

A blurred background image of the Chicago skyline, featuring the iconic "The Bean" sculpture in the foreground and various skyscrapers in the background.

ART
INSTITVTE
CHICAGO

Maximizing the Impact of Auxiliary Groups

Art Museum Development
Association

GG+A

Grenzebach
Glier and
Associates

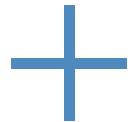
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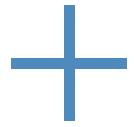
OVERVIEW OF AUXILIARY GROUPS

Common Challenges

- Lack of institutional agreement around purpose
- When there is agreement on purpose, there is no system for measuring efficacy of the groups against those purposes
- Measurable goals which are often annual only
- Decentralized management
 - + Inefficient use of staff resources
 - + Inconsistent donor experience
 - + Access and benefits which are not consistently aligned with gift levels

Common Challenges

- Often ineffectual prospect management tool
 - + Group membership often does little to deepen prospect engagement *with the institution*
 - + Often few real prospects among members
 - + Reinforce an events/gala culture over real major gifts moves management
- Misunderstanding by group leaders about their roles and responsibilities
 - + “By-laws” and presumed autonomy



CASE STUDY: ART INSTITUTE OF CHICAGO

Art Institute: Auxiliary Groups

- 18 Auxiliary Societies aligned with curatorial departments and programs and 13 Curatorial Committees.
 - + Two are independent 501(c)(3) organizations, existing for the benefit of the Art Institute, but managed by their own staff and governed by independent boards.
 - + Staff members in six different museum departments managed the rest.
- All groups maintained a high degree of autonomy in setting their own missions, establishing financial expectations for members, and conducting business on behalf of the groups.
- There were up to 10 fundraising events annually at the Art Institute, managed by people across the institution, including volunteers, many with little to no experience with professional events management.

Art Institute and GG+A

- As a result, the Art Institute:
 - + Often competed with itself for donor support
 - + Received regular complaints about the donor experience
 - + Had to allocate significant staff resources to managing the groups
 - + Was subject to increased risk from volunteers who acted with, but didn't actually have, authority
- At the same time, these groups represented people with deep ties to and great love for the institution and a real opportunity for deepening relationships.
- Leaders felt the Art Institute needed an outside voice to help assess and manage often conflicting agendas and create a positive way forward.

Art Institute: Findings

- To complete this assessment, GG+A:
 - + Surveyed every member of every group for feedback
 - + Interviewed 33 museum staff leaders, volunteer leaders, and staff members supporting these groups
 - + Met with the Museum Director, Director of External Relations, and the Board Chair to discuss preliminary findings and recommendations
- We assessed each group and the program as a whole around **three core functions**:
 - + Deepening donor relationships
 - + Providing ongoing financial support for the program or department
 - + Helping to grow a pipeline of major gifts prospects

Art Institute: Findings

- Key findings included:
 - + Inconsistent understanding among group leaders about the purpose of the groups and their role at the Art Institute
 - + Little evidence that Auxiliary Group membership led to broadened relationships with the Art Institute or philanthropy beyond dues and special appeals to group members
 - + Most money raised from auxiliary group events came from trustee households
 - + Frustration from donors about the inconsistent experience and lack of coordination from the Museum
 - + Concern from certain curatorial departments about the time spent managing group activities
 - + Confirmation of many of the concerns which led to the study

Art Institute: Recommendations

- A new set of *guidelines* to govern all groups, set by the Board of the Art Institute
- Appointment of a senior staff member within Development to oversee the program as a whole
 - + Eventual management of all groups by staff within Development
- Re-evaluation of all benefits and programming to ensure that they are consistent, equitable, and don't duplicate other museum efforts
- Elimination of many of the fundraising events, replaced by additional fundraising support from Development
- An additional requirement of upper level Museum membership for each auxiliary group member
- Regular assessment of the program against the three core functions

Art Institute: What has happened since?

- Of 31 groups:
 - + 13 Curatorial Committees remain
 - Active major gifts and prospects
 - + 18 Auxiliary Societies
 - Sunset two
 - Categorized two as mid-level and upper-level membership
 - Two remain separate 501(c)(3)
 - Remaining 12 are current focus

Art Institute: 12 Remaining Auxiliary Societies

- **Achieved:**
 - + Board of Trustees of the Art Institute adopted annual review and approval of all auxiliary leaders
 - + Appointment of a senior staff member within Development to oversee the program as a whole
- **In Process:**
 - + Development management of all groups
 - + Separate 501(c)(3), in conversation on becoming part of museum or setting up formal agreement
 - + One set of guidelines to govern all groups

Art Institute: Progress

- Achieved:
 - + Increased giving levels within each group
 - \$60k → \$120k
 - + Lessened programming of each group
 - 20-40 → 8-10
 - + Updated Executive structures on each Board
 - Defined roles; resumed management of finances
 - + Eliminated or reworked fundraising events
 - Smaller fundraisers only for hallmark moments when not competing with Museum gala

Art Institute: After progress made

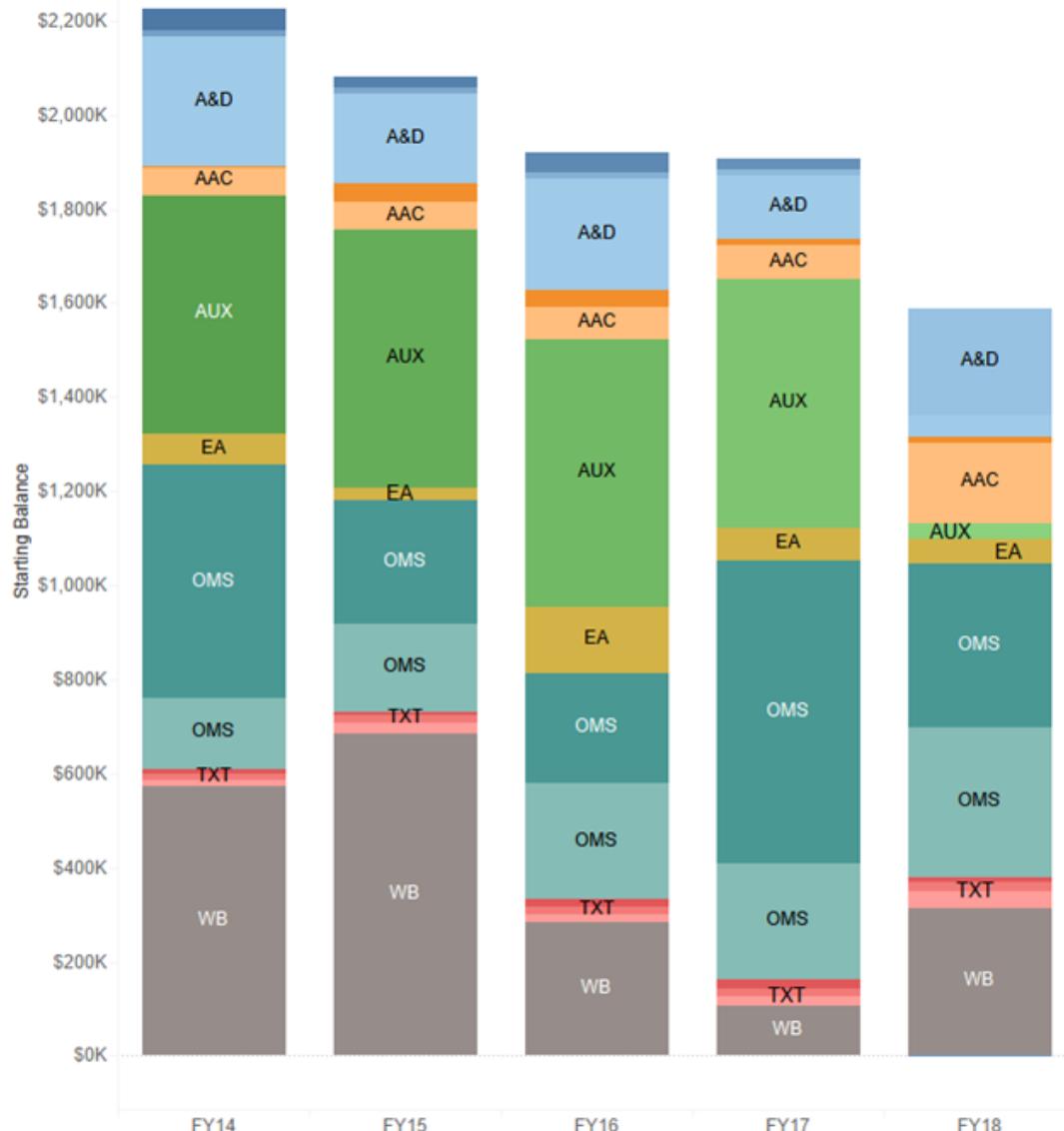
- *Are these auxiliary groups?*
 - + Deepening donor relationships
 - + Providing ongoing financial support for the program or department
 - + Helping to grow a pipeline of major gifts prospects

Art Institute: Sadly No

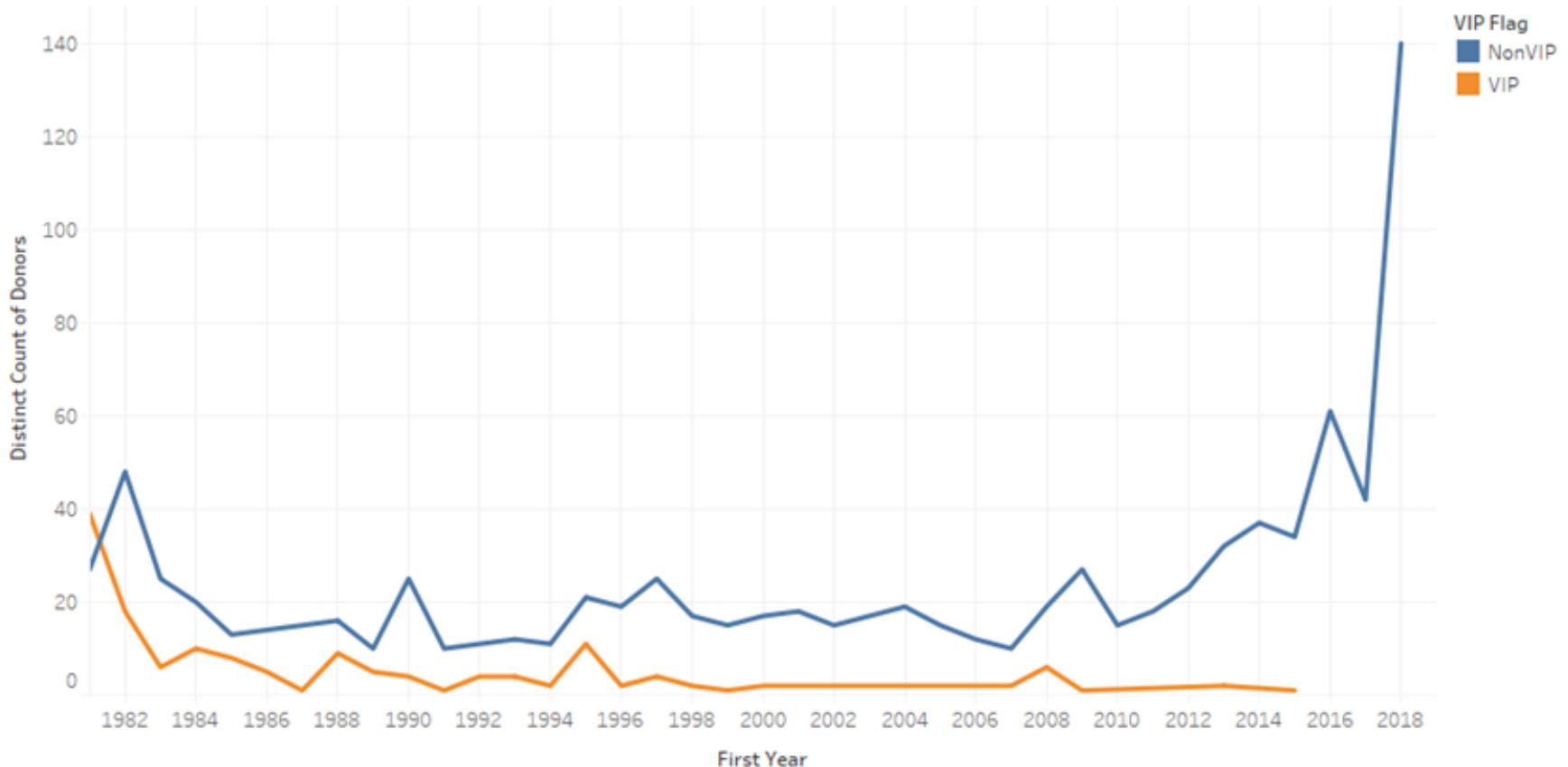
- *Auxiliary Groups have:*
 - + Low net revenue
 - + Disproportionate amount of overhead
 - Majority Staffing & Events
 - + VIP's give to the museum and identify with museum
 - Non-VIP's identify with auxiliary

Art Institute: Sample Data Work

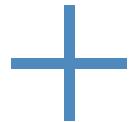
- What do they truly raise and spend?
- Where is there overhead?



Art Institute: Sample Data Work



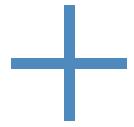
- How do we define VIP?
- Where are those dollars going annually?
- Are we acquiring donors who will move through the pipeline?



LESSONS LEARNED

Lessons Learned

- Buy-in from institutional leadership on the staff and the Board is critical
- Implementation requires a strong manager and clear steps
- A timeline helps ensure the process keeps moving, but it is important to adapt to reflect new information
- Don't try to fix every problem at once
- Never lose sight of why these groups exist – mission should drive all decision making



GROUP DISCUSSION

Questions for the group

- Do you have agreement about the “why” for these groups among your Executive Director and Board? How about curators and program heads?
- Are these groups staffed and managed by Development or within other departments?
- What’s the biggest challenge with these groups at your institution?
- Do you believe that these groups help deepen relationships at your institution? How do you prove that?
- Are members of these groups really major gifts prospects at your institution? How do you know?
- How does your institution measure the success of these groups?