The Goettler Series
To Advance
The Business of Philanthropy

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Strategic Advancement

Aligning Your Resources
To Attract Philanthropy

The Goettler Series

This article is one of a series on what we at Goettler Associates consider to be the essential elements of fund raising and institutional development today.

We have developed this series in response to interest expressed by our clients and our colleagues in the field.

One must, however, always exercise caution in writing an article as a guide or "how-to" piece. While the article addresses general principles, each philanthropic institution finds itself in different circumstances.

We like to think that one of the qualities that distinguishes Goettler Associates in the fund-raising field is our recognition of this fact: that each institution, each campaign, each situation is different, and that each requires the experience and skills of a team of professionals to listen, learn, analyze, and interpret — and then to organize and carry out the strategy appropriate to the specific circumstances.

On the other hand, we also recognize the need to increase awareness of the time-tested principles of successful fund raising and to advance the "state of the art," so to speak. We intend this series to be an important contribution in this respect.

This series may also help you understand how we think and how we approach fund development and advancing our philanthropic sector. We hope that it will provoke questions — and that you'll call us for answers.

Strategic Advancement

Aligning your Resources To Attract Philanthropy

Today's nonprofit organizations – from hospitals and human service organizations to colleges, universities, and museums – are all operating in a marketplace that is more dynamic and more competitive than ever before. Consider these trends:

- The sheer number of organizations seeking philanthropic support has grown significantly – and so has the number of development professionals serving them.

- Organizations that once relied exclusively on government support find that they can no longer do so.

- Major-gift fund raising is ongoing, whether or not an intensive campaign is planned or underway.

- As operating expenses continue to grow, organizations are working harder to generate increased revenues from annual giving, endowment, and other sources.

In this climate, as we all know, development professionals are under a great deal of pressure to *produce*. It's not unusual for a chief development officer to be handed a financial objective by his or her CEO, with minimal consideration of the staff or budget that assignment might require.

In many cases, the development office is expected to operate almost autonomously – with limited access to the CEO and board leadership, and little or no involvement in the decisions that determine the direction and priorities of the organization.

Today's nonprofit organizations are operating in a marketplace that is more dynamic and more competitive than ever before.

Advancement: a team effort

Fund raising does not operate in a vacuum. Without attending to certain fundamentals, many organizations will struggle to raise much more money than they already do. These organizations may need to —

- Increase their visibility.

- Make their constituents more aware and more appreciative of the organization's basic mission, purpose, and competency.

- Create and share a vision for the future.

- Better define and share their immediate and long-term goals and objectives.

- Strengthen their governing and/or foundation boards.

Fundamental challenges such as these go well beyond "fund raising," as narrowly defined and practiced by many organizations. They must be addressed in the much broader context of institutional advancement – which brings together and aligns, in theory and practice, several important functions of the organization.

For almost all organizations, these functions include —

- Fund raising/resource development

- Strategic planning

- Board development

- Marketing (including branding and positioning)

- Public relations

- Communications

For many organizations, depending on the nature of their mission, other market-based functions are equally vital. These may include —

- Membership

- Alumni relations

- Student recruitment

- Audience development

What's in a Word?
Development vs. Advancement

While "fund raising," "development," and "advancement" are often used more or less interchangeably, their connotations are quite different. The term "development," now generally considered a euphemism for "fund raising," was intended to elevate the original term, with its over-emphasis on the bottom line. "Development" conveys a sense of mission and purpose, emphasizing the impact on the organization. "Advancement" broadens the concept of development by incorporating related functions, and explicitly indicates positive forward movement.

Among all of these, fund raising and development are pivotal. That's because they're focused on attracting the *basic human and financial resources* that are essential to the fulfillment of your mission.

Successful fund raising depends on the alignment, coordination, and support of several closely related functions.

To a great extent, fund raising and development make everything else possible. That generally includes (1) a "margin of excellence" in core programs and services that could not be achieved through operating revenues alone, and (2) additional services that could not be provided at all without philanthropic support (because they can never be self-supporting).

Successful fund raising, however, depends on the alignment, coordination, and support of all the other functions. Advancing an organization is a *team effort.*

Fund raising can't even be separated from the basic fiscal and management functions of the organization – since the maintenance of core services, and even financial stability and sustainability, may depend on philanthropic support.

That's why it's so short-sighted to treat fund raising as a support function, and to relegate the development office to a minor role, with little influence or authority in the larger scheme of things.

To be truly effective, the chief development officer needs to be an integral part of the *top management team* – helping to shape, guide, and drive the destiny of the organization on an ongoing basis.

In many high-functioning organizations, that is indeed the case. Elsewhere, however, the development function is quite "underdeveloped." Some of the symptoms may have a familiar ring:

- The role of philanthropy may not be well-defined or understood.

- The chief development officer may be treated as a junior executive, with limited access to and influence on the CEO and board chair.

- The development staff may operate like a sales promotion team – focusing on special events and direct-mail appeals, rather than bold initiatives and major gifts.

- The board may passively accept the limited role created for it by the CEO.

- The chief development officer may be excluded from strategic planning, and receive fund-raising "assignments" inconsistent with a well-focused, effective development function.

Until the development function is *empowered* – assigned a leadership role in advancing the organization, and provided with the resources

to carry out that mission – it's difficult for such organizations to achieve their true potential, in fund raising or otherwise.

This article describes a strategic approach to the alignment of fund raising and development with related functions – in order to attract stronger volunteer leadership; generate increased philanthropic support; and advance the organization more rapidly. We call this approach *strategic advancement.*

Capital campaigns and advancement

For many organizations, the primary vehicle for advancement has always been, and still is, the intensive capital/endowment campaign. Often, it is only when the decision is made to pursue major objectives and seek substantial amounts that the organization begins to focus on strengthening its board, clarifying its mission, or increasing its visibility – and mobilizing the human and financial resources required to do those things.

That kind of approach may draw attention to what has *not* been done up to now, and suggest to people that it is now being done only for the sake of the campaign (i.e., securing their contributions).

That doesn't mean that such an effort cannot be effective; in our experience, it often has been. The organizations that conduct the most successful campaigns, however, tend to be those that understand that success in fund raising

What Development Brings To the Table

■ The development function has a unique capacity to generate substantial revenues in the form of private contributions.

■ These revenues are instrumental in fulfilling the mission and purpose of the organization. They enhance the quality of its services, and sometimes make possible services that can never be self-sustaining.

■ The development function attracts volunteers – including known and respected leaders – who become uniquely effective advocates for the organization.

■ All of this is possible because development, to a greater extent than any other function of the organization, is firmly based in the marketplace.

■ Successful development professionals make it their business to listen to the organization's constituents. They build authentic relationships, based on shared values and aspirations, with those who have the financial capacity and vision to advance the organization.

■ Development professionals are *team players*. Because their success depends on the effective management of volunteers, they are skilled at providing leadership and direction while offering encouragement and giving credit to others.

depends on a *total development program,* and that every aspect of institutional advancement requires *ongoing* attention and support.

Any capital campaign, from preparation to follow-up, should advance the organization *on all fronts* – from strengthening the development function to building greater awareness of the organization and the services it provides.

In fact, successful fund raising of any kind benefits all other aspects of institutional advancement, and vice versa. If you can keep all those balls in the air at once, then there will always be enough important work in progress to keep your trustees and volunteers interested and challenged.

Sustaining the Momentum

These days, it's an accomplishment for a nonprofit community hospital just to retain its independence. But even if it's the only hospital in town, it may still be taken for granted or undervalued – especially if it lacks a strong philanthropic tradition.

Such was the case with one Midwestern hospital, as it pondered two major capital projects it could not finance on its own. Thirty years had passed since its last capital campaign, and while several successful special events were held, there was still no structured annual fund in place.

The hospital, however, had invited community leaders to help identify the two highest-priority projects, and the results of a planning study were encouraging. In the "family campaign" that followed, the board, employees, and physicians proved enthusiastic and generous beyond all expectations. That impressed and energized the community, and the campaign goal was ultimately surpassed by $1 million. Not only were both of the original capital projects fully funded, a third was added.

And it didn't stop there. These accomplishments raised the hospital's profile and improved its image dramatically, and campaign leaders resolved to sustain the momentum they had helped to create. The hospital committed itself to building a "culture of philanthropy" that would involve all employees and physicians, and counsel was retained on an ongoing basis. Both a permanent development committee and an organized annual fund campaign were soon put into place, and the focus shifted from special events to personal solicitation. For everyone involved with the hospital, this was a truly exciting and energizing experience.

The Elements of Strategic Advancement

Let's talk about the basics of strategic advancement. If you want to move your organization forward, what things absolutely have to be done? What are the irreducible essentials of success? We can identify at least eight.

1. Research, analyze, and assess the organization, its performance, and its environment.

We often think of strategic planning as the first step in moving the organization to a new level. Any planning process, however, must be preceded by thorough and objective *research* into the organization, how it's performing, and how it's perceived – not only by "insiders" (such as your professional staff or board), but also by others who aren't as close to the organization.

These "stakeholders" include those who benefit from the services the organization provides; those who support the organization financially; and even those who know something about the organization, but are involved only marginally or not at all.

Research into the experiences, perceptions, interests, and concerns of these constituents will provide the "real-world" database and determine the assumptions underlying the planning process. Without that information, the plan will have little credibility or value.

The purpose, of course, is not to get people to say what you expect them to say, or what you want to hear, but to find out what they *really think* and how they actually view your organization.

**Key Elements
Of Strategic Advancement**

1 Research, analyze, and assess the organization, its performance, and its environment.

2 Design and implement an effective strategic plan for advancement.

3 Strengthen and empower your governing and/or foundation board.

4 Strengthen and empower the development function.

5 Brand and position the organization to communicate your core mission, vision, and competency.

6 Build and present a compelling case for support.

7 Increase positive awareness and visibility of your organization.

8 Pursue continuous improvement in the organization's fund-raising capacity.

As in the traditional campaign planning study, people tend to speak more freely and give more candid answers when this kind of work is done by experienced "outside" professionals who have no stake in the outcome. The results are sometimes more like a cold shower than a group hug – but that's the only way to find out what you really need to know!

In the past, many organizations used the planning study to perform this "reality check." The primary purpose of the traditional study, however, is to determine how much can be raised, and exactly *how* it can be raised – and that is quite enough to ask.

If your aim is to advance the organization as a whole, it's better to do your research when the stakes aren't so high. Then you can discuss the organization in a more relaxed setting – without asking pointed questions about major gifts, campaign leadership, etc.*

In contrast to a campaign planning study, this process might be called a *strategic assessment* or *development assessment.* This multifaceted, in-depth exercise can cover much more terrain, and provide much more insight and information, than a traditional study. It should include the following elements:

A. An evaluation of the development function (programs, personnel, procedures, etc.), based on research and conversations with key staff.

B. A self-evaluation of the board of trustees or foundation board by its own membership.

C. Conversations with other members of the "institutional family" (e.g., volunteers, physicians, faculty, etc.), individually or in groups.

D. Conversations with other constituents or stakeholders who can provide some insight (including major donors, community leaders, service recipients, etc.), individually or in groups.

E. Research into the best practices of peer organizations.

With the benefit of this information, the organization is in a strong position to undertake a strategic planning exercise that is firmly grounded in its current realities – including the environment in which it operates.

2. Design and implement an effective strategic plan for advancement.

Strategic planning is more than vital to the advancement of an organization. For without planning, advancement can occur only by chance. Through the strategic planning process, you make important decisions about the mission, goals, and objectives of your organization – decisions that will help to shape your budget, organizational structure, and services in the years ahead.

Mistakes can be costly, and difficult to correct. At the same time, many of us have seen how an effective process can right a foundering organization, or make a healthy one even more successful. The process can engage your staff,

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* The most successful organizations tend to be engaged in some kind of market research – listening to their constituents, both actual and potential – almost all the time. Within these *learning organizations,* the quest for new knowledge has become part of the culture, and that knowledge fuels continuous innovation and advancement.

trustees, and community leaders in helping the organization set new priorities, or perhaps rediscover its historic mission. And those who have helped you set your goals and priorities will have a personal stake in achieving them.

With respect to advancement, the strategic planning process provides a golden opportunity to —

• Clarify the role of philanthropy in the advancement of the organization.

• Realign the goals of the development function with those of the organization.

• Empower development staff who may not have been involved, or only marginally involved, in the past.

• Empower and energize trustees, volunteers, and other participants in the process.

When it comes time to determine which projects should receive priority attention – e.g., in planning a capital/endowment campaign – a *strategic plan for advancement* can bring more focus and objectivity to the decision-making process.*

In many ways, the planning process itself is at least as valuable as the results it produces. It should seek the input and participation of both the "institutional family" (board, staff, etc.) and other key stakeholders, *including major donors and community leaders*. To keep the process focused and on track, however, it has to be facilitated by a skilled professional who can maintain an objective point of view.

While every plan addresses the specific situation of the organization that creates it, any strategic plan must incorporate the following:

A. A description of *the organization and the environment* in which it is currently operating. This will be based on the perceptions of its key stakeholders, and other thoughtful and well-informed individuals who are less engaged with the organization.

B. An assessment of the organization's *current performance* in fulfilling its mission, in the eyes of its key stakeholders and others.

C. A *vision,* or description, of the future as the organization and its key stakeholders would like to see it unfold.

D. A *strategy and action plan* for realizing this shared vision – including specific goals and objectives, budget and timetable, assignment of responsibilities, and measures of success.

Just as a corporate business plan creates confidence in a for-profit investment, a strategic plan that provides for its own implementation lends a great deal of credibility to the organization's development objectives and case for support.

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* Although management functions like finance, human resources, and program development don't fit under the umbrella of advancement, their strategic priorities and goals certainly must be integrated with those of the advancement functions. That can be accomplished in the course of developing and implementing a *comprehensive* strategic plan, with top management and cross-disciplinary teams in charge.

When an organization is working from a comprehensive strategic plan, each department generally shapes its own short-term priorities, goals, and objectives in accordance with the overall plan under the direction of top management.

A *strategic plan for advancement* creates goals, objectives, and strategies for each department contributing to the advancement effort, frequently under the direction of a chief advancement officer.

Defining the Purpose of Endowment

The performing arts – especially classical music, opera, and ballet – are often expensive to produce and risky to present. Ideally, activities of this kind are supported by endowment funds. More often than not, unfortunately, the case for endowment is presented in terms that donors find vague and less than compelling.

For many years, a symphony orchestra in a small Middle Atlantic city had been receiving annual operating grants from the local community foundation. Finally, the foundation decided it was time for the grants to be replaced by endowment income, and promised to help the symphony take that step. An endowment campaign was duly approved by the committee of local business and community leaders that screens such proposals.

Prior to any planning study, counsel recommended the development of an *endowment plan* – assigning specific amounts of endowment income to activities deemed critical to the symphony's advancement, and incorporating that into a business plan. In no time at all, the music director produced a detailed list of such activities (increasing pay for musicians, expanding education and outreach, etc.). The board and development officer went on to refine the list and develop financial projections.

This endowment plan was tested in the subsequent study, and the results were encouraging. The campaign goal was set at $1 million. The symphony board and the community foundation provided substantial "nucleus funding," and the community at large responded by contributing the balance. As a result, the community now knows more about its orchestra, and feels more secure about it, than it did before the campaign – and the orchestra has a reliable new source of revenue to support its future operations and expand its services to the community.

If an integrated advancement effort is not yet in place – e.g., if the development office and/or foundation board have not yet participated in the strategic planning process – then the strategic plan for advancement creates a blueprint for aligning all of the functions that contribute to the advancement effort for mutual support and maximum effectiveness.

3. Strengthen and empower your governing and/or foundation board.

Your governing board and/or foundation board have an indispensable role to play in the advancement of your organization, especially in fund raising. Few organizations, however, are totally satisfied with the performance of their boards – and few tasks are more complex and difficult than strengthening a nonprofit board. You may recognize some of the issues that present themselves:

- The role of board members in development is not well-defined or understood.

- Providing and seeking financial support are not among the criteria for recruiting new board members, and/or not discussed during the recruitment process.

- Providing and seeking financial support are not included in the job description for board members, and/or not discussed in board training and orientation programs.

- The role of the foundation board and/or its relationship to the governing board is not well-defined or understood.

- Development staff have limited access to board members and/or the CEO.

- In practice, the CEO defines the board's role in development and most everything else. In some cases, that role is pretty much limited to the approval and implementation of decisions made by the CEO.

- The organization has difficulty recruiting the caliber of board members it wants (usually for one or more of the above reasons).

Like a planned giving program, a board development initiative can and probably should take some time to achieve the desired results. It's very helpful if the process can begin with a *self-evaluation* completed by the board members themselves.

Based on the results, the board's rules and guidelines – affecting its future composition and what will be expected of its members – are invariably revised and sometimes rewritten, paving the way for new board members and a new agenda.

To accomplish that, professional staff must collaborate with current board members and volunteer leaders who have a strong personal interest in the organization's future. Like strategic planning, therefore, an effective board

development process requires an objective "outside expert" to diagnose, design, and facilitate. It also requires strong volunteer leadership and a board that is truly committed to change.

4. Strengthen and empower the development function.

Because of its ability to generate the resources to make things happen, as we've discussed, the development office must become a driving force in moving the organization forward. For that reason, senior development staff should play a key role in management and decision-making.

The chief development officer, for example, must have a voice in setting the organization's fund-raising priorities and selecting volunteer leadership. Too often, however, that is not the case. On the contrary, the CDO may have limited access to and influence on the CEO or board chair, and the board may have little knowledge of what the development function is all about. The CDO is simply viewed as a "rainmaker" capable of attracting philanthropy by magic – even with limited authority and resources, and no clear definition of what the expectations actually are.

Historically, the capabilities of the development office, and its relationships with other key staff and boards, have often been assessed in conjunction with a campaign planning study. By then, however, it may be awkward or impractical to contemplate changes that involve the addition or replacement of personnel – let alone increasing the departmental budget or strengthening the foundation board.

It can be difficult for anyone but an "outside" consultant to call attention to such matters, and to develop an effective and agreed-upon strategy for change – however urgent the need may be. The first step in the strategic assessment process (i.e., a thorough evaluation of the development function) is designed to "audit" the organization's fund-raising performance in depth, and to create a factual basis for a step-by-step plan of action.

5. Brand and position the organization to communicate your core mission, vision, and competency.

To present your organization properly, to prospective donors or anyone else, you must understand how your various constituents view the organization, and what they value most about it. To learn more about how the organization is perceived, and better express what it does best, many leading nonprofits have invested in a *branding* process.

As you work to advance your organization, it is no longer safe to assume that people understand as *you* do exactly what the organization *is* – its mission, purpose, constituency, people, programs, performance, plans, etc. In our consulting work, we see time and again that even among well-informed community leaders, the *perception* of the organization can lag years behind the reality.

As you know, the *image* of your organization strongly influences how people respond to it. An image can take a long time to establish, and just as long to change or erase.

In a dynamic and highly competitive marketplace, however, the organization seldom has years to act or react. Revenues and even survival hinge on your position in the marketplace, relative to your competition, and that can change very quickly. When it does, you must make the right moves to reinforce your organization's identity – its "brand" – and solidify or shift its position.

Branding for Nonprofits

What exactly is branding?

It is easier to describe what a brand *does* than to define what it is – although it is certainly a great deal more than a logo or catch phrase. In the language of *positioning,* as developed in the 1980s, a brand is a tool for positioning a company, an organization, a program, or a service in the marketplace – relative to its competition, and based on its *distinctive competency,* as perceived by its constituents.

Branding in the contemporary sense also seeks to *express* that competency in a memorable and emotionally compelling way, evoking the essence of what the organization is, what it does, and what it stands for. The intent is to create or reinforce a powerful bond with the organization or program, and many nonprofits have found this approach very effective.

For a nonprofit organization, a brand proclaims or at least suggests:

- Your *identity* (who you are)
- Your *mission and purpose* (why you exist)
- Your *values* (what you stand for)
- Your *competency* (what you do best, and how you add value to people's lives)
- Your *vision* (what you hope to achieve, and what kind of future you aspire to create)

What benefits does branding provide?

- Branding makes your organization *more visible and recognizable.*
- Branding makes you *more competitive,* and therefore more viable.

What benefits does branding provide? *(continued)*

- Within the "institutional family," branding *focuses and clarifies* what the organization is all about and what it isn't. It also builds *pride, loyalty, and a shared sense of purpose*.
- Among all your constituencies, branding promotes *trust, confidence, and goodwill* – the essential elements of authentic and enduring relationships.
- Last but not least, branding creates and sustains an *emotional connection* with like-minded people – those who really "get it."

How is a brand communicated?

A brand is communicated verbally and visually – through words and images:

- Verbally, its essence is expressed through a powerful and memorable *message* (or messages) that evokes what the organization is all about – what it does best and is most valued for. Ideally, among those who know your organization, your message should bring to mind positive personal experiences with it.
- At the same time, the brand is expressed graphically through a distinctive, attractive, and evocative "look" or signature that reinforces and intensifies the verbal message. Music and numerous other devices can also help to create the total effect, or *experience,* that you seek to produce.

How is branding for nonprofits different from branding for businesses?

Many businesses use branding to establish or strengthen an identity for various product lines, as well as the company. Among their goals are to strengthen the company's image and reputation, improve its position in the marketplace, and maximize its profit. Most, but certainly not all, businesses have greater financial resources to devote to branding than nonprofits generally do.

- Nonprofits are more often concerned with changing the image of the entire organization, usually without changing its name. They may, however, also name or rename facilities or programs, often to honor donors (and create a lasting legacy).*
- Nonprofits often use branding to improve their visibility; promote their services; and reach new constituencies, including new donors. In addition to potential users of their services, nonprofits seek to attract and "cultivate" (build relationships with) donors, potential donors, and volunteers. These individuals often grow much closer to the organizations they value than customers or even shareholders ever do to a business.

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* Commemorative naming opportunities offered to donors by nonprofits should never be confused with "naming rights," typically sold to corporations by public entities.

For the Greater Good of the Community

Many corporations and foundations encourage and support collaboration among nonprofit organizations – in order to reduce costs, avoid duplication of services, and limit competition for human and financial resources. In one Midwestern city, for example, the Red Cross and United Way have campaigned together since the 1950s.

When the agreement was first reached, the United Way needed the "instant credibility" that the Red Cross could provide, and the Red Cross hoped to reduce its investment in other fund-raising activities. A committee of board members from both agencies was appointed to oversee the relationship, and that worked well for many years.

When the United Way adopted its Community Impact model, however, it sought to place the Red Cross on the same basis as other United Way agencies – i.e., competing for funds by demonstrating how its services would advance the United Way's priorities. Over a period of years, the partnership would be phased out. Many Red Cross board members questioned United Way's motives and feared serious erosion of the Red Cross's financial base. Some were calling for separation from the United Way and an independent payroll-deduction campaign.

All this was much more than the joint oversight committee was prepared to handle, so the Red Cross commissioned an objective study of the situation. The results showed that most community leaders, including many members of both boards, were firmly opposed to the idea of two large annual campaigns with payroll deduction – fearing that the community would be split, and both organizations would suffer. Both needed to think in terms of what was best *for the community,* not just themselves.

Counsel recommended that the two organizations review and renegotiate their agreement, and seek arbitration if necessary. Shortly thereafter, the United Way withdrew its proposal to dissolve the partnership, and sat down with the Red Cross to review the agreement in the spirit of collaboration that community leaders wanted so much to preserve. In the final analysis, nobody could win unless *everybody* won.

The branding process, of course, is based in the marketplace. You need to get out there and find out what your customers and other stakeholders are thinking and feeling. A series of focus groups, perhaps supported by mail or telephone surveys, can be very effective. To make sure that works, however, you should seek professional assistance to —

- Develop the questions.

- Put together the groups.

- Facilitate the process.

- Analyze the results.

First, you will want to listen to those who know the organization best – your "institutional family," including employees, board members, and for some, physicians and/or faculty. Major donors and volunteer leaders should also be considered "family." The insights gained from talking with these constituents will help to shape conversations with others who are not so close – civic and community leaders, local business people, foundations, corporations, the media, etc.*

The perceptions, ideas, and information you gather through this process will provide the basis for clarifying and better expressing your organization's mission and purpose; what value it contributes; what people expect from it; and what kind of future it aspires to create. Whether you're having an identity crisis or not, these are important things to research and reevaluate from time to time.

6. Build and present a compelling case for support.

To mount any successful fund-raising program, it is essential to *develop and present a compelling case for support.* Such a case will describe, *from the donor's point of view,* the merits of the organization, the cause it represents, and the specific objectives of the program for which support is being sought.

The case appeals to both the mind and the heart. It not only provides factual documentation, but also evokes the *shared values and aspirations* that will be advanced. It shows how the authentic needs of the community or the constituency served (rather than the self-defined "needs" of the organization) will be satisfied.

We call this the "marketplace perspective." In the world of major-gift fund raising, nonprofits must learn to see and understand the world *as the potential donor sees and understands it,* and then build and present the case accordingly. It is not a matter of explaining and justifying the organization's so-called needs; your presentation must be based on finding common ground, and working together to advance shared values.

The case operates on multiple levels. In addition to building an effective case for the *organization* and its specific *development objectives,* one must also make the case for the *cause* the organization represents (i.e., its mission and vision). A potential donor may respond most enthusiastically to any or all of the above.

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* There is really no clear distinction between "family" and other stakeholders. Where, for example, do members, customers, parents, alumni, and other loyal donors and volunteers belong? As long as there is some kind of relationship, all are part of an "extended family" and need to be treated accordingly.

We also find that the case for *philanthropy itself,* and the role it is intended to play in advancing the organization, often needs to be clarified. Toward that end, a strategic plan that projects future sources and uses of funds can be extremely helpful.

7. Increase positive awareness and visibility of your organization.

With a vigorous and sustained effort to deploy all the elements of strategic advancement, your organization will be able to build and maintain a higher profile. You will want to work with the media and use your own channels of communication to continue *increasing positive awareness of your organization* among its various constituencies, including donors and potential donors. Assuming that you have nothing to hide, you can never have too much visibility or awareness. And to support those efforts, your organization needs —

- A written plan and strategy – both to set priorities and goals and to help maintain a consistent look, tone, and "feel." The plan needs to identify key constituencies and define specific objectives, strategies, and desired outcomes for each.

- A coordinated, professionally produced, and attractive family of communications tools – using the most effective print, audio-visual, and electronic media – to deliver a well-crafted message and project a distinctive image (your "brand") to your various constituencies.

When these tools are based on a well-conceived strategic plan and a compelling case for support, you will certainly improve the marketing, and ultimately the results, of your development programs.

Special events are frequently organized by the development office and thought of primarily as fund-raising programs. In some ways, however, events can provide a very powerful medium to increase awareness of your organization among key constituencies – e.g., major donors and community leaders.

One college of art and design, for example, opened its entire campus to a select "VIP" audience for an evening that many found quite exciting and memorable. Guests were encouraged to observe and interact with students and faculty at work on creative projects. What brochure or video could have conveyed the school's mission and presented its case as effectively?

That particular event, even more than others, required considerable planning and coordination – involving not only staff and volunteers, but also faculty and students. At some organizations, different elements of advancement – e.g., development, marketing, and public relations – seem to pull in different directions. Perhaps that has to do with personalities; from the advancement point of view, there is every reason on earth for all to work closely and successfully together.

8. Pursue continuous improvement in the organization's fund-raising capacity.

Just as the strategic plan guides the organization, a fund-raising plan must guide the development office on a year-to-year basis. The plan will, of course, identify priority projects, set financial targets, and assign responsibility. It should also address each of the elements of strategic advancement we have described. Other departments (e.g., planning, marketing, admissions, etc.) should therefore have input as appropriate.

Depending on the resources available, the fund-raising plan should provide not only for incremental improvement in performance and productivity, but also for continuous improvement – both qualitative and quantitative – in the organization's *fund-raising capacity*. That could involve:

• New programs (e.g., annual fund, major gifts, grant writing, etc.)

• Additional staff

• Professional development of current staff

• Consulting services

• Interdepartmental relationships

• New marketing and communications vehicles

• New technology and support systems

There will naturally be costs associated with most of these steps, and concrete results expected. Hopefully, your accomplishments will serve to demonstrate, year after year, that an investment in the development function is the best investment the organization can make – because it has the potential not only to produce substantial revenues, but also to make a very real and immediate difference in the organization's capacity to *fulfill its mission*.

Initiating organizational change

We suggested earlier that any organization where the development office is treated as a semi-autonomous function – with second-class status, insufficient staff and resources, and limited access to the CEO and board – is probably attracting a fraction of the philanthropic support that it could.

Actually, the stakes are much higher than that. As we pointed out earlier, the development office, to a greater extent than any other function of the organization, is firmly based in the marketplace.

Successful development professionals make it their business to listen to the organization's constituents. Most importantly, they have the capacity to build and maintain authentic relationships, based on shared values and aspirations, with known and respected leaders – people who have the financial capacity and vision to advance the organization, and to become uniquely effective advocates.

A Transformative Impact

Many CEOs in the nonprofit world, especially those who lead colleges and universities, believe it is part of their job to set the institution's fund-raising priorities. To provide strong leadership, however, governing and foundation boards must "buy into" those priorities. If board members and other community leaders are involved in actually making those choices, the results can be very impressive.

One institution, for example, began life as a "junior college" in a mid-size Southeastern community, quietly producing teachers and nurses. But when the school became a state university, and a new president with vision and charisma took the reins, the wheels soon began to turn.

First, a local family foundation with very substantial assets to invest, and determined to show the city what the family believed it could become, collaborated with the university on several highly visible projects. Then, a combination of public and private investment created a beautiful new performing arts center, injecting new life into the downtown area. Now that the community was beginning to feel differently about itself, and to realize what it might be able to accomplish, the university decided the time might be right for a major capital campaign.

At the point where counsel was engaged, the president and his staff had identified a list of possible campaign objectives that would require more than $50 million to realize. These ideas, however, had not yet been shared with the university's foundation board, which was considered the strongest in town.

Even before conducting a planning study, therefore, counsel suggested a series of informal interviews to seek "ground-level" input from selected board members and community leaders. Those conversations confirmed our sense that some unprecedented investments might be made if the university's plans could be further developed.

Toward that end, the university recruited several different task forces, bringing together another echelon of community leaders with faculty and staff. That process, of course, generated a longer, more ambitious, and more comprehensive list of projects, together with an expanded sense of participation. Once the list was pruned by the president and his staff, the study could finally begin.

The study reported that the university might have the potential to raise $75 million or more – depending upon the quality of campaign leadership and the excitement of the project that interested the major donors most – the relocation of the art and music programs to a new downtown campus.

To make a long story a little shorter, all of these things actually came to be, and the university went on to raise *$100 million!* Clearly, the community had realized that its university was becoming an engine for cultural, educational, and economic progress – and that a successful campaign could have a transformative impact not only on the university itself, but on the community and region as well.

Your organization can ill afford to lose touch with such people, and thereby forgo the benefit of their insight, ideas, and wisdom. In the short term, strategic errors can be made and opportunities missed. In time, the organization may become less competitive, in fund raising and otherwise. It may even drift away from its core mission, and become alienated from those it was created to serve.

Such things are less likely to happen when, for example, the development function is included in the strategic planning process – so that its fund-raising objectives are better aligned with the organization's top priorities. It can also make a big difference when all of your constituencies, including trustees and employees, become more actively and meaningfully involved in development.

In an effort to initiate change, thoughtful input from an objective outside professional can make a world of difference.

Through the process of strategic advancement, as we've suggested, the development function can be *empowered* – helping to shape,

guide, and drive the destiny of the organization, as it was meant to do and has the potential to do.

We understand very well, however, that it's never easy to implement significant changes in an organization, even if those changes are clearly in the best interests of all concerned. Within nonprofit organizations, as well as for-profits, modest expectations and familiar modes of operation can easily become institutionalized. Criticism of the *status quo* and suggestions for improvement, though not discouraged, may not be acted upon, either.

In such a climate, what is to be done? In our experience, the best way (and sometimes the *only* way) to initiate meaningful change may be to involve an "outside" consultant whose career does not hinge on the outcome.

If you're interested in elevating the development function at your organization, and actually putting the wheels in motion, do consider drawing upon the experience, objectivity, and expertise of a qualified consultant. It's never too late to attempt and achieve a dramatic breakthrough – and it's the business of the consultant to help you find a way to do so. Once you begin to achieve the results that you know are possible, there will be no turning back!

About the Firm

Goettler Associates was founded by Ralph H. Goettler in 1965 to serve the nation's nonprofit organizations. The firm brought together a group of highly qualified professionals to serve the total funding and marketing requirements of clients' major fund-raising initiatives. Since 1965, we have helped more than 1,500 nonprofit entities raise over $1 billion to fund capital projects, build endowment, or facilitate special projects.

Services

Goettler Associates is a full-service, client-oriented firm. We tailor a program to the special circumstances of each client. This often requires a combination of several essential elements, including capital, annual, and deferred giving; and marketing and public relations. We take pride in the quality of counsel that we can provide in all of these areas.

We have helped our clients conduct successful capital campaigns, increase annual operating support, establish planned giving programs, and strengthen their endowments through our services:

Studies and Assessments

› Campaign Planning Studies
› Development Assessments
› Strategic Planning

Donor Cultivation and Campaign Positioning

› Leadership Awareness Programs
› Case for Support Development
› Campaign Identity and Marketing
› Writing, Print Design, and Video Production

Development Support

› Prospect Research
› Executive Search

Campaign Management

› Resident Campaign Direction
› Periodic Campaign Consulting
› Consultation on Annual and Deferred Giving Programs

The Team

The Goettler Associates team of fund-raising professionals draws upon a wealth of experience and is supported by extensive human and information resources. Our consultants average more than fifteen years of experience in institutional advancement.

Building on Trust

Our Mission is to assist nonprofit organizations in achieving challenging fund-raising goals by –

› strengthening the client's image and awareness;
› recruiting, training, and motivating volunteers; and
› attracting significant philanthropic support.

We guide our clients toward their financial goals through —

› the integrity and high performance standards of our employees;
› effective and honest relationships; and
› the quality of our work in achieving success.

Let's Talk About Your Situation

Fund-raising campaigns have been won without implementing all the principles and strategies discussed in this article. Often, in the course of planning and executing a particular campaign, we find that the best way to achieve success is to "invent" new tools and approaches to replace the standard ones. We at Goettler Associates strive to apply the principles of fund raising in a flexible way that is appropriate to the needs and circumstances of each individual client.

There are certain constants, however. Our experience shows that the campaign that is properly conceived, planned, and executed — with the assistance of professional counsel — is the campaign that invariably enjoys success.

We'd enjoy talking with you informally about these ideas. Or, better yet, we'd like to learn about *your* situation and discuss with you how we can apply our experience and talents to further your success. We would welcome the opportunity — without cost or obligation — to learn more about the current status of your advancement program. This includes your development objectives, the challenges you face, and the resources you have for achieving your goals.

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