, was found to be a predictor of fund-raising success in Pickett (1977), some later researchers (Brittingham & Pezzullo, 1990; Loessin & Duronio, 1993) have speculated that this factor may not be significant for community colleges because of their comparative youth in relation to the majority of senior institutions. Virtually non-existent until the 1960s, most community colleges did not begin foundations until the 1970s and 1980s (Jenkins & Glass, 1999; Keener et al., 2002), and would therefore have a much shorter history of fund-raising experience. Several recent studies (Gatewood, 1994; Keener et al., 2002; Mucklow, 1989) show, however, that the age of a community college’s foundation can still be a predictor of fund-raising effectiveness.

Staffing of the Foundation

Though often a result of the size of the college or the maturity of the foundation and its programs, the number and make-up of development staff was often cited as a
characteristic of fund-raising performance (Gatewood, 1994; Hunter, 1987; Jenkins, 1997; Miller, 1997). Hunter and Miller found that successful community college foundations usually had at least one full-time foundation director or other high-level administrator designated to manage the college’s fund-raising program. Not surprisingly, other research (Kelly, 1998; Worth, 1993) indicates that staffing is largely a function of a college’s size and budget. Grohar (1989), in a study of church-related colleges, found a correlation between the number of staff devoted to fund-raising and the amount of funds raised. For community colleges, the literature also indicates a link between fund-raising success and the level of expenditures on staffing (Glass & Jackson, 1998a). Keener et al. (2002) also indicate that, as a community college grows in size, the investment in a full-time development officer becomes more beneficial.

_Size of Endowments and Use of Funds_

Much of the conventional wisdom of donor motivation is that donors like to give to successful programs. One indicator of this success is the size of endowments held by colleges or their foundations (Pals, 2001). While endowment funds are highly concentrated among few institutions, with only one percent having endowment assets of $1 billion or more, the size of endowments or endowment growth as part of a college’s planning and strategy was a factor found in the literature across several types of colleges. Research on community college endowments (Hunter, 1987; Clements, 1990) found that successful community college programs included the growth of endowment funds as a key part of their long-range fund-raising strategy and had clearly defined vehicles for the investment of funds raised, again pointing to endowments as an institutional characteristic of success.
In addition to having endowment funds, how foundations used the funds given to them was a factor of success cited in much of the literature (Clements, 1990; Hunter, 1987; Warnick, 1990). General uses for student aid was a key appeal to potential donors cited by Hunter, while other research indicates specific appeals related to student scholarships were most closely related to successful fund-raising appeals and programs (Clements, 1990; Warnick, 1990). Gatewood’s study of North Carolina community colleges (1994) found that the highest expenditures of successful foundations were on student scholarships and other programs of student aid.

Extrinsic Factors

In addition to characteristics intrinsic to individual colleges themselves, various studies have indicated that extrinsic factors, characteristics of the geographic area served by the college, can also have a direct effect on the amount of funds a college can raise. Because of these close ties between community colleges and their communities and service areas, the extrinsic factor of the college’s geographic location is seen as one predictor of fund-raising success in the literature. Jenkins and Glass (1999) identified the wealth of the service area and lack of competition from other colleges as two variables related to location that could impact on a college’s success in fund-raising. Similarly, when categorizing community colleges’ locations as either rural, suburban or urban, Keener et al. (2002) found a significant correlation between location and fund-raising success.

While there are indications that a college’s location may impact on the potential for fund-raising, it may be the nature of the relationships developed by the college within the community that is the most telling factor of its fund-raising success. Especially for
community colleges, these relationships are most likely to be with businesses and industries located in the college’s service area (Hall, 2002). The unique mission of community colleges to train the local workforce can help attract charitable giving from business and industry (Brittingham & Pezzullo, 1990; Hall; Pollack, 2000). Glass and Jackson (1998a) reported that business and industry were the second largest contributors to community colleges in 1995.

Community colleges, unlike most four-year institutions, do not typically have a strong donor base of support from alumni (Glass & Jackson, 1998a; Hunter, 1987). Instead, their main base of support tends to come from businesses and industries located in their service areas, as well as non-alumni individuals (Gatewood, 1994; Hunter). Currently, for community colleges, 40 percent of philanthropic support is drawn from non-alumni individuals, while alumni contribute only three percent. By contrast, public university alumni give almost 25 percent of total giving to their institutions, while non-alumni give just under 20 percent (Craft & Guy, 2002).

Much of the writing about educational fund-raising is now placing emphasis on the importance of developing relationships between the college and constituent groups in its service area (Hall, 2002; Kelly, 1998). Kelly places particular emphasis on the role of public relations in fund-raising, focusing particularly on the relationship between serving public interests and needs and motivating potential donors. Other writers focus on the unique opportunities community colleges have in cultivating these relationships with business and industry (Hall; Pollack, 2000). This relationship is not just one of gift giver and gift recipient. Instead, there is a growing perspective on the part of corporations of
the community college as a marketplace, an influencer of public opinion and policy, and a place to train its current and future workers (Pollack).

The recent literature on community college fund-raising indicates that the concept of fund-raising potential earlier defined by Pickett (1977) as being the financial resources within a college’s geographical environment, combined with the college’s access to them, may be a concept more important to community colleges than to the four-year institutions Pickett studied. Also, while Brittingham and Pezzullo (1990, p. 22) discuss “capacity”—the hypothetical maximum a college could raise under optimum conditions—in terms of the college’s prestige or expenditures per student, these factors apply more to four-year institutions. Capacity for community colleges appears more likely to be gauged by extrinsic factors.

Because for community colleges voluntary support is more likely to be a function of factors such as location (Gatewood, 1994; Glass & Jenkins, 1999) and support from local business and industry (Craft & Guy, 2002; Pollack, 2000), examining these extrinsic factors to determine this available wealth can aid in predicting a community college’s potential voluntary support from these groups. Service area characteristics related to location such as population and per capita personal income (Gatewood; Glass & Jenkins), and contributions from business and industry (Keener et al., 2002; Pollack) can assist in determining this fund-raising potential.

Leadership

On the question of “What makes community college foundations successful?” another key factor that consistently emerges from the literature is leadership (Brittingham & Pezzullo, 1990; Hall, 2002; Loessin & Duronio, 1993; Miller, 1997).
Robison (1982, pp. 43-44) identified key characteristics separated by those which “allowed” success and those which “encouraged” success of community college foundations. Factors which “allow” success are presidential support and commitment to the fund-raising process, as well as trustee understanding and commitment to the foundation concept (pp. 43-44). The key factor which “encourages” success is the presence of a foundation director to plan and coordinate foundation activities. To assist the director, appropriate training, sufficient budget and clerical assistance, and an effective foundation board also “encourage” success of the foundation (Robison, p. 45).

Sharron (1982) focuses on four characteristics that must be present for fund-raising success. One of these is strong leadership on the part of the president and foundation director. The others relate to the foundation’s case statement, the plan of operations, and the use of volunteers (pp. 303-304).

Many studies in the literature (Grace, 1991; Hall, 2002; Ironfield, 1988) point to leadership as a key factor in the fund-raising success of foundations. However, most studies have focused on the leadership of the college president (Glass & Jackson, 1998b; Vaughan et al., 1994). No significant study has yet to focus on the leadership of the foundation director as it relates to the foundation’s fund-raising success.

*Transformational Leadership*

Much of modern leadership theory grows out of the work done by Burns (1978), and focuses on leader-follower relationships. Burns sets out two basic types of leadership: transactional and transforming. To Burns, the relationships between most leaders and followers could be viewed as transactional; leaders approached followers with a principal motive of exchange. The motive of the transactional relationship was
principally the self-interest of the leader; the exchange relationship did not go beyond that. In contrast, transforming leadership was a more “potent” relationship (p. 4). In it, the leader recognizes and exploits a need or demand of the potential follower, but beyond this looks within the follower for potential motives, seeks to satisfy higher needs, and attempts to engage the “full person” of the follower (p. 4). This engagement is done in such a way as to raise both leader and follower to higher levels of motivation. The result, then, is a relationship of mutual stimulation and elevation.

Bass (1985) extended Burns’ definition of the transactional leader to the general supervisor-subordinate relationship, describing the relationships of transactional leaders with subordinates as 1) recognizing what subordinates want from their work and trying to provide that if performance warrants it, 2) exchanging reward or promise of reward for effort, and 3) being responsive to immediate self-interests of subordinates if they could be met by accomplishing the work assignment (p. 11).

Building on the work of Burns and his theories of transactional and transformational leadership, Bass (1985) described the transformational leader as one who motivated followers to do more than they originally expected to do. This transformation can be achieved in any one of three interrelated ways: 1) by raising the level of awareness of followers about the importance of designated outcomes; 2) by motivating followers to transcend self-interest for the sake of a larger group; or 3) by altering the need level on Maslow’s hierarchy, or expanding the portfolio of follower needs and wants (pp. 14-18). The transformational leader focused more on activating the higher-level needs within Maslow’s hierarchy, particularly the self-actualization needs,
by motivating followers to transcend their own self-interest for the good of the group or organization (p. 15).

Additional research on transformational leaders is described by Tichy and Devanna (1986), who conducted a descriptive research study of twelve CEOs in a variety of organizations, mostly large corporations. In interviews with the CEOs and their followers, Tichy and Devanna attempted to identify typical processes occurring when leaders try to revitalize organizations, what behaviors facilitate this process, and what traits and skills are characteristic of transformational leaders. Their observations identified several traits of transformational leaders. Such leaders saw themselves as change agents, visionaries who trusted their own intuitions. They were prudent risk-takers, able to articulate a set of core values which guided their behavior. They believed in people and were sensitive to their needs. They were value-driven, having a set of core values and exhibiting these through their behaviors. They were life-long learners, never using the term failure, but viewing errors as opportunities to learn. They possessed cognitive skills, believed in disciplined thinking and careful analysis of problems, yet were visionary, and able to articulate their visions to others (pp. 271-280).

Another study, by Bennis and Nanus (1986/1997) involved 60 top-level corporate leaders and 30 leaders of public sector organizations. Through unstructured interviews and observation, Bennis and Nanus identified several characteristics of effective transformational leaders, common to each of the CEOs they interviewed. They described these common leadership themes or behaviors as “strategies” of leadership (p. 26). Their conclusions were that effective leaders exhibited strategies of 1) “attention through vision,” where leaders were intently focused on vision, but also paid attention to process;
2) “meaning through communication,” or the ability to communicate their vision to others; 3) “trust through positioning,” or developing organizational integrity by positioning the organization through a set of actions necessary to implement their vision; and 4) “deployment of self through positive self-regard,” by which they recognized their own strengths, but were able to compensate effectively for their weaknesses (pp. 27-68).

Bass (1985) looked at leaders as exhibiting both transactional and transformational leadership styles through a variety of behavioral patterns. His theory led to an initial pilot study of 70 male senior industrial executives, followed by a study of a national sample of 845 working Americans. These and additional later studies (Bass & Avolio, 1994; Bass, 1996) established four components of transformational leadership: charismatic leadership-idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass, 1996). The use of one or more of these four components identified the behavior of leaders and their influence on followers as transformational.

Further refinement of these models led to the development of what Bass and Avolio (1994, p. 2) have termed the “full range of leadership development” model, comprising both transactional and transformational leadership behaviors. Transactional leadership occurs when the leader dispenses either reward or discipline, according to the follower’s performance. Transactional leadership is dependent on contingent reinforcement of follower behavior. This reinforcement can be positive (contingent reward), or negative (management-by-exception). In the model, the negative reinforcement of management-by-exception (MBE) can be either active or passive (MBE-A or MBE-P). Bass and Avolio (1994) included transactional leadership in the
model because they view leader behavior as involving some of both styles, depending upon the situation.

The transformational component of the model includes the four “I”s of transformational leadership—idealized influence, inspirational motivation, intellectual stimulation and individual consideration (Bass, 1996, pp. 5-6). In idealized influence, leaders are role models, considering follower needs over their own, sharing risks, and setting high standards of ethical conduct. Inspirational motivation means that leaders provide meaning and challenge to work. They generate enthusiasm through their vision and clearly communicate expectations to followers. Leaders who provide intellectual stimulation encourage creativity. Followers are involved in the problem-solving process and their ideas are not criticized. Using the component of individual consideration, leaders are mentors and coaches. They pay attention to follower needs for achievement and growth, providing learning opportunities and a supportive climate (Bass, 1996).

Fund-Raising Leadership Roles

Much of the recent literature about the roles and influences of leaders associated with educational fund-raising addresses topics, such as the important roles leaders play in articulating the college mission, developing commitment and trust within the community, and motivating potential donors (Carabelli, 2000; Essex & Ansbach, 1993; Glass & Jackson, 1998b; Hall, 2002). While the descriptions of leadership characteristics necessary for successful fund-raising are not directly linked to the literature of transformational leadership, the qualities of fund-raising leaders are clearly also those of transformational leaders.
The leadership position most closely associated in the literature with fund-raising success is the president. Essex and Ansbach (1993) say successful programs must be well organized, with a clear sense of vision. It is the president who must provide that vision, and who must be personally involved in fund-raising efforts. Similarly, Glass and Jackson (1998b) believe that success in community college fund-raising ultimately depends on the president’s leadership ability in the advancement area. Their review of the literature indicates it is the president that needs to articulate the college’s vision and lead the way in the cultivation of donors.

The traditionally strong relationships community colleges have with their communities relates to the idea of transformational leaders developing commitment and trust in followers (Hall, 2002; Kelly, 1998). Whether these are “communal” relations with individual donors or “exchange” relations developed with area businesses and industries the community college serves with training programs (Hall, p. 57), the relationships are measured by trust, mutuality of control, satisfaction and commitment (p. 55). All of these are qualities of transformational leadership.

The concept of co-leadership described by Heenan and Bennis (1999) may be one that has promise as the ideal concept for the relationship between presidents and their CDOs. Heenan and Bennis describe this sharing of leadership as the “new egalitarianism” (p. 5) that is a partnership combining the charismatic leader with the one who actually carries out the leader’s vision. Because of the complexity of modern organizations, there is a need for teams of leader and co-leader working together to accomplish important goals (Heenan & Bennis).
Other recent fund-raising literature supports this concept of co-leadership. The CDO provides a critical communication link between the president and the external community (Glass & Jackson, 1998b). The position needs active involvement in planning and setting priorities in order to be effective in promoting the college and soliciting gifts (p. 583).

The necessity of a transformational leadership orientation for both of these positions is indicated by a recent survey of college presidents (Carabelli, 2000), in which the CEOs indicated the top attributes they believed made for an effective chief advancement officer. The top five attributes were integrity, communication skills, relationship-building skills, attention to detail and follow-through, and strong strategic thinking (p. 11), all related to transformational leaders. Also interesting in presidents’ responses was that the number one functional responsibility for chief advancement officers was working in partnership with the president (p. 12). This response appears to give evidence of presidents’ reliance on this advancement position and the direct partnership between the two offices.

**Summary**

The literature related to community college fund-raising indicates the need for community colleges to devote more attention to private sector fund-raising in response to the trend of decreasing government funding. Past research has examined a number of factors that could predict—and thereby improve—the effectiveness of fund-raising by community colleges.

Better understanding of the nature of intrinsic factors associated with their individual institutions—size, staffing, current use of funds—could assist the institution’s
potential to raise private funds. The particular demographics of the college and characteristics of the person or persons most directly involved in fund-raising may also have an impact on fund-raising success.

Extrinsic factors associated with the nature and potential of the college’s service area can also be important determinants of the best sources of private funds and the most effective approaches to use in obtaining them. The relationships the college has with its community are an important factor of how successful its fund-raising efforts will be. Leadership—particularly transformational leadership—can be another important determinant of fund-raising effectiveness.

This study will examine all of these major aspects together, attempting to determine their ability to predict a community college’s ability to raise funds from the private sector within its particular service area. Identifying particular factors related to the college, its service area, its foundation and leadership that may predict the effectiveness of fund-raising could lead to more successful community college foundation fund-raising programs.
CHAPTER THREE

METHODOLOGY

Research Design

This study used a cross-sectional research design. Data collection was from responses to two mailed surveys. Gall, Borg and Gall (1996) define the purpose of a survey as “to use questionnaires or interviews to collect data from participants in a sample about their characteristics, experiences, and opinions in order to generalize the findings to a population that the sample is intended to represent” (p. 289). This design was selected because of its relative economy of cost and convenience, given the number of individuals in the sample and their geographic distribution.

Population and Sample

The population for this study was all public two-year community colleges in the United States that are member institutions of the American Association of Community Colleges (AACC). A current membership list of these institutions, including access to individual college websites, is available at the AACC website at www.aacc.nche.edu.

The sample for this study consisted of approximately 600 foundation directors selected from two-year public community colleges in the 50 states of the United States. Colleges included in the sample population were selected from the membership list of the American Association of Community Colleges (AACC), using a systematic sampling technique (Fowler, 1988, p. 23) to draw a sufficient sample size.

The size of the sample was selected because a large sample size is needed for the statistical technique of multiple regression analysis, one of the main statistical analysis methods used. The greater the number of predictor variables included in a multiple
regression equation, the greater the number of subjects necessary to obtain reliable results. At least 15 – 30 subjects per predictor variable are generally recommended (Hatcher & Stepanski, 1994, p. 384). This study examined eleven (11) predictor variables. Assuming a 50% response rate to the survey, or 300 usable responses, a sample size of 600 is ideal, approximately half of the community colleges with membership in AACC.

A single-stage design was used because of available access to names or position titles of individuals currently occupying the position of foundation director at each of the institutions in the sample to be surveyed. While there are some organizational differences, the systems of community colleges in these states are generally similar.

Instrumentation

Two separate survey instruments were administered for collection of data from the foundation director at each of the community colleges in the sample. The first survey, entitled “Foundation Director Survey,” requested data relative to demographics, intrinsic and extrinsic factors about their college and its foundation. The second survey, entitled “Multifactor Leadership Questionnaire – Leader Form,” was a 20-item questionnaire, a modified form of the MLQ (5x), asking foundation directors to rate their own transformational leadership characteristics.

MLQ Leader Form

This survey instrument measured the transformational leadership qualities of the foundation director using a part of the Leader Form of the Multifactor Leadership Questionnaire 5x (Bass & Avolio, 1995/2000). Only the items related to the five behaviors identified as “transformational” were selected for the survey. The five
transformational behaviors are 1) Idealized Influence (Attributed), 2) Idealized Influence (Behavior), 3) Inspirational Motivation, 4) Intellectual Stimulation, and 5) Individual Consideration.

**Leadership Variables**

The survey was comprised of twenty statements, each prefaced by the introduction, “I . . .,” then followed by a statement describing a transformational leadership behavior. For example, one of the survey items describing the behavior of intellectual stimulation is, “I re-examine critical assumptions to question whether they are appropriate.” Each of the five transformational behaviors has four items related to it on the survey-questionnaire.

A five-point Likert-type rating scale was used for respondents to indicate the frequency of their ratings for each item on the questionnaire. These response choices are as follows: 0 – “Not at all”; 1 – “Once in a while”; 2 – “Sometimes”; 3 – “Fairly often”; 4 – “Frequently, if not always.” MLQ scale scores are average scores for the items on the scale. Scores are derived by summing the items and dividing by the number of items that make up the scale.

**Validity**

In their review of tests for validity of the MLQ, Tepper and Percy (1994), indicate that the research supports internal-consistency, reliability, factor structure, and predictive validity of the instrument. Further, a report by Bass and Avolio (1995/2000) reviewed numerous recent studies of both the external validity and construct validity of the most recent version of the MLQ (Form 5x). They review fourteen independent samples, involving 3786 respondents, used to validate and cross-validate the MLQ 5x. The results
of these studies indicated that the factor structure of the MLQ was best represented by the six lower order factors and three higher order factors used in Form 5x. Three meta-analyses also indicated strong correlational validity between all components of transformational leadership and both subjective and objective measures of performance (Bass & Avolio, p. 2).

These results have been replicated in numerous other research projects using the MLQ 5x survey (Bass & Avolio, 1995/2000). Testing was conducted across a variety of cultural, organizational and gender settings specifically to test questions of factor bias for the transformational factors in the survey. As indicated by Bass and Avolio, transactional factors had been, over a longer period of time, validated more fully than transformational factors. Results indicated no invariance among factor structure of the MLQ 5x for the different groups tested.

Later studies by Antonakis (2001) and Pfeifer (2001) further confirm the validity of the MLQ 5x. Antonakis, using a total sample size of 6525 integrated from 18 independent studies, examined whether the factor structure of the MLQ 5x was consistent across a diverse array of samples. His study results indicated the factor structure was best represented by nine single-order factors, as Bass and Avolio had asserted. A study using 137 Kansas community college faculty and administrators (Pfeifer) also indicated strong correlation validity for the MLQ 5x.

Reliability

Descriptive statistics and reliabilities for the MLQ 5x are reported in a 1995 MLQ Technical Report (Bass & Avolio, 1995/2000) based on an initial sample set of 2154. Reliabilities for the total items and for each leadership factor scale ranged from .74 to .94.
All reliabilities were generally high, exceeding standard cut-offs for internal consistency recommended in the literature. Also, reliabilities within each data set indicated that the MLQ 5x was reliably measuring all of the leadership factors across the initial nine data sets included in the report. For the five transformational leadership factors in the total sample of 2154, descriptive statistics and reliability scores are indicated in Table 3.1.

Table 3.1: Descriptive Statistics and Reliability Scores for Five Transformational Leadership Scores for MLQ 5x

<table>
<thead>
<tr>
<th>Scale</th>
<th>Total Sample (N = 2154)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Mean</td>
<td>SD</td>
<td>Reliability</td>
</tr>
<tr>
<td>Idealized Influence (Attributed)</td>
<td>2.56</td>
<td>.84</td>
<td>.86</td>
<td></td>
</tr>
<tr>
<td>Idealized Influence (Behavior)</td>
<td>2.64</td>
<td>.85</td>
<td>.87</td>
<td></td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td>2.64</td>
<td>.87</td>
<td>.91</td>
<td></td>
</tr>
<tr>
<td>Intellectual Stimulation</td>
<td>2.51</td>
<td>.86</td>
<td>.90</td>
<td></td>
</tr>
<tr>
<td>Individual Consideration</td>
<td>2.66</td>
<td>.93</td>
<td>.90</td>
<td></td>
</tr>
</tbody>
</table>


Foundation Directors’ Survey

Foundation directors at each college in the sample were also asked to complete the second survey instrument, which consisted of topical sets of questions related to intrinsic and extrinsic factors of fund-raising performance of their college’s foundation, as well as demographic items about themselves. All of these items were designed to provide information relative to each institution’s potential for voluntary support to its foundation. The data requested were readily available to each foundation director through
Federal Form 990, foundation financial records, other institutional data reports, or personal knowledge of the foundation director by way of his or her job responsibilities. Items on the survey were categorized according to three sets of factors shown in the literature to have potential predictive influence on a community college’s ability to raise private funding. The three categories are intrinsic factors, extrinsic factors, and demographics.

**Intrinsic Variables**

Intrinsic variables are those associated with internal characteristics of the foundation and the college it serves.

*Size of college (as determined by FTE).*

Foundation directors in the study were asked to self-identify the size of their college by identifying the number of full-time equivalent (FTE) curriculum student enrollment. Other research studies (Keener et al., 2002; Loessin & Duronio, 1993) have identified the size of the college as having a potential impact on its ability to raise funds.

*Age of the foundation.*

Foundation directors were asked the year in which the foundation was founded, or began fund-raising activities, in order to determine the number of years the foundation has been in operation. Other studies in the literature (Gatewood, 1994; Keener et al., 2002) found that the age of a college’s foundation had an impact on its ability to raise funds.

*Number of staff.*

The number of staff devoted to the fund-raising function has been shown to impact the effectiveness of a foundation’s ability to raise funds (Glass & Jackson, 1998a;
Jenkins, 1997). It is expected that the more staff allotted to fund-raising, the more time is devoted to this function; therefore, there is more expectation of or potential for fund-raising effectiveness. Respondents were asked to identify the number of full-time and part-time staff devoted to fund-raising at their college.

Size of endowment.

Earlier research (Clements, 1990; Pals, 2001) has identified the size of endowments as an indicator of a mature and successful foundation. Respondents were asked to report the current total value of their foundation’s endowment accounts, reporting this variable as a dollar amount.

Use of funds.

Community college foundations differ among themselves in the ways in which funds raised are used (Clements, 1990; Hunter, 1987). Several research studies have indicated that more successful foundations use a significant amount of funds for student scholarships and other types of student financial aid (Clements, 1990; Gatewood, 1994; Warnick, 1990). Foundation directors were asked to identify amounts of funding used for student scholarships and loans, the two main forms of student aid.

Extrinsic Variables

Extrinsic variables are characteristics of the college’s service area that may have a predictive influence on the foundation’s potential to raise private funds.

Sources of funding.

Because of their unique relationships with the communities they serve, community colleges often differ from universities regarding the main sources from which they receive funding (Glass & Jackson, 1998a; Hunter, 1987). To determine the level of
such support, survey respondents were asked to identify the percentage of funds received from four main sources during the reporting year: business and industry, alumni, individuals other than alumni, and endowment interest.

Per capita income.

The wealth of the area served by a college can have an influence on its potential for raising funds (Gatewood, 1994; Glass & Jenkins, 1999). To indicate this potential, survey respondents were asked to identify the per capita income of the population served by their college. This self-reported figure can also be verified by census data.

Geographic location.

Research on fund-raising effectiveness has determined that the nature of the area served by the college can have an effect on its ability to raise funds in the private sector. Whether the college is located in and serves a primarily rural, suburban or urban population can impact the potential amount of funding it can raise (Hall, 2002; Keener et al., 2002). Survey respondents were asked to identify whether their college serves a rural, suburban, or urban population.

Demographic Variables

Surveys sent to foundation directors also contained a section of response items related to the person occupying that position and used for descriptive purposes. These items included identification of the director’s position title, age, gender, ethnicity, and length of time in position. Those demographic variables that were expressed as continuous variables (age, time in position) were entered into the regression equation.
Data Collection

Data collection was by mailed and e-mailed surveys. The “Foundation Director Survey” was mailed to the individual with designated responsibilities of the foundation director at each of the community colleges in the sample population (See Appendix A). This survey instrument included the topical sets of questions related to intrinsic and extrinsic factors of fund-raising performance, as well as demographic items. Each survey packet contained a cover letter (See Appendix B) explaining the purpose of the study, directions for survey completion and return, and a request for participation along with a stamped, addressed return envelope.

The second survey instrument, the “Leader Form” of the MLQ 5x, was mailed in the same packet (See Appendix C). This survey instrument was a modified form of Bass and Avolio’s instrument (See Appendix D), using only those questions that pertained specifically to transformational leadership. Directions on this survey asked the respondents to answer each item regarding how the behavior described related to their role as a foundation director. The initial mailings were sent to 592 persons identified as foundation directors, using the mailing list obtained from the American Association of Community Colleges (AACC). For its mailing list, AACC uses the designation of “Development Officer” (DVO). This list was obtained as the closest identifier for the position responsible for foundation and fund-raising activities.

Of the 742 names on the list obtained from AACC, 150 were eliminated because they represented either college systems rather than individual colleges, or represented private rather than public colleges. When it was questionable whether a college on the
AACC list was public or private, the researcher went to the college’s web site to make a determination.

A cover letter and the two surveys were mailed to the remaining 592 foundation directors on December 12, 2003. Because of the proximity to holiday closings when the initial surveys were mailed, the first follow-ups to non-respondents were sent January 24, 2004. The initial follow-up was sent via e-mail (See Appendix E) with replacement surveys sent as attachments. This approach was taken because of the growing use and convenience of electronic correspondence, and because of the expense saving. Unfortunately, many of these electronic follow-ups and attachments were blocked by the recipient’s college server, ostensibly for security reasons. Of those e-mails reaching recipients, relatively few were returned.

A second follow-up letter and replacement surveys were sent by regular mail March 7, 2004 (see Appendix F) to those foundation directors who had not responded either to the initial mailing or to the electronic follow-up. From all mailings, a total of 218 usable surveys were returned and used in the study.

Data Analysis

Descriptive statistics were used to analyze the demographic, intrinsic, extrinsic and leadership variables associated with the foundation directors, their foundations and their colleges. These analyses of all independent variables and the dependent variables indicated mean scores, standard deviations and ranges of scores. Multiple regression and multivariate analysis of variance (MANOVA) were also used to analyze the data.

For analysis of the transformational leadership characteristics of foundation directors, multiple regression analysis was used to determine the predictive values of
each of the five transformational leadership factors on the dependent variable (total funds raised). Further, multivariate analysis of variance (MANOVA) with one between-groups factor was used to determine whether there was a significant difference in means between levels of transformational leadership characteristics of foundation directors when compared on the criterion variables of types of funding sources. A description of the data analysis used for each research question follows.

1. What is the predictive value of intrinsic factors (a. college size, b. foundation age, c. number of staff), extrinsic factors (per capita income), demographic factors (a. age of foundation director, b. time in position), and transformational leadership factors (a. idealized influence-attributed, b. idealized influence-behavior, c. inspirational motivation, d. intellectual stimulation, e. individualized consideration) of foundation directors, foundations and colleges on total funds raised annually by the foundation?

Raw scores on the predictor variables were entered into the initial regression model. This initial analysis computed all possible correlations between variables in the study. Bivariate correlations and levels of significance (p values) were determined and analyzed.

Multiple regression enabled assessment of how well the research model functions in predicting the dependent (criterion) variable. For each independent (predictor) variable analyzed, regression also identifies which variables are individually significant in predicting the criterion variable. For these significant variables, regression also provides information about the level of magnitude of their significance. Most important, regression
looks at the impact of any independent predictor variable while holding constant the effect of all of the other independent variables.

Beta weights and uniqueness indices were reviewed to assess the relative importance of each continuous predictor variable in predicting the fund-raising potential of each community college in the research study. The uniqueness index for each of the predictor variables in the study is the percentage of variance in the criterion variable accounted for by that particular predictor, beyond the variance accounted for by all other predictor variables. Findings regarding uniqueness indices were then compared to those for beta weights in order to determine which indices were significant. These findings provided indications of which of the predictor variables in the model may provide statistically significant influence on a community college’s potential to raise private funding.

2. Are there differences in community colleges’ sources of funding (a. business and industry, b. individuals not alumni, c. alumni, d. endowment interest) by colleges’ size (as measured by FTE curriculum enrollment)?

Based on the fund-raising literature in relation to community colleges, other studies have indicated that the enrollment size of a college may have a bearing on the sources of funding (e.g., businesses vs. individuals) that are more likely to give to the college foundation. To test this hypothesis, multivariate analysis of variance (MANOVA) with one between-groups factor was used to test for any significance of difference between colleges categorized as small, medium or large (by curriculum FTE) in terms of the main types of sources from which they received contributions. Four categories of
contribution sources were used for this test (business and industry, alumni, individuals other than alumni, and interest earned from endowments).

3. Are there differences in sources of funding (a. business and industry, b. individuals not alumni, c. alumni, d. endowment interest) by colleges’ geographic location (rural, suburban, urban)?

Other studies in the literature (Jenkins & Glass, 1999; Keener et al, 2002) have reported that a college’s geographic location—whether it serves a primarily rural, suburban, or urban area—could impact not only the amount of private funding it receives, but also the sources from which that funding comes. To test this hypothesis, multivariate analysis of variance (MANOVA) with one between-groups factor was used to test for significance of difference between rural, suburban and urban colleges as they compared on the four categories of contribution sources.

4. Are there differences in sources of foundation funding (a. business and industry, b. individuals not alumni, c. alumni, d. endowment interest) by transformational leadership characteristics (a. idealized influence-attributed, b. idealized influence-behavior, c. inspirational motivation, d. intellectual stimulation, e. individualized consideration) of foundation directors?

To test further for the effect of transformational leadership characteristics of foundation directors on fund-raising success, different levels of transformational leadership were tested to determine whether there were significant differences between mean scores of “high,” “medium” and “low” scores of transformational leadership when compared to the same four sources of contributors from which foundations received their funding. Multivariate analysis of variance (MANOVA) with one between-groups factor
was used to test for any significance of difference between transformational leadership scores of foundation directors (when grouped in “high,” “medium” or “low” scoring groups) in terms of the main types of sources from which they received contributions. Again, four categories of contribution sources were used for this test (business and industry, alumni, individuals other than alumni, and interest earned from endowments).

**Delimitations and Limitations**

The scope of this study was the non-profit foundations of public community colleges in the United States and their effectiveness in raising private sector funding, as measured by total funds raised in the year 2002. Four types of predictive factors were studied: demographic, intrinsic, extrinsic and transformational leadership factors. While particular variables of these factors were selected for the study based upon their demonstrated predictive value from other studies, it is possible that there are other significant variables of these factors that have not been selected. In addition, while the scores of transformational leadership about the foundation directors in the study were determined by self-ratings for the sake of economy, determination of this factor might be improved by ratings from others, such as presidents, foundation board members and donors.
CHAPTER FOUR

RESULTS

This chapter presents findings from the data collected from survey responses to the Transformational Leadership questionnaire and the Foundation Director survey. The Foundation Director survey elicited responses to questions about characteristics of the foundation directors themselves (demographic factors), and characteristics of the college they served, and of the college’s foundation (intrinsic and extrinsic factors). Examination of these survey responses was to determine what predictive relationships might exist between these intrinsic, extrinsic, and demographic characteristics and the college foundation’s ability to raise external funds.

The purpose of the Transformational Leadership questionnaire was to determine the level of transformational leadership characteristics exhibited by community college foundation directors. Examination of the survey responses was to determine whether there was any significant relationship between the level of transformational leadership characteristics of foundation directors and the amount and sources of funding raised by their respective foundations. Questions on both surveys related specifically to items within the four factor groupings of independent variables in the conceptual model.

Description of the Sample

Description of Foundation Directors

Demographic information was obtained about 218 persons functioning as the foundation director from responses to the Foundation Director survey. Respondents functioned in this position at public two-year colleges in the United States between December 2003 and March 2004, the period during which responses were collected.
Ages of respondents serving in the function of foundation director ranged from 28 to 69 years, with a mean age of 50.6 years. The respondent group was predominately female, with 128 female respondents, 90 male. The ethnicity of the respondent group was overwhelmingly white. Of 217 responses to the ethnicity question, 209 were white, 3 Asian, 2 African-American, 2 American Indian or Alaska Native, and 1 Native Hawaiian or Other Pacific Islander.

Respondents reported the number of years spent in their current position as ranging from 0.1 to 34, with the mean time spent in the position as 6.9 years. The predominant educational level reported by respondents was a master’s degree (108). Thirty-three respondents held a doctoral degree, and 72 a bachelor’s degree. Only five respondents reported their educational level as “other,” usually meaning they held an associate degree or less.

Persons responsible for the foundation function reported an interesting array of titles describing their position. The great majority (164 or 75%), as expected, held a title of Executive Director or Director of the Foundation, the most common title for this position. Twenty-four respondents (11%) held a title of Vice President, while 13 (6%) held a title of Dean. This difference may be related more to the size of the college than to the responsibilities, since smaller colleges tend not to have positions designated as “Vice President,” using the designation of “Dean” instead. However, many respondents reported that directing the foundation was only one of several different responsibilities. Ten (5%) held a title classed as “other,” usually an administrative assistant. It is interesting that 7 respondents (3%) were Presidents, indicating that some chief executive officers continue to maintain the president’s position as the principal fund-
raiser. Table 4.1 indicates the characteristic descriptive statistics of foundation directors responding to the survey.

**Table 4.1 Descriptive Characteristics of Foundation Directors**

<table>
<thead>
<tr>
<th>Respondent Variable</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age (n = 215)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26-35 years</td>
<td>13</td>
<td>6.05</td>
</tr>
<tr>
<td>36-45 years</td>
<td>45</td>
<td>20.93</td>
</tr>
<tr>
<td>46-55</td>
<td>88</td>
<td>40.93</td>
</tr>
<tr>
<td>56-69</td>
<td>69</td>
<td>32.09</td>
</tr>
<tr>
<td><strong>Gender (n = 218)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>90</td>
<td>41.28</td>
</tr>
<tr>
<td>Female</td>
<td>128</td>
<td>58.72</td>
</tr>
<tr>
<td><strong>Ethnicity (n = 217)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>African-American</td>
<td>2</td>
<td>0.92</td>
</tr>
<tr>
<td>American Indian or Alaska Native</td>
<td>2</td>
<td>0.92</td>
</tr>
<tr>
<td>Asian</td>
<td>3</td>
<td>1.38</td>
</tr>
<tr>
<td>Native Hawaiian or Other Pacific Islander</td>
<td>1</td>
<td>0.46</td>
</tr>
<tr>
<td>White</td>
<td>209</td>
<td>96.31</td>
</tr>
<tr>
<td>Hispanic/Latino</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Years Served in Position (n = 218)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-5 years</td>
<td>112</td>
<td>51.38</td>
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<tr>
<td>6-10 years</td>
<td>59</td>
<td>27.06</td>
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<tr>
<td>11-15 years</td>
<td>29</td>
<td>13.3</td>
</tr>
<tr>
<td>16-20 years</td>
<td>11</td>
<td>5.05</td>
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<tr>
<td>21-25 years</td>
<td>4</td>
<td>1.83</td>
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<td>26-30 years</td>
<td>2</td>
<td>0.92</td>
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<td>31-35 years</td>
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<td>0.46</td>
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<tr>
<td><strong>Educational Level (n = 218)</strong></td>
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</tr>
<tr>
<td>Doctorate</td>
<td>33</td>
<td>15.14</td>
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<tr>
<td>Masters</td>
<td>108</td>
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<tr>
<td>Bachelors</td>
<td>72</td>
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</tr>
<tr>
<td>Other</td>
<td>5</td>
<td>2.29</td>
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<tr>
<td><strong>Title of Position</strong></td>
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<td></td>
</tr>
<tr>
<td>Vice President</td>
<td>24</td>
<td>11.01</td>
</tr>
<tr>
<td>Dean</td>
<td>13</td>
<td>5.96</td>
</tr>
<tr>
<td>President</td>
<td>7</td>
<td>3.21</td>
</tr>
<tr>
<td>Director/Executive Director</td>
<td>164</td>
<td>75.23</td>
</tr>
<tr>
<td>Other</td>
<td>10</td>
<td>4.59</td>
</tr>
</tbody>
</table>
Description of Foundations, Colleges and Service Areas

The Foundation Director survey also asked for descriptive information about the foundation and its operations and characteristics about the college and its service area. Foundations varied widely in the length of time they had been in operation, with a range of 1 to 70 years, and a mean age of 24.9 years. There was also a wide range of the number of staff positions at each college devoted to the foundation or development function. The number of staff positions ranged from 0 to 10, with a mean of 2.2 positions.

The size of the college was another variable of interest and, again, varied widely. College size was measured by FTE (full-time equivalent) curriculum student enrollment. Of 212 responses to this question, FTE ranged from a low of 320 to a high of 62,000. However, only two colleges reported FTE greater than 31,000. The mean FTE of the sample was 5,115.8, with a median of 3105.

Respondents were asked to identify the geographic location of the college as either “rural,” “suburban,” or “urban.” More than half (58.14%) of respondents identified the location of their college as being “rural.” The remaining classifications were evenly split, with 21.86% classifying their location as “suburban” and 20% identifying their location as “urban.” Another variable of interest related to the colleges was the per capita income of their respective service areas. Respondents reported a range of per capita income from a low of $10,960 to a high of $47,000, with a mean of $21,115.

The size of the foundation’s endowment is another factor cited in the literature as having a relationship to the foundation’s ability to raise additional funds. Of surveys reporting endowment levels, foundation endowment levels ranged from $0 to $11.5 million. The mean endowment level was $3,422,154, and the median level was
$1,375,000. Respondents were asked to report the total current value of their foundation for 2002 (as reported on Federal Form 990). Reported values ranged from a minimum of $10,550 to a maximum of $115 million, with a mean of $4,337,070 and a median value of $2 million.

The dependent variable for the study was the total amount of funds raised by the foundation. Respondents were asked to report this information in two ways: 1) the total amount of funding generated in calendar year 2002 (as reported on Federal Form 990); and 2) a three-year average of funding received (as reported for the years 2000, 2001, 2002, or the three most recent years available). Information was requested in both these forms to determine whether there would be a significant difference between the totals. As reported, there was little difference between the one-year and three-year-average figures. Therefore, the total funding generated for the single year of 2002 was used as the dependent variable for the study. Table 4.2 reflects these characteristics of respondent colleges and their service areas.

<table>
<thead>
<tr>
<th>Respondent Variable</th>
<th>Range</th>
<th>Mean</th>
<th>SD</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation Age (n = 216)</td>
<td>1 to 70</td>
<td>24.9</td>
<td>12.2</td>
<td>25</td>
</tr>
<tr>
<td>No. of Foundation Staff (n = 216)</td>
<td>0-10</td>
<td>2.2</td>
<td>1.5</td>
<td>2</td>
</tr>
<tr>
<td>Size of College by FTE (n = 212)</td>
<td>320-62000</td>
<td>5115.8</td>
<td>7114.2</td>
<td>3105</td>
</tr>
<tr>
<td>Per Capita Income (n = 218)</td>
<td>$10,960-$47,000</td>
<td>$21,115.60</td>
<td>$5,225.47</td>
<td>$20,345.50</td>
</tr>
<tr>
<td>Size of Endowment (n = 212)</td>
<td>0-$11.5 million</td>
<td>$3,422,154</td>
<td>$8,881,416</td>
<td>$1,375,000</td>
</tr>
<tr>
<td>Total Value 2002 (n = 196)</td>
<td>$10,550-$115 million</td>
<td>$4,337,070</td>
<td>$9,475,243</td>
<td>$2 million</td>
</tr>
<tr>
<td>Funds Raised 2002 (n = 196)</td>
<td>$3924-$11 million</td>
<td>$795,170.60</td>
<td>$1,279,591.15</td>
<td>$392,632.50</td>
</tr>
<tr>
<td>Average Raised 2000-02 (n = 196)</td>
<td>$3924-$11 million</td>
<td>$790,163.60</td>
<td>$1,283,663.89</td>
<td>$392,632.50</td>
</tr>
</tbody>
</table>
Uses of Foundation Funds

Questions on the Foundation Director survey were also directed to finding how foundations used their funds and from what types of sources funds were raised. Because the most commonly cited uses of funds in the literature related to community college foundations are for student scholarships and loans, respondents were asked the amount of funds provided for these two purposes during calendar year 2002.

Student scholarships proved to be a significantly more frequently reported use of foundation funds than student loans. Of 208 respondents to this survey question, only four indicated they awarded no scholarships from foundation funds. The range of scholarship dollars given was $0 to $7 million, with an average award amount of $213,077. However, of the 208 responses, 165 indicated that no foundation funds were used for student loans. Of the 43 respondents indicating loans were given, the maximum loan amount reported for 2002 was $561,433, with a mean loan amount of $7995. Table 4.3 indicates the means, standard deviations, and median levels of funds used to support student scholarships and loans.

Table 4.3 Funds Used for Student Scholarships and Loans

<table>
<thead>
<tr>
<th>Respondent Variable</th>
<th>Mean</th>
<th>SD</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scholarships Given (n = 208)</td>
<td>$213,077</td>
<td>$545,568</td>
<td>$100,000</td>
</tr>
<tr>
<td>Student Loans Given (n = 208)</td>
<td>$7,995</td>
<td>$43,654</td>
<td>$10,000</td>
</tr>
</tbody>
</table>

Note: Because only 43 of 208 respondent foundations reported providing student loans, the actual median was zero. The median of $10,000 reported in Table 4.3 is the median point for the 43 respondents that actually provided student loans.

Sources of Foundation Funding

To determine the main types of sources from which foundations received funding, respondents were asked to report—for income generated in calendar year 2002—the
percentage of income generated from four types of sources: business and industry, alumni, individuals other than alumni, and endowment interest. Responses indicated that most foundation income was generated from business and industry and from individuals other than alumni.

Of 200 respondents reporting income from business and industry, the mean percentage was 35.08, with a median of 29.5%. The same 200 respondents reported a mean percentage of 43.56 of income from individuals other than alumni, with a median percentage of 40.0. Less income was reported from the sources of alumni and endowment interest. It is significant that 57 of 199 (28.64%) responses reporting levels of alumni income reported receiving no income from alumni in 2002. The mean percentage of income from alumni was 6.71, with a median level of only 2.0%.

Similarly, 38 of 198 respondents, or 19.19%, reported receiving no income from endowment interest in 2002. The mean percentage of income from endowments was 11.38, with a median level of 7.0%. Table 4.4 indicates the level of funding (expressed as a percentage of funds received) from these four categories of funding sources reported by respondent colleges.

<table>
<thead>
<tr>
<th>Respondent Variable</th>
<th>Range</th>
<th>Mean</th>
<th>SD</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business/Industry (n = 200)</td>
<td>0-100</td>
<td>35.08</td>
<td>25.92</td>
<td>29.5</td>
</tr>
<tr>
<td>Individuals not Alumni (n = 200)</td>
<td>0-100</td>
<td>43.56</td>
<td>27.23</td>
<td>40</td>
</tr>
<tr>
<td>Alumni (n = 199)</td>
<td>0-74</td>
<td>6.71</td>
<td>10.96</td>
<td>2</td>
</tr>
<tr>
<td>Endowment Interest (n = 198)</td>
<td>0-80</td>
<td>11.38</td>
<td>13.58</td>
<td>7</td>
</tr>
</tbody>
</table>

Table 4.4 Sources of Community College Foundation Funding
(Figures expressed are percentages)

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Transformational Leadership

In addition to the information about intrinsic, extrinsic and demographic variables gathered from the Foundation Director’s Survey, information about transformational leadership characteristics of those serving as the foundation director was gathered from responses to a modified version of Bass and Avolio’s (2000) Multifactor Leadership Questionnaire (MLQ) Leader Form (5x Short). This questionnaire was mailed to the same sample of foundation directors and accompanied the Foundation Director Survey. Only questions from the MLQ (5x-Short) relating to transformational leadership were selected for the second survey sent to foundation directors. Respondents rated themselves by responding to 20 questions, using a 5-point Likert-type scale, with response options ranging from “0-Not at all” to “4-Frequently, if not always” (See Appendix G).

The MLQ groups questions according to five characteristics associated with transformational leadership qualities: IIA – Idealized Influence (attributed), IIB – Idealized Influence (behavior), IM – Inspirational Motivation, IS – Intellectual Stimulation, and IC – Individualized Consideration. Four questions from the survey are combined for each of the five groups, meaning that a score for each grouping could range from 0 to 16. Table 4.5 indicates mean scores and standard deviations for each of the five transformational leadership characteristics. Alpha coefficients are also indicated. Coefficient alpha tests the reliability of the instrument by testing the internal consistency of individual item responses (Hatcher & Stepanski, 1994). Coefficient alpha reliability estimates all exceeded .70, an acceptable level of reliability.
Table 4.5 Descriptive Statistics and Alpha Reliability Scores, MLQ

<table>
<thead>
<tr>
<th>Scale</th>
<th>Mean</th>
<th>SD</th>
<th>Alpha Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Idealized Influence-Attributed (IIA)</td>
<td>13.42</td>
<td>1.75</td>
<td>0.75</td>
</tr>
<tr>
<td>Idealized Influence-Behavior (IIB)</td>
<td>13.67</td>
<td>1.76</td>
<td>0.73</td>
</tr>
<tr>
<td>Inspirational Motivation (IM)</td>
<td>13.95</td>
<td>1.69</td>
<td>0.75</td>
</tr>
<tr>
<td>Intellectual Stimulation (IS)</td>
<td>12.54</td>
<td>1.84</td>
<td>0.76</td>
</tr>
<tr>
<td>Individualized Consideration (IC)</td>
<td>13.04</td>
<td>1.87</td>
<td>0.74</td>
</tr>
</tbody>
</table>

Research Question One: What is the predictive value of intrinsic factors (a. college size, b. foundation age, c. number of staff), extrinsic factors (per capita income), demographic factors (a. age of foundation director, b. time in position), and transformational leadership factors (a. idealized influence-attributed, b. idealized influence-behavior, c. inspirational motivation, d. intellectual stimulation, e. individualized consideration) of foundation directors, foundations and colleges on total funds raised annually by the foundation?

The following intrinsic, extrinsic and demographic variables related to characteristics of foundation directors, foundations, and the colleges themselves in relation to funds raised were first examined in a correlation matrix: age of the foundation director, number of years served in the position, number of foundation staff, age of the foundation, number of FTE curriculum enrollment, and per capita income of the service area. Table 4.6 shows the intercorrelations among these independent variables and the dependent variable of total funds raised. Intercorrelations for the intrinsic, extrinsic and demographic variables were relatively low overall, ranging from .01 to .44.
Two of the intrinsic variables did, however, demonstrate significant correlation with the dependent variable of total funds raised. Full-time equivalent curriculum student enrollment of the college served by the foundation showed a .34 correlation with funds raised, and the number of staff positions dedicated to the foundation function exhibited a .44 correlation. Both of these correlations showed statistical significance in relation to the dependent variable at the $p < .05$ significance level. It is interesting that both of these are variables of magnitude, indicating that the greater the number of students at the college and the greater the number of foundation staff, the greater the amount of money raised.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Total Funds Raised</td>
<td>806859</td>
<td>1315295</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Age of Foundation Director</td>
<td>50.54</td>
<td>9.15</td>
<td>0.01</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Years Served in Foundation Position</td>
<td>6.98</td>
<td>5.99</td>
<td>0.08</td>
<td>0.36*</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Number of Foundation Staff</td>
<td>2.26</td>
<td>1.58</td>
<td>0.44*</td>
<td>-0.04</td>
<td>0.12</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Age of Foundation (Years in existence)</td>
<td>25.61</td>
<td>12.43</td>
<td>0.08</td>
<td>0.09</td>
<td>0.03</td>
<td>0.23**</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. FTE (full-time equivalent) Curriculum Enrollment</td>
<td>5512</td>
<td>7769</td>
<td>0.34*</td>
<td>0.02</td>
<td>-0.02</td>
<td>0.34*</td>
<td>0.17</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Service Area Per Capita Income</td>
<td>20974</td>
<td>4545</td>
<td>0.08</td>
<td>0.14</td>
<td>0.07</td>
<td>0.19</td>
<td>-0.02</td>
<td>0.15</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Idealized Influence (Attributed) - IIA</td>
<td>13.48</td>
<td>1.70</td>
<td>-0.01</td>
<td>0.09</td>
<td>0.11</td>
<td>-0.02</td>
<td>-0.10</td>
<td>0.01</td>
<td>0.13</td>
<td>[75]</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Idealized Influence (Behavior) - IIB</td>
<td>13.69</td>
<td>1.82</td>
<td>0.04</td>
<td>0.09</td>
<td>0.09</td>
<td>0.04</td>
<td>0.01</td>
<td>0.03</td>
<td>0.02</td>
<td>0.39*</td>
<td>[73]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Inspirational Motivation - IM</td>
<td>13.99</td>
<td>1.66</td>
<td>0.17</td>
<td>-0.01</td>
<td>0.05</td>
<td>0.15</td>
<td>0.08</td>
<td>0.06</td>
<td>0.10</td>
<td>0.49*</td>
<td>0.55*</td>
<td>[75]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Intellectual Stimulation - IS</td>
<td>12.62</td>
<td>1.88</td>
<td>0.02</td>
<td>-0.06</td>
<td>0.00</td>
<td>0.05</td>
<td>-0.17</td>
<td>-0.03</td>
<td>-0.02</td>
<td>0.32*</td>
<td>0.40*</td>
<td>0.28**</td>
<td>[76]</td>
<td></td>
</tr>
<tr>
<td>12. Individualized Consideration - IC</td>
<td>13.10</td>
<td>1.87</td>
<td>0.11</td>
<td>0.10</td>
<td>0.13</td>
<td>0.03</td>
<td>-0.22</td>
<td>-0.07</td>
<td>-0.06</td>
<td>0.40*</td>
<td>0.48*</td>
<td>0.39*</td>
<td>0.52*</td>
<td>[74]</td>
</tr>
</tbody>
</table>

**Note:** N = 174. Decimals are omitted from reliability estimates, which appear in brackets on the diagonal. $^* p < .01$  $^{**} p < .01$
The transformational leadership variables and the dependent variable of total money raised in 2002 (Total02) were also examined in the correlation matrix. Intercorrelations among the five transformational factors ranged from 0.28 to 0.55. However, the correlations between the five transformational factors and the dependent variable were extremely low, ranging only between -0.01 and 0.17. None of the five transformational leadership factors showed statistical significance to the dependent variable at the .05 level. Table 4.6 indicates the intercorrelations among the five transformational factors (idealized influence-attributed, idealized influence-behavior, inspirational motivation, intellectual stimulation, and individualized consideration) and the dependent variable of total funds raised (total02).

To examine further what intrinsic, extrinsic and demographic factors associated with the foundation director, the foundation, and the college itself might have predictive value in determining the amount of funds raised by the foundation, responses expressed as continuous values from the Foundation Director Survey were then entered into a multiple regression model. Again in the model, total funds raised by the foundation in 2002 (Total02) were used as the criterion or dependent variable. Intrinsic factors, extrinsic factors, and demographic factors entered the regression model as predictor or independent variables. Multiple regression was also used to analyze what predictive value the transformational leadership factors of foundation directors had on money raised by the foundation. The five transformational leadership factors entered the regression model as predictor or independent variables.

The results of this multiple regression analysis are shown in Table 4.7, indicating that the linear combination of all independent variables in the model accounted for a
significant percentage ($R^2 = .27$, Adj. $R^2 = .22$, $p < .0001$) of the variance in the dependent or criterion variable, total funds raised by the foundation in 2002. Beta weights (standardized multiple regression coefficients) and uniqueness indices were reviewed to assess the relative importance of these variables in predicting the amount of total funds raised. The uniqueness index for any given predictor variable is the percentage of variance in the criterion variable accounted for by that predictor, exclusive of the variance accounted for by other predictor variables.

Two of the three intrinsic variables in the model contributed most to the regression equation. Full-time equivalent curriculum student enrollment contributed significantly to the equation ($\beta = .23$) and demonstrated statistical significance at the .002 level. The uniqueness index indicated that it accounted for 5% of the variance in total funds raised, the criterion variable. Age of the foundation did not show significance ($\beta = -.05$, $p = .52$). The third intrinsic variable, the number of staff persons assigned to foundation functions, was the predictor variable that contributed most strongly to the regression model ($\beta = .37$, $p < .0001$). Similarly, its uniqueness index indicated it accounted for 9% of the variance of the criterion, total funds raised. The extrinsic variable, per capita income, which was associated with each college’s service area, showed no significance as a predictor of total funds raised ($B = -.02$, $p = .83$).

The two demographic factors (age of the foundation director, years spent in the foundation position) contributed no significance as predictor variables in the regression equation. Age of the foundation director had a beta weight of only .01 ($p = .83$), and years spent in the position had a beta weight of .04 ($p = .70$), neither showing significance as predictors of annual total funds raised by foundations.
The five transformational leadership factors accounted for a very small percentage (.04) of the variance in total funds raised. Inspirational motivation contributed most to the regression equation ($\beta = .16$) and came the closest to indicating statistical significance ($p = .08$). Individualized consideration provided the next strongest contribution to the equation ($\beta = .15$, $p = .10$). Idealized influence-attributed ($\exists = - .10$, $p = .21$), idealized influence-behavior ($\exists = - .08$, $p = .37$), and intellectual stimulation ($\exists = -.05$, $p = .52$) contributed little to the regression equation and were not statistically significant. However, while not statistically significant at the $p < .05$ level of significance, significance levels of .08 and .10 for “inspirational motivation” and “individualized consideration” respectively do indicate some predictive significance for these leadership factors. There is significance of these two factors which bears additional examination.

The findings of this research question were based on examination of descriptive statistics associated with the continuous variables of intrinsic, extrinsic, demographic and transformational leadership factors from the conceptual model, as well as review of bivariate correlations, multiple regression coefficients and uniqueness indices of these continuous predictor variables in the conceptual model. The results of these statistical tests indicated that only the two intrinsic variables of 1) FTE curriculum enrollment and 2) number of foundation staff revealed relative importance as predictor variables in predicting the amount of funds raised by a community college foundation. Neither the extrinsic factor tested (per capita income) nor the two demographic factors tested (age of the foundation director, time spent in the position) indicated significance as predictor variables. Two of the five transformational leadership factors from the model approached
Research Question Two: Are there differences in community colleges’ sources of funding (a. business/industry, b. individuals not alumni, c. alumni, d. endowment interest) by colleges’ size (as measured by FTE curriculum enrollment)?
Though multiple regression analysis indicated that the size of a community college (as measured by FTE) had relative importance as a predictor of the amount of funds raised by the foundation, a further question of interest was whether there is a relationship between a college’s size and the types of sources from which it receives its contributions. Though there are many classification systems for two-year colleges, many practitioners agree that enrollment size is the most logical and understandable criterion for classifying two-year colleges (McCormick & Cox, 2003). The SREB (Southern Regional Education Board), an independent education board covering 16 southern states, classifies two-year colleges by FTE size as follows: small - less than 2000 FTE; medium - 2000-4999 FTE; large – 5000 or more FTE. This classification system was used to indicate the size of colleges for the study.

Using the SREB classification system, the predictor variable for the analysis was the college’s size as determined by FTE, which was measured on a nominal scale and could assume these values: small (1-1999 FTE), medium (2000-4999 FTE), and large (5000 or greater FTE). The four criterion variables were contributions from: business and industry, individuals other than alumni, alumni, and earnings from endowments. Each of these was measured as a continuous variable, expressed as a percentage of total funds received by the foundation.

A one-way MANOVA between-groups design was used to determine whether the size of the college (small, medium or large) could make a significant difference in the source from which a foundation was more likely to receive funds. The purpose of the MANOVA was to determine whether there was a significant difference between colleges of small size, of medium size, and of large size (as determined by SREB classification)
and the percentage of foundation funds received from: 1) business and industry, 2) individuals other than alumni, 3) alumni, and 4) endowment earnings.

The analysis revealed a significant multivariate effect at the p = .08 level by size of the college (as determined by FTE) on sources of funds for the college’s foundation, Wilks’ lambda = .93; F (8, 382) = 1.78; p = .08. With a significance level of p = .08, not far removed from the p < .05 level, it was felt worthwhile to examine further any differences between the percentages of funding from different sources received by colleges of different sizes. By comparing the mean differences among different size colleges in relation to their funding sources, some differences of funding sources between colleges of different sizes do appear.

Table 4.8 summarizes responses from the Foundation Director Survey indicating the percentages of funding received by foundations in 2002 from the four funding sources of business and industry, alumni, individuals other than alumni, and earnings from endowments. While there is relatively little difference in percentages reported for the categories of “alumni” and “endowment earnings,” a potentially significant difference appears for the categories of “business and industry” and “individuals not alumni.”

<table>
<thead>
<tr>
<th>Size by FTE</th>
<th>Business/Industry Mean</th>
<th>Individuals not Alumni Mean</th>
<th>Alumni Mean</th>
<th>Endowments Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small</td>
<td>29.58*</td>
<td>48.10*</td>
<td>4.35</td>
<td>13.41</td>
</tr>
<tr>
<td>Medium</td>
<td>36.35</td>
<td>42.82</td>
<td>7.14</td>
<td>11.78</td>
</tr>
<tr>
<td>Large</td>
<td>39.21*</td>
<td>39.45*</td>
<td>8.51</td>
<td>8.79</td>
</tr>
</tbody>
</table>

Note: * indicates a significant difference between means for small and large colleges.
It is immediately apparent from Table 4.8 that, regardless of the size of the college (small, medium, large), these two categories account for greater percentages of funds received than the categories of “alumni” and “endowment earnings.” This finding is consistent with similar findings in the literature (Glass & Jackson, 1998a; Keener et al., 2002). In addition, Table 4.8 shows nearly a ten percent difference between the means of percentages of funding from “business and industry” reported by colleges classified as “large” and “small,” and a nearly nine percent difference between the means of percentages of funding from “individuals not alumni” reported by large and small colleges. These comparisons of mean differences indicate not only that the majority of funds received by foundations—regardless of the size of the college—come from these two sources (business and industry, individuals not alumni), but that smaller colleges tend to receive a larger percentage of funding from “individuals not alumni,” while larger colleges tend to receive a greater percentage of funding from “business and industry.”

From these findings, then, of the intrinsic, extrinsic, demographic and transformational leadership factors in the conceptual model, the college’s size (as measured by FTE) and the number of staff allocated to the foundation proved to have significant predictive value in relation to the amount of funds raised by a community college’s foundation. In addition, by comparing differences between large and small colleges as to the types of sources from which their funds are raised, community college foundations tended to receive most of their contributions from business and industry or from individuals other than alumni—regardless of college size. Size does appear to be a factor in predicting the level of comparative giving. Smaller colleges tended to receive
the largest percentage of funds from “individuals not alumni,” while larger colleges received their largest percentage from “business and industry.”

Research Question Three: Are there differences in sources of funding (a. business/industry, b. individuals not alumni, c. alumni, d. endowment interest) by colleges’ geographic location (rural, suburban, urban)?

While a college’s size (as determined by FTE enrollment) showed significance as a predictor of successful fund-raising, geographic location of the college is also frequently cited in the literature as influencing the level of capacity the college has in securing private funding from its community. Geographic location typically classifies the college location as being rural, suburban or urban. The Foundation Director Survey asked respondents to classify their college’s service area as rural, suburban or urban. Using this self-declared classification of location, another question of interest was whether location would make a difference in the types of sources from which foundations received their funding.

Because “location” is a categorical variable, it was not used in the multiple regression analysis, which was run using only continuous variables from survey responses. Instead, another one-way MANOVA between-groups design was used to test whether a college’s geographic location could make a difference in the types of sources from which the foundation received its funding. The purpose of the MANOVA was to determine whether there was a difference between “rural,” “suburban” and “urban” college locations with respect to the percentage of funding the foundations received from the four sources of: 1) business and industry, 2) alumni, 3) individuals not alumni, and 4) endowment earnings.
In the survey, a response of “1” indicated the college served a rural location; a response selection of “2” indicated a “suburban” location; a response of “3” indicated an “urban” location. The analysis failed to reveal a significant multivariate effect for the geographic location of the college on the different types of funding sources for the college’s foundation, Wilks’ lambda = .95; F (8, 384) = 1.27; p = .26.

However, despite the lack of a significant multivariate effect, the comparison of means of reported percentages of funding received from each of the four categories of funding sources did reveal a 9.23 difference in the mean percentage of funds received from business and industry between rural and urban colleges. Rural colleges reported receiving 32.67% of their funding from business and industry, while urban colleges reported a greater percentage, 41.90 (See Table 4.9). Though not a multivariate effect, this difference between means indicates the need for additional examination of the differences in fund-raising results between rural and urban colleges, especially related to business and industry.

<table>
<thead>
<tr>
<th>Location</th>
<th>N</th>
<th>Mean</th>
<th>N</th>
<th>Mean</th>
<th>N</th>
<th>Mean</th>
<th>N</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>112</td>
<td>32.67*</td>
<td>112</td>
<td>7.65</td>
<td>112</td>
<td>42.82</td>
<td>112</td>
<td>13.35</td>
</tr>
<tr>
<td>Suburban</td>
<td>47</td>
<td>34.87</td>
<td>46</td>
<td>5.04</td>
<td>47</td>
<td>48.19</td>
<td>46</td>
<td>8.96</td>
</tr>
<tr>
<td>Urban</td>
<td>41</td>
<td>41.90*</td>
<td>41</td>
<td>6.02</td>
<td>41</td>
<td>40.27</td>
<td>40</td>
<td>8.65</td>
</tr>
</tbody>
</table>

Note: * indicates a significant difference between means for small and large colleges.

Further, a comparison of the means of total money raised, as distinguished by geographic location, indicated that rural colleges raised the least amount of total funds, while urban colleges raised the greatest total amount. Similarly, examining the size (as
measured by FTE) of colleges in terms of location, mean FTE for rural colleges was significantly lower than the mean FTE for colleges classified as urban (See Table 4.10). This finding is consistent with the correlation reported earlier, indicating a .34 correlation between the total amount of funds raised and the size of the college as measured by full-time equivalent student enrollment.

Table 4.10 Means of Total Funds Raised by Size of College and by Geographic Location

<table>
<thead>
<tr>
<th>Location</th>
<th>Money Raised</th>
<th>Size of College</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>Mean</td>
</tr>
<tr>
<td>Rural</td>
<td>112</td>
<td>667,422</td>
</tr>
<tr>
<td>Suburban</td>
<td>44</td>
<td>890,308</td>
</tr>
<tr>
<td>Urban</td>
<td>40</td>
<td>1,048,215</td>
</tr>
</tbody>
</table>

Research Question Four: Are there differences in sources of foundation funding (a. business/industry, b. individuals not alumni, c. alumni, d. endowment interest) by transformational leadership characteristics (a. idealized influence-attributed, b. idealized influence-behavior, c. inspirational motivation, d. intellectual stimulation, e. individualized consideration) of foundation directors?

While the multiple regression equation revealed little variance among the five transformational leadership characteristics of foundation directors in accounting for the total funds raised by foundations (the criterion variable), another question of interest was whether these same transformational leadership characteristics had any value in determining the different types of sources from which foundations were most likely to receive their contributions.
A one-way MANOVA between-groups design was used to determine whether the level of transformational leadership characteristics exhibited by foundation directors could have an effect on the sources from which foundations received their funding. The purpose of the MANOVA was to determine whether there was a significant difference between colleges whose foundation directors scored “high,” “middle” or “low” on the transformational factors on the MLQ questionnaire in relation to the percentage of funding received from: 1) business and industry, 2) alumni, 3) individuals not alumni, and 4) endowment earnings.

The predictor variable for the analysis was the foundation directors’ scores on the 20 items of the MLQ relating to transformational leadership characteristics. This variable was measured on a nominal scale, and could assume the following values: “low” (48-60), “middle” (61-72), or “high” (73-80). The range of actual scores was 48-80, based on a possible range of 0-80. The higher the score, the greater the transformational leadership characteristics exhibited by the foundation director. The analysis failed to indicate a significant multivariate effect for transformational leadership characteristics on sources of funding for the colleges’ foundations, Wilks’ lambda = .97; $F(8, 350) = .68$; $p = .71$.

Though the significance level of $p = .71$ showed no statistical significance in the effect of transformational leadership characteristics exhibited by foundation directors on the sources of funding for the college foundations, it was still felt worthwhile to examine further the differences between the percentages of funding received from the four different funding sources and these relationships to varying degrees of transformational leadership characteristics exhibited by the foundation directors. However, even when comparing the mean differences among high, middle, and low levels of transformational
leadership among foundation directors to the sources of funding, little difference appeared. The results of this comparison are exhibited in Table 4.11.

Table 4.11 Sources of Foundation Funding by Transformational Leadership Characteristics

<table>
<thead>
<tr>
<th>Leadership Score Level</th>
<th>Sources of Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Business/Industry N</td>
</tr>
<tr>
<td>Low</td>
<td>25</td>
</tr>
<tr>
<td>Mid</td>
<td>117</td>
</tr>
<tr>
<td>High</td>
<td>41</td>
</tr>
</tbody>
</table>

For each of the four categories of sources of funding, very small differences between the means of the high-scoring and low-scoring groups on transformational leadership appeared. The differences in means ranged between a low of 0.43 (alumni) and a high of 3.43 (individuals not alumni). Differences of means between low-middle or high-middle groups actually showed greater differences in general, ranging between 1.33 (alumni) and 6.84 (individuals not alumni). The level of transformational leadership characteristics exhibited by the foundation director appear to have no significant impact either on the total amount of funds raised by the foundation or on the type of funding sources from which the foundation receives its income.

Summary of Findings

Results of this study suggest that the typical profile of a foundation director of a public two-year community college is a white female between 46 and 55 years old, who holds a master’s degree, and who has served in the position between one and five years. Survey responses indicated that community college foundations overwhelmingly use their funds to support student scholarships at their college. Providing student scholarships
was the greatest and most consistent use of foundation funds among foundations surveyed.

The two most significant factors impacting the amount of funds raised by foundations were both intrinsic factors in the conceptual model: the “size of the college” (as determined by FTE curriculum student enrollment) and the “number of staff positions” designated to the foundation function. Further, college size appeared to have some significance in determining from where a college was more likely to receive foundation funding support, an extrinsic factor in the conceptual model. Larger colleges received more support from “business and industry.” Smaller colleges received more of their foundation support from “individuals not alumni.” Regardless of college size, “alumni” generally accounted for the lowest level of foundation funding support.

Transformational leadership characteristics exhibited by the foundation director had little overall correlation to the amount of money the foundation was able to raise. Of the five factors of transformational leadership, only “inspirational motivation”—and, to a lesser extent, “individualized consideration”—showed any significance as predictors of the total funds raised by the foundation. In examining the effect of transformational leadership on the different sources from which foundations received their funding, no significant correlations were observed.
CHAPTER FIVE
SUMMARY, CONCLUSIONS, IMPLICATIONS AND RECOMMENDATIONS

Summary and Conclusions

The purpose of this research study was to examine four categories of variables to
determine whether they had predictive value in relation to the fund-raising effectiveness
of community college foundations. The four categories of variables and the variables
examined within each were:

1. Intrinsic factors, or those factors associated with the individual college and its
   foundation. Intrinsic variables in the conceptual model were a) size of the college
   (measured by curriculum full-time enrollment), b) age of the foundation, c) the number of
   foundation staff, d) the size of endowments, and e) the use of foundation funds.

2. Extrinsic factors, or those factors associated with the external environment of
   the college’s and foundation’s service area. Extrinsic variables in the model were a)
   sources of foundation support, b) per capita income of the service area, and c) the
   geographic location of the college (rural, suburban, or urban).

3. Demographic factors, or those factors associated with the person having
   primary responsibility for foundation and fund-raising operations. Demographic factors
   in the conceptual model were a) age of the foundation director, b) gender of the
   foundation director, c) ethnicity of the foundation director, and d) the length of time the
   director had served in the position.

4. Leadership factors, or those factors of transformational leadership associated
   with the foundation director. Transformational leadership characteristics examined from
   the model were a) idealized influence-attributed, b) idealized influence-behavior, c)
   inspirational motivation, d) intellectual stimulation, and e) individualized consideration.
Research Question One: What is the predictive value of intrinsic factors (a. college size, b. foundation age, c. number of staff), extrinsic factors (per capita income), demographic factors (a. age of foundation director, b. time in position), and transformational leadership factors (a. idealized influence-attributed, b. idealized influence-behavior, c. inspirational motivation, d. intellectual stimulation, e. individualized consideration) of foundation directors, foundations and colleges on total funds raised annually by the foundation?

Research Question One began with the broadest examination of factors which could have predictive value in determining what makes community college foundations “effective” in their fund-raising efforts. Drawing from the fund-raising literature, the conceptual model categorized possible predictors as “intrinsic,” “extrinsic,” “demographic” or “transformational leadership” factors.

Intrinsic Factors

Intrinsic factors were those associated with the foundation itself, and the college served by the foundation.

Size of Endowments

The size of a college’s endowment is often cited in the literature as one indicator of its success in fund-raising. The community colleges in this study reported a wide range of endowment levels ($0 - $11.5 million), with a mean endowment level of $3,422,154, but a median endowment level of only $1,375,000. Consistent with the literature, large endowments were concentrated among relatively few colleges.
Use of Funds

Also consistent with the literature on how community colleges use the funds they raise, community colleges responding to this study reported significant expenditures of their funds for student assistance. Significantly more funding was allocated for student scholarships than for student loans. The average annual amount of funds used for student scholarships was $213,077, or 27% of the mean total funds raised in 2002, while the average amount going to student loans was only $7,995. While nearly every college reporting provided scholarship funding, nearly 80% (165 of 208) of respondents indicated their foundation gave no funding for student loans. Providing funding for student scholarships is clearly an important purpose and major use of foundation funds at most community colleges.

Age of Foundation

The length of time a foundation has been in operation might logically be expected to be a predictor of its fund-raising success. The older the foundation, the more fund-raising experience it has, the more successful it will be. Other studies in the literature, however, have indicated mixed findings of the significance of this variable. Studies such as those by Brittingham and Pezzullo (1990) and Loessin and Duronio (1993) draw distinctions between university and community college foundations, giving more significance to this age factor for university foundations because they are typically much older (and by implication more experienced in fund-raising) than their community college counterparts.

Other studies, focusing more on community colleges, however (Gatewood, 1994; Keener et al., 2002), have shown foundation age to have significance as a predictor of
successful fund-raising. In the current study, community college foundations ranged in age from one to 70 years, with a mean age of 24.9 years. However, in contrast to other studies, when examined in a correlation matrix, there was no significant correlation between the foundation’s age (.08) and the total annual amount of funds raised by the foundation. As a predictor variable in the multiple regression model, the foundation’s age had a beta weight of -.05 with a p value of .52, showing no significance as a predictor of the criterion variable total funds raised. The differences in the findings between this study and earlier ones regarding the significance of a foundation’s age is interesting and may bear further research. Examination of factors such as the level of staffing, amount of budget, and the amount of effort devoted to fund-raising in relation to the foundation’s age may provide a clearer view of the importance of the length of time a foundation has been in existence is as a predictor of effectiveness.

**Number of Foundation Staff**

The number of staff designated to support the foundation or fund-raising function of the college was a measurement of what Brittingham and Pezzullo (1990) defined as “effort.” More staffing may indicate more commitment and a higher priority given to fund-raising by the college. In the current study, the number of foundation staff ranged from zero to 10, with a mean of 2.2 staff members allocated to the foundation. Many colleges reported that the director’s position was often less than full-time; the foundation director was often assigned other responsibilities as well as those of the foundation.

The number of staff did prove, however, to be one of only two intrinsic factors in the conceptual model that showed a significant relationship to the amount of funds raised by the foundation. The number of foundation staff positions indicated a .44 correlation to
the amount of funds raised, with statistical significance at the p < .05 level. This variable also contributed strongly to the multiple regression model ($\beta = .37, p < .0001$), and accounted for 9% of the variance of the criterion variable, total annual funds raised. This significance level indicates that the number of staff devoted to the foundation and fund-raising function does have predictive value in determining a foundation’s capacity to raise funds.

Size of the College

Several studies from the literature cite the size of the college (measured by student enrollment) as a significant predictor of a college foundation’s capability to raise external funds (Loessin & Duronio, 1993; Keener et al., 2002). Community colleges in the current study varied widely in student enrollment, ranging from 320 to 62,000 curriculum FTE. The mean enrollment figure was 5115, with a median figure of 3105.

In the correlation matrix, FTE student enrollment showed a .34 correlation with total annual funds raised. As a predictor variable in the multiple regression model, student enrollment accounted for 5% of the variance in total funds raised ($\beta = .23; p < .01$). Again, as the only intrinsic variable besides “number of staff” to indicate a significant relationship to total funds raised, the findings of the size of the college as a predictor of fund-raising capability was consistent with several studies from the literature, from Pickett (1977) to Keener, et al. (2002).

While earlier research, then, has indicated several intrinsic factors associated with colleges and the operation of their foundations as significant predictors of the foundation’s potential to raise funds, the results of the current study found only two of these intrinsic factors to have significant predictive value: the size of the college
(measured by FTE student enrollment) and the number of foundation staff. Two other intrinsic variables in the conceptual model (age of the foundation, size of endowments) showed no significant relationship to the amount of annual funds raised by the foundations, even though other studies have found them to show significance. Though the variable “use of funds” did not enter the multiple regression equation, descriptive information showing a high rate of scholarship funding is consistent with other studies in the literature.

Extrinsic Factors

While intrinsic factors associated with the foundations and colleges themselves were studied as possible predictors of fund-raising success, extrinsic factors, those associated more with the environment of the college’s service area, were also studied to determine what effect they might have on fund-raising. Three extrinsic factors were part of the conceptual model: per capita income, sources of foundation support, and geographic location of the college.

Per Capita Income

Community colleges, because of their mission to provide educational and training services tailored to their service areas, may be more dependent upon financial support from their immediate geographic location than are four-year universities (Kelly, 1998; Hall, 2002). The financial resources available in the college’s geographical environment, then, as well as the college’s access to those resources, may be more important to community college fund-raising than to their four-year counterparts (Gatewood, 1994; Glass & Jenkins, 1999).
Per capita income levels for the community colleges in this study ranged from $10,960 to $47,000, with an average per capita income level of $21,115. When examined in the correlation matrix, however, per capita income demonstrated very low correlation to the criterion variable of total funds raised by foundations (.08). As a variable in the multiple regression model, per capita income showed no significance as a predictor of total funds raised ($\beta = -.02; p = .83$). Again, some discrepancies in the findings of this study compared to earlier ones indicate the need for further study of this variable.

**Geographic Location**

Geographic location—defined as whether a college’s service area is predominately rural, suburban or urban—is also cited in the literature as a possible predictor of the college foundation’s capability to raise external funds (Jenkins & Glass, 1999; Keener et al., 2002). More than half of the respondents in the current study (58.14%) identified their college’s location as rural; 21.86% were identified as suburban, and 20% as urban. Because geographic location was not expressed as a continuous variable, it was not compared in the correlation matrix, nor was it entered into the multiple regression model. However, because it was a variable of primary interest, it was examined by multivariate analysis of variance in relation to total annual funds raised by foundations. This examination is discussed under Research Question 3.

**Sources of Foundation Support**

Because the particular types of revenue sources from which community college foundations are most likely to receive income are viewed in the literature as possible predictors of fund-raising potential, several sources of funding were examined as an extrinsic factor in the conceptual model. Four particular sources were examined because
of their frequent mention in the literature: 1) business and industry, 2) individuals not alumni, 3) alumni, and 4) endowment interest.

From survey responses in the current study, it appears that community colleges receive the majority of their foundation income (78.64%) from two of these categories of funding—business and industry and individuals not alumni. Of colleges reporting, the mean percentage of total funds received for 2002 from business and industry was 35.08. The mean percentage received from individuals not alumni was 43.56.

Clearly, these two funding sources can be viewed as important to community colleges, a finding consistent with findings from other studies in the literature. Pollack (2000) and Craft and Guy (2002) identify business and industry in the college’s service area as a key source of financial support. Other sources as well (Brittingham & Pezzullo, 1990; Hall, 2002) have pointed out that support from local business and industry may be a greater potential source of funding support for community colleges than for universities because of the unique industry training role played by community colleges.

Similarly, significant support from non-alumni individuals is consistent with other findings in the literature. Whereas earlier studies such as Pickett (1977) identified alumni as an important potential source of foundation giving, these studies focused on universities, not community colleges. Hunter (1987) and Gatewood (1994) found significant support from non-alumni individuals for community college foundations. Craft and Guy (2002) found that while public university alumni provide nearly 25% of total giving to their alma maters and non-alumni give just under 20%, community colleges, in contrast, receive 40% of their income from non-alumni individuals, but only 3% from alumni.
Such a low giving level from alumni was a consistent finding in the current study. Mean giving by alumni was only 6.71%. Alumni do not appear to be a strong donor base for community colleges. Similarly, income from endowments provided only 11.38% of annual income. While endowment growth may be viewed by community college foundations as a part of their long-range fund-raising strategy (Clements, 1990; Pals, 2001), returns on endowment investment do not at this point appear to be a significant portion of most community colleges’ foundation income.

Demographic Factors

Because few previous studies placed any emphasis on the role of the foundation director as related to the level of effectiveness of raising external funds, the current study examined several demographic variables related to foundation directors. Demographic factors from the conceptual model were: the director’s age, gender, ethnicity, and the length of time the director had served in the foundation position.

As categorical variables, gender and ethnicity could not be examined in the correlation matrix or entered into the multiple regression model. Descriptive statistics of these two variables, however, revealed that foundation directors were predominately female and overwhelmingly white. As reported earlier, 128 (59%) of respondents in the sample were female; 90 (41%) were male. Of 217 respondents, 209 (96%) were white.

The two demographic factors expressed as continuous variables—age of the director and time spent in the position—were examined in the correlation matrix. Very low correlations between these two variables and total annual funds raised by the foundation indicate that these factors do not impact significantly on how effective the foundation may be in raising funds. Neither did the multiple regression analysis indicate
significance for these two variables as predictors of the amount of funds raised by the foundation.

While age of the director and time spent in the position taken alone do not necessarily equate to experience and ability, there was some expectation that higher levels of correlation would be indicated between these factors and total funds raised. To examine further the relationship between the foundation director and funds raised, transformational leadership characteristics of the director were also examined.

**Transformational Leadership**

For this study, foundation directors were asked to respond to a modified form of Bass and Avolio’s Multifactor Leadership Questionnaire (MLQ) Leader Form (5x Short). Directors responded to twenty questions related to transformational leadership, which were then grouped according to five characteristics of transformational leadership: a) idealized influence-attributed, b) idealized influence-behavior, c) inspirational motivation, d) intellectual stimulation, e) individualized consideration. Scores for each of the five groups could range from 0 to 16, with 16 indicating the highest level of transformational leadership characteristics.

When examined in the correlation matrix, none of the five factors exhibited a significant correlation to the criterion variable of total annual funds raised at the p < .05 significance level. Similarly, when entered into the multiple regression model, the five factors taken together accounted for only .04% of the variance in total funds raised. None indicated statistical significance at the p < .05 level. Only two of the factors approached this significance level: inspirational motivation (p = .08) and individualized consideration (p = .10).
Though no previous research has been found that specifically examined the predictive value of transformational leadership characteristics of foundation directors—or persons in similar positions—on actual funds raised, findings from the literature on educational fund-raising heightened the expectation that a significant positive correlation and significant predictive value would be found. Robison (1982) discussed the presence of a foundation director as a “key factor” that “encourages” success of a foundation (p. 45). Other studies (Loessin & Duronio, 1993; Vaughan et al., 1994; Heenan & Bennis, 1999; Hall, 2002) have pointed to leadership—especially the characteristics associated with transformational leadership—as crucial to the success of college and community college foundations.

While it may be argued that self-ratings of transformational leadership characteristics are not as likely to be as objective as ratings given by a supervisor or colleague, these ratings would be expected to be lower, rather than higher, than a self-rating, thereby decreasing, not increasing, the likelihood of achieving a significant correlation or predictive value. The self-ratings from this study were high, yet collectively showed no significant value in relation to the criterion value.

Significance levels of the two transformational leadership traits (inspirational motivation, p = .08; individualized consideration, p = .10) do, however, raise questions about why these two traits show much higher significance than the other three. Considering the roles of foundation directors in raising voluntary contributions may offer some possible answers. Through “inspirational motivation,” leaders provide meaning and challenge, clearly communicate expectations, and generate enthusiasm (Bass & Avolio,
Successful fund-raisers must identify funding goals and objectives, clearly articulate these, and challenge potential donors to meet these goals.

Through “individualized consideration,” leaders serve as mentors and coaches, paying attention to followers’ needs for achievement and growth, providing opportunities for learning and a supportive climate (Bass & Avolio, 1994; Bass, 1996). As successful fund-raisers, foundation directors must motivate the potential donor to give, often by appealing to the donor’s higher-order needs, or transcending self-interest for the sake of others. Foundation directors are, in a sense, mentors and coaches, motivating donors to give, providing them a supportive climate and recognizing their need for achievement through donor recognition programs. The emphasis placed on these roles of foundation directors as fund-raisers may be explanation of why these two traits reflect higher levels of significance than the other measured traits of transformational leadership. Many similarities between the definitions of these two traits of transformational leaders and the traits necessary for successful fund-raising can be seen.

Research Question Two: Are there differences in community colleges’ sources of funding (a. business/industry, b. individuals not alumni, c. alumni, d. endowment interest) by colleges’ size (as measured by FTE curriculum enrollment)?

This research question examined more fully the significance of the size of the college related to a foundation’s capability to raise funds. Size (as measured by curriculum FTE) has already been seen to have significance as a predictor of total funds raised by the foundation. The purpose of Research Question Two was to attempt to determine whether this intrinsic factor made a difference in determining the particular sources from which foundations were most likely to raise funds.
Using a one-way MANOVA between-groups design, colleges classified as “small,” “medium,” and “large” were examined in relation to the funding sources of business and industry, individuals not alumni, alumni, and endowment earnings. It has already been noted that foundations in this study reported receiving the largest percentages of external funding from two of these sources—business and industry (35.08%) and non-alumni individuals (43.56%).

As reported in Chapter 4, while the MANOVA did not indicate a significant multivariate effect at the p < .05 level for the size of college on sources of foundation funding, the comparison of mean differences among small, medium and large colleges relative to funding sources did indicate what could be seen as some significant differences. Consistent with other findings in the literature (Glass & Jackson, 1998a; Hall, 2002; Keener, et al., 2002), in addition to receiving the majority of external funding from business and industry and non-alumni individuals—regardless of enrollment size—smaller colleges received a greater proportion of funding from non-alumni individuals (nearly 9%) as compared to large colleges; and large colleges received a greater proportion of funding from business and industry (nearly 10%) than small colleges.

It is interesting that, while the Keener, et al. study (2002) utilized the Katsinas two-year college typology (McCormick & Cox, 2003), and the current study used the classification system of the Southern Regional Education Board (SREB), the findings of both studies were still similar, especially in the comparison of means for contributions from business and industry. Comparison of means for contributions from non-alumni individuals, however, while still not indicating statistical significance, gave the larger percentage to large colleges and the smaller percentage to small colleges. The Katsinas
typology categorizes the enrollment size of small colleges at less than 1,000, while SREB increases the category to less than 2,000. Katsinas classifies large colleges as those having an enrollment size of 2,500 or greater, while SREB uses an enrollment figure of 5,000 or more. Using the SREB typology placed more respondent colleges in the “small” college category and fewer in the “large” college category, as compared to the Katsinas typology.

Using the Katsinas typology, 115 of respondent colleges were categorized as “large,” while only 16 were categorized as “small.” The SREB typology, on the other hand, provided a more balanced distribution of colleges by enrollment size, categorizing 58 as “small,” and 58 as “large.” While both typologies can be defended as valid, the SREB typology did for this study provide a more balanced distribution of colleges according to their enrollment size. While there is continued debate about what typology is most appropriate for classifying community colleges (McCormick & Cox, 2003), it would be interesting to compare findings related to these variables from studies using the same typologies.

Research Question Three: Are there differences in sources of funding (a. business/industry, b. individuals not alumni, c. alumni, d. endowment interest) by colleges’ geographic location (rural, suburban, urban)?

This research question continued the inquiry about the significance of sources of funding for community colleges, this time in relation to the colleges’ geographic location. Location was an extrinsic factor in the conceptual model for the study. Respondents to survey questions self-declared the location of their college as serving a primarily “rural,” “suburban,” or “urban” location. Of 200 valid responses, 112 (56%) were identified as

92
rural. The remaining responses were generally evenly divided between suburban (47) and urban (41).

As reported in Chapter 4, urban colleges raised more money on average than rural colleges, and larger colleges raised more money on average than smaller colleges. The purpose of Research Question Three was to examine the extrinsic factor of location to determine whether a college’s geographic location made a significant difference in the particular sources from which foundations received their external funding.

Because location was a categorical variable, a one-way MANOVA between-groups design was used to examine possible differences in the means between rural, suburban and urban colleges and their funding sources. While there was not a significant multivariate effect, the comparison of means did reveal more than a 9% difference between the mean percentage of contributions from business and industry for rural colleges (32.67%) and the mean percentage of contributions from business and industry for urban colleges (41.9%). Comparison of the means of other funding sources relative to college location did not indicate significant differences.

A finding that large colleges receive a greater proportion of their funding from business and industry than do small colleges is generally consistent with findings from other studies in the literature. Keener et al. (2002) found that, as the location of colleges moved from rural to urban, contributions from all sources increased. Studies by Glass and Jackson (1998a), Kelly (1998) and Hall (2002) identify location as a community college’s best indicator of fund-raising potential. Their discussions of location, however, focus more on location as a measure of community relations and the opportunity for
building relationships with individuals and businesses that may later translate into contributions to the foundation.

Again, as was observed for the factor of size, in comparing the means for sources of funding relative to college location, findings were that the majority of funding comes from a combination of business and industry and non-alumni individual contributions. Significantly smaller proportions of funding come from alumni and endowment interest, regardless of college location. It does appear, as was also found in the research by Keener, et al. (2002) that foundation revenue—though in different proportions—is largely a function of the size and location of the individual community college.

**Research Question Four: Are there differences in sources of foundation funding (a. business/industry, b. individuals not alumni, c. alumni, d. endowment interest) by transformational leadership characteristics (a. idealized influence-attributed, b. idealized influence-behavior, c. inspirational motivation, d. intellectual stimulation, e. individualized consideration) of foundation directors?**

This research question continued the examination of transformational leadership characteristics of foundation directors relative to the capability of raising external funds for their foundations. Although the findings of Research Question One showed no significant correlation or predictive value of transformational leadership to total funds raised, two of the five leadership factors came close to indicating significance at the $p < .05$ level: inspirational motivation ($p = .08$) and individualized consideration ($p = .10$).

Because these transformational leadership factors approached this level of significance in relation to total funds raised, all five transformational leadership factors were examined to determine whether there were differences when compared to different
sources of funding. A one-way MANOVA between-groups design was employed to
determine whether there were differences between foundation directors whose leadership
scores were classified as “high,” “middle,” or “low” on the five transformational
leadership factors relative to the mean percentages of funding received from: 1) business
and industry, 2) non-alumni individuals, 3) alumni, and 4) endowment earnings.

The multivariate analysis of variance indicated no significant multivariate effect
for the five transformational leadership factors on the four sources of funding for the
community college foundations, Wilks’ lambda = .97; $F(8, 350) = .68; p = .71$. Further,
when comparing the mean differences among the high, middle, and low scoring groups of
foundation directors to sources of funding, no significant differences of means were
indicated. This further examination confirmed that, contrary to expectation, the level of
transformational leadership characteristics had no significant value related either to total
funds raised or to the types of funding received by the foundations.

Implications

A number of implications can be derived from the findings of this research study,
the conclusions drawn, and a review of the literature on community college fund-raising.
In contrast to several other quantitative studies on the effectiveness of community college
fund-raising, few of the factors examined in this study demonstrated significance as
predictors of funds raised by community college foundations. However, these results can
provide guidance to decision makers in determining where attention and resources should
be devoted in an attempt to improve fund-raising effectiveness.

The two intrinsic factors examined in this study that indicated the strongest
predictive influence on funds raised were: 1) the size of the college (as measured by
curriculum FTE, and 2) the number of staff assigned to the foundation or fund-raising function. Findings indicated that, in general, the larger the college’s size, the more money raised by the foundation. This finding is not surprising, and it is consistent with other findings in the fund-raising literature. One implication here is that size is a factor not greatly amenable to change. Fund-raisers need to be realistic in setting goals and expectations, recognizing that small colleges cannot be expected to compete with much larger colleges in amounts of money raised.

On the other hand, the number of staff devoted to fund-raising is a more controllable factor. Brittingham and Pezzullo (1990, pp. 23-24) refer to staffing as a measure of “effort” provided by the college toward the fund-raising function, measured also by the level of budget and attention given by the president and chief development officer. Brittingham and Pezzullo refer to effort as the measure of fund-raising potential that is most amenable to change. The implication here, then, is that community college decision makers need to assess the number of staff devoted to fund-raising, determining the level of staff sufficiency in relation to their fund-raising goals. A college wishing to increase its fund-raising might run its own empirical test, increasing staffing for a determined period, then measuring the results at the end of that period to determine whether the investment of increased staffing provided a measurable difference in the amount of funds raised.

For extrinsic factors (those related to the environment and service area of the college), findings related to the types of sources from which community college foundations are most likely to receive funding provide some useful implications for fund-raising planning and practice. Consistent with other research discovered in the literature
was the finding that—regardless of college size—the two main sources of foundation income reported were contributions from business and industry and from individuals other than alumni of the college. This finding implies that those directing community college foundation fund-raising efforts would do well to identify and target these potential donor sources to receive a majority of their fund-raising efforts.

In contrast, significantly less income was reported for the other two funding source categories examined in this study: alumni and endowment income. While these two funding sources have been shown to be significant sources of income for foundations of four-year colleges, the same is not true for community colleges. Implications are that time spent cultivating community college alumni does not yield significant results. Also, while endowments may be an important long-range investment for community colleges, they are not yet a significant part of community college foundation income.

For the extrinsic factor of college location—whether the community college serves a primarily rural, suburban or urban area—findings indicated some differences between rural and more urban locations regarding their most likely sources of funding. The main finding, however, was that as colleges became more urban, total foundation income increased. This finding is in agreement with other research in the literature. The implication is that, as Pickett (1977) very early pointed out, location is a factor—like college size and foundation age—that cannot easily be changed. Instead, community college foundations would be better advised, as suggested by Jackson and Glass (2000) to look at the potential within their specific geographic location, cultivating relationships—especially with business and industry and potential individual donors—for future contributions.
Findings from an examination of demographic factors associated with foundation directors themselves did not yield information useful to predicting or explaining any direct relationship to fund-raising results. While there was some expectation that the variable of how long foundation directors had served in their positions would have some predictive value, this was not the case. The implication is that time in position does not necessarily equate to expertise or effectiveness. Many other variables can also intervene. While much in the literature speaks to the importance of the foundation director’s role, there is still little empiric data to identify the particular demographic variables associated with foundation directors that can predict the likelihood of their success in fund-raising.

Because most research done on the role of leadership as it affects educational fund-raising has focused on the president’s leadership role, an area of interest in this study was to examine the leadership role of the foundation director. An examination of the five characteristics associated with transformational leadership (Bass & Avolio, 1994; Bass, 1996) indicated some significance of two of these characteristics (inspirational motivation and individual consideration) associated with fund-raising success. The implication is that foundation directors—and others having responsibility for fund-raising—would do well to understand and cultivate these transformational leadership characteristics.

Recommendations

This research study was designed to collect, describe and analyze data related to community college fund-raising with the objective of better understanding what factors most impact fund-raising effectiveness. From the findings of this study, the following are recommendations for practice in the field, which may assist community college
foundations improve the effectiveness of their fund-raising operations. Also following are recommendations for future research, which can build upon this study and previous research, providing useful information to practitioners, increasing dialogue on critical issues, and adding to the body of literature on community college fund-raising.

**Recommendations for Practice**

Presidents of community colleges should examine the allocation of staffing and budgeting of their foundations in light of current fund-raising performance and expectations of what performance should be. In planning fund-raising efforts, community college foundations should not follow the four-year college model, but focus attention on area business and industry and individuals other than alumni as principal potential donors and supporters.

Community college foundations should develop more uniform record keeping and reporting systems, thereby enabling more meaningful research studies of this type. Expectations are that some of the data collected for this study were estimates rather than exact figures. More exact values reported will enable more accurate—and thereby more useful—comparative information.

College presidents need to consider more carefully the role of foundation director within the organization of the college. To increase its effectiveness, the position of foundation director should be a senior-level position, reporting directly to the president and involved directly in the planning and evaluation functions of the college.

Community college foundations need to submit annual reports to the Council for Aid to Education. National data now reported by the Council do not accurately reflect community colleges because so few—mainly the largest institutions—report their data.
annually. Increased participation by community colleges would provide more accurate and useful information.

More leadership training should be provided for foundation directors and other foundation staff having fund-raising responsibilities. Such training is provided by national organizations such as the Association of Fundraising Professionals and other organizations serving the non-profit sector.

Following the co-leadership concept proposed by Heenan and Bennis (1999), presidents and foundation directors need to function as a team in fund-raising efforts. Potential donors expect involvement from the president as the visionary leader. For their part, foundation directors need to understand the president’s vision and be able to articulate it.

Recommendations for Further Research

Future research should conduct additional research studies on factors affecting the effectiveness of community college fund-raising. These studies should focus attention on more in-depth examination of factors already shown to have significance in predicting fund-raising success, such as the number of foundation staff.

Future studies should examine additional specific donor sources from which foundations receive funding. Examples omitted from the current study include planned giving, annual fund drives, and special events. Suggestions from some survey respondents were to add questions about and examination of these funding sources.

Useful information could be derived from studies that focus exclusively on the relationship between the individual community college and business and industry in its service area. One element of examination should be the correlation between training
provided to the business by the college and the amount of financial support provided by the business to the foundation.

Additional research should be conducted on leadership and its relationship to fund-raising effectiveness. Studies should use the Rater Form of the MLQ, completed by the president on the foundation director. An interesting study might be to have the president and foundation director complete the Leader Form on themselves and the Rater Form on each other. The perceived relationship between these two leadership positions would be interesting in light of the co-leadership concept of Heenan and Bennis (1999). The dependent variable in the current study was the amount of money raised. To better assess the impact of transformational leadership on foundation effectiveness, a future study might measure and compare the “Leader” and “Rater” scores on foundation directors and their predictive value on funds raised.

The “Foundation Director Survey” requested information about percentages of funds raised in four categories: business and industry, individuals not alumni, alumni, and endowment interest. To better determine effectiveness, a future study might ask in addition the priority placed by the foundation on what categories are asked for funds. Comparing the effort of seeking funding to the actual results gained from each of these categories would provide useful information about the “effectiveness” of foundation efforts.

Finally, quantitative studies should be supplemented by additional qualitative research on foundation leadership. Interviews with presidents, foundation directors, and others—such as Foundation Board members—can provide useful information that could not be derived from quantitative studies alone.
REFERENCES


Appendix A

Foundation Director Survey
Survey #____

Directions: Please respond to each of the following questions or items, relative to your college and its Foundation, by entering a check mark in the appropriate spaces or by a written response where appropriate. Responding to these questions should require no more than 30 minutes of your time. Thank you!

1. Identify the size of your college by current annual FTE (full-time equivalent) student enrollment.

_______________________ current annual FTE

2. In what year was your college’s Foundation started? __________

3. Indicate the number of staff members currently assigned to the operation of the Foundation at your college. __________

4. What is the current total value of your Foundation’s endowment funds?

$__________

5. How much Foundation financial support was provided to each of the following during Fiscal Year 2002?

$_________ Student Scholarships

$ _________ Student Loans

6. What was the total amount of funding generated by the Foundation in calendar year 2002 (same as the amount reported on Line 12 of Form 990 for 2002)?

$________

7. What was the average amount of funding generated by the Foundation over the last three (3) years? (This figure will be an average of the amounts reported on Line 12 of Form 990 for the years 2000, 2001, and 2002.) $ __________
8. For the figure reported in item #6 above, please estimate the percentage of income generated for the Foundation in calendar year 2002 from the following sources:

   Business and Industry       _____ %
   Alumni                      _____ %
   Individuals other than alumni _____ %
   Endowment interest          _____ %

9. What was the total current value of your Foundation for 2002 (same as the amount reported on Line 59 of Form 990 for 2002)?

   $__________

10. Please identify whether your college serves a primarily rural, suburban, or urban geographic area by checking the most appropriate designation below.

    _____ rural    _____ suburban    _____ urban

11. Please identify the per capita income of the region served by your college, expressed as a dollar amount. (One easily accessible source for this information is the U. S. Census website under “State and County QuickFacts,” at http://quickfacts.census.gov)

    $__________

Now, please identify the following personal characteristics associated with your college’s Foundation Director or the person at your college most responsible for private fund-raising functions.

12. Title of position: __________________________________________

13. Age of person in position: __________________________

14. Gender of person in position: _____ Male  _____ Female

15. Ethnicity/race of person in position (Check one):

    _____ African-American
16. How many years has the person in #15 above served in this position at your college? _____ years

17. Indicate the highest level of education attained by the person in #15 above:

   _____ Doctoral degree
   _____ Master’s degree
   _____ Bachelor’s degree
   _____ Other (Please list or explain)

   __________________________________________________________
   __________________________________________________________
   __________________________________________________________
Appendix B

Date

Inside address

Dear

You are being asked to participate in a national study of non-profit educational foundations in two-year colleges. The purpose of the study is to examine variables that may have predictive value in determining the effectiveness of fund raising in two-year college foundations.

This study is endorsed by the James Sprunt Community College Foundation, Inc. and by the North Carolina Council of Officers for Resource Development. From the results of this study, we hope to learn how community colleges can be more effective in achieving their fund-raising potential.

Enclosed please find two surveys. The “Foundation Director Survey” contains items relative to your college, its foundation, and characteristics of the Foundation Director. The second survey, the “Multifactor Leadership Questionnaire—Leader Form,” contains twenty items related to the characteristics of transformational leadership. These items are taken from the Multifactor Leadership Questionnaire Leader Form, designed by Bernard Bass and Bruce Avolio of the Center for Leadership Studies at Binghamton University, Binghamton, New York, and published by Mind Garden, Inc., of Redwood City, California. In completing the questionnaire, you are being asked to rate your leadership qualities as the Foundation Director at your college.

The completion of both these surveys is critical to the completion and success of this study.

We will be very grateful for your taking a few minutes to complete the enclosed surveys. Please be assured that all information provided will be treated confidentially. The survey numbers will be used only to exclude your name from follow-up mailings. Upon completion of the study, the research results may be made available to all participants upon request via e-mail.

For your convenience, enclosed is a stamped pre-addressed envelope for the return of your completed surveys. If you have questions or need clarification, please contact Tom Fife by telephone (910) 296-2416 or by email at tfife@jscc.cc.nc.us.

Thank you for your prompt response. Your participation in this study is greatly appreciated.

Sincerely

Tom Fife
Dean of College Advancement
James Sprunt Community College

Pat Prince
Chairman, Board of Directors
JSCC Foundation, Inc.
Appendix C

Multifactor Leadership Questionnaire - Leader Form

Note: Appendix C is not presented here owing to copyright agreement that prohibits the display of any part of the Multifactor Leadership Questionnaire on electronic or other media beyond the date of licensure.

For additional information contact MIND GARDEN at info@mindgarden.com or consult their website at www.mindgarden.com.
Appendix D

Multifactor Leadership Questionnaire
Leader Form (5x-Short)

Note: Appendix D is not presented here owing to copyright agreement that prohibits the display of any part of the Multifactor Leadership Questionnaire on electronic or other media beyond the date of licensure.

For additional information contact MIND GARDEN at info@mindgarden.com or consult their website at www.mindgarden.com.
Dear Development Colleague,

In December, you should have received by mail a request to participate in a national study of non-profit educational foundations in two-year colleges. The purpose of the study is to examine variables that may have predictive value in determining the effectiveness of fund raising in two-year college foundations.

The two mailed survey questionnaires were 1) a "Foundation Director Survey," with items relative to your college, its foundation, and characteristics of the Foundation Director (or person most responsible for foundation activities); and 2) the "Multifactor Leadership Questionnaire--Leader Form," with 20 items related to transformational leadership characteristics.

The completion of both these surveys is critical for a successful study. If you still have your survey forms and postage-paid return envelope, please complete and return the surveys—or pass them on to the most appropriate person at your college.

If you no longer have the survey forms—or if you prefer to respond electronically—I attach both survey forms. They can be saved and completed as documents on your computer, then returned as completed forms by e-mail. Please be assured your responses will be confidential. The original mailed forms had identifier numbers to exclude respondents from follow-up requests. Please be sure e-mailed responses can be identified by college for the same purpose. All identifiers will be destroyed once the data collection is completed.

Again, it is important to have a high response rate for survey results to be meaningful. I greatly appreciate your response and help. Results may be made available to all participants upon request via e-mail.

If you have responded already, I apologize for this contact. Please disregard it. If you have questions, or need clarification, please contact me. Thank you again.

Tom Fife
James Sprunt Community College
tfife@jscc.cc.nc.us
Ph. 910-296-2416
FAX 910-296-1636
Appendix F

March 7, 2004

Dear

In late December, I mailed you a survey/questionnaire requesting your participation in a national study of non-profit educational foundations in two-year colleges. In late January, I attempted to send an e-mail follow-up request—which reached some of you.

The purpose of the study is to examine variables that may have predictive value in determining the effectiveness of fund raising in two-year college foundations. As part of a doctoral dissertation requirement at North Carolina State University, the study is also endorsed by the James Sprunt Community College Foundation, Inc. and by the North Carolina Council of Officers for Resource Development. From the results of this study, we hope to learn how community colleges can be more effective in achieving their fund-raising potential.

Though response has been good from some areas of the country, more responses are needed for the data analysis methodology of regression to yield significant results. As a community college advancement professional myself, I know how busy all of you are. But I truly believe the information gained from this study can provide useful insights to help each of us do our jobs more effectively.

I have again included both survey/questionnaires. The “Foundation Director Survey” contains items relative to your college, its foundation, and characteristics of the Foundation Director. The second survey, the “Multifactor Leadership Questionnaire—Leader Form,” contains twenty items related to the characteristics of transformational leadership. In completing the questionnaire, you are being asked to rate your leadership qualities as the Foundation Director at your college. In completing the “Foundation Director Survey,” please note: For questions requiring a money figure or other numerical response, if exact figures are not available, please record your closest estimate. It is important that all items receive a response.

Again, please take time to respond to this follow-up request to complete the enclosed surveys—or pass them on to a more appropriate person at your college, and urge them to respond. Please be assured that all information provided will be treated confidentially. Upon completion of the study, the research results will be made available to all participants via e-mail.

For your convenience, enclosed is a stamped pre-addressed envelope for the return of your completed surveys. If you have questions or need clarification, please contact Tom Fife by telephone (910) 296-2416 or by email at tfife@jscc.cc.nc.us.

A high response rate is critical for a valid study, which means your responses are greatly needed! Thank you for your prompt response. Ideally, I would like to receive responses by March 31, 2004. Your participation in this study is greatly appreciated.

Sincerely

Tom Fife
Dean of College Advancement
James Sprunt Community College

Pat Prince
Chairman, Board of Directors
JSCC Foundation, Inc.
Appendix G

Multifactor Leadership Questionnaire
Scoring Key (5x) Short

Note: Appendix G is not presented here owing to copyright agreement that prohibits the display of any part of the Multifactor Leadership Questionnaire on electronic or other media beyond the date of licensure.

For additional information contact MIND GARDEN at info@mindgarden.com or consult their website at www.mindgarden.com.
MLQ Multifactor Leadership Questionnaire

Permission Set

Leader Form, Rater Form, and Scoring Key for MLQ Form 5x-Short

Permission for Tom Fife to reproduce either leader or rater forms for up to 600 copies in one year from date of purchase:

November 4, 2003

by Bernard Bass and Bruce Avolio

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