

ART  
INSTITUTE  
CHICAGO

# Maximizing the Impact of Auxiliary Groups

Art Museum Development  
Association

GG+A

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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

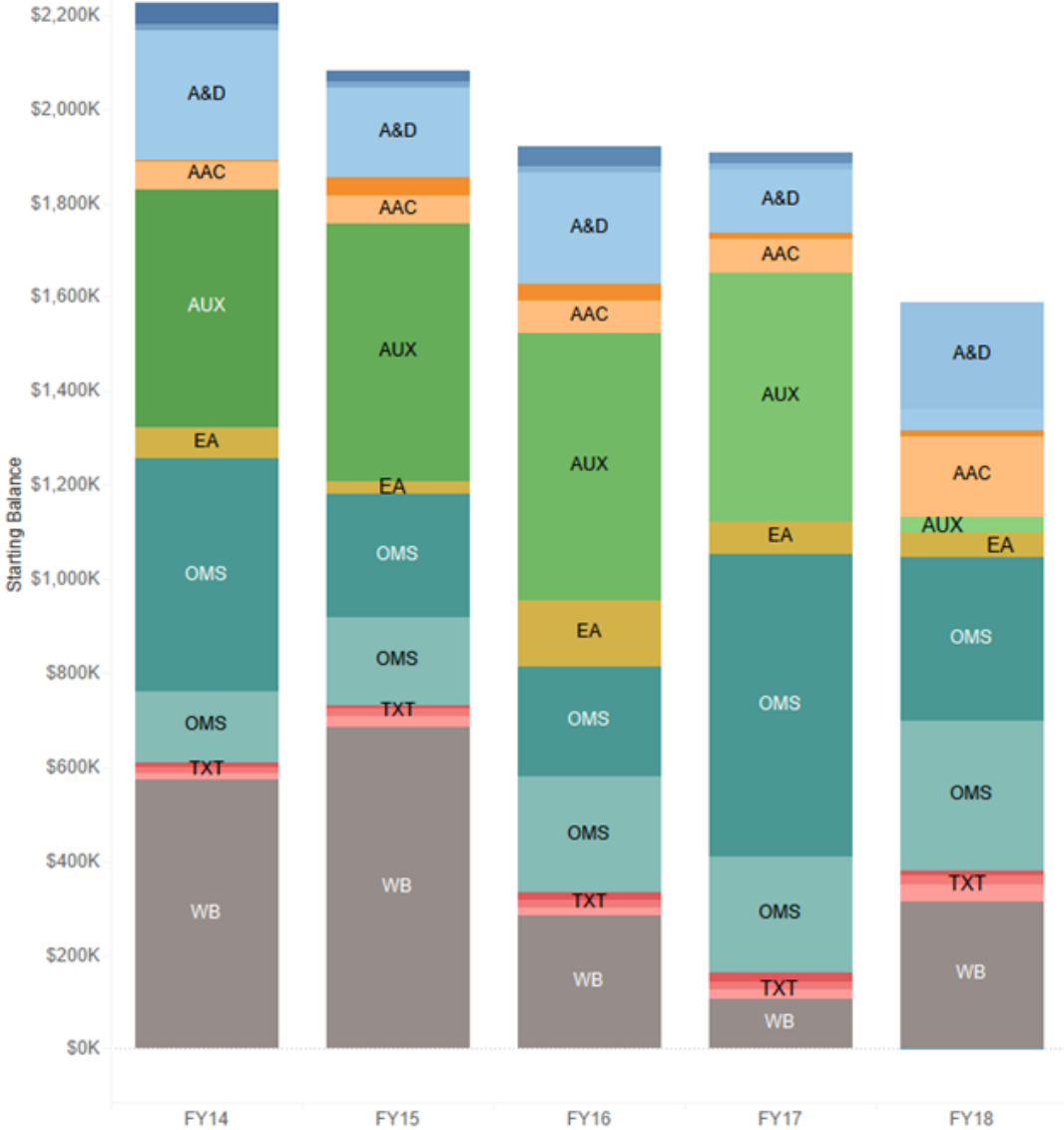
- *Are these auxiliary groups?*
  - + Deepening donor relationships
  - + Providing ongoing financial support for the program or department
  - + Helping to grow a pipeline of major gifts prospects

# 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

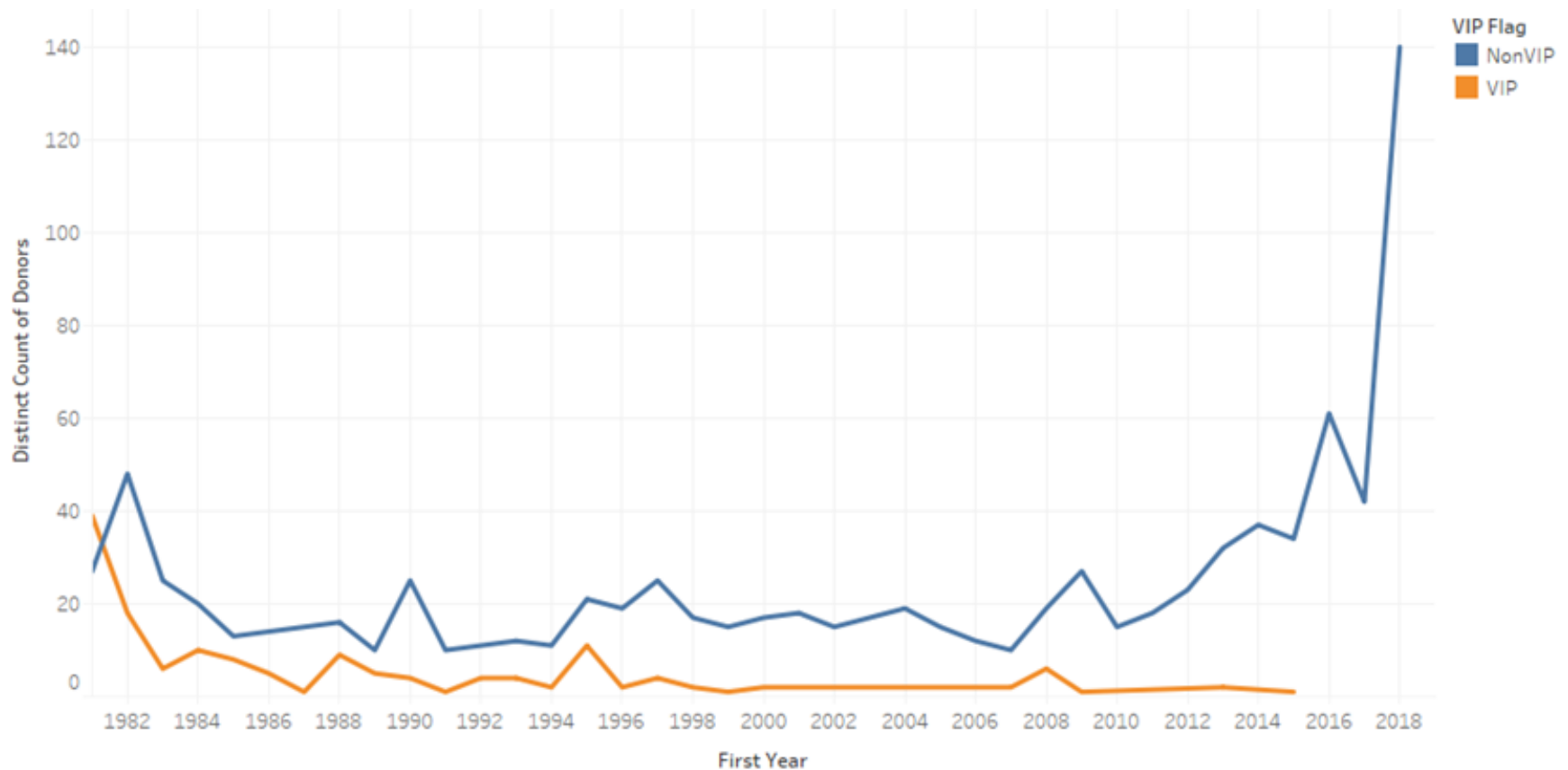
# Art Institute: Sample Data Work

- 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?