

A F P - Central Ohio Chapter

The Winning Campaign: Essential Elements of Success

Why Talk About
Campaigns?

The Evolution
of Campaigns in
America

Seven
Essential
Elements

Time-tested
Principles

Test Our
Knowledge



Why Talk About Campaigns?

- Capital Campaigns raise more money
- Demonstrates organization is serious
- If you are not planning a capital campaign, you are not raising the most \$\$
- Galvanizes your entire constituency
- Largest donors scale their gifts against need / goal

It's been our experience that most major fundraising campaigns continue to succeed or fail on their own merits.



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FUND RAISING MATTERS

The Campaign Principle

- An intensive fundraising effort to:
 - Raise a specific amount of money,
 - For a specific purpose,
 - Over a specific period of time.
- Military metaphor
 - Operate through personal influence and persuasion
 - Highly organized & carefully orchestrated
- The volunteer
 - Involvement leads to commitment



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The Evolution of the Campaign

- A recent American invention
- Born with America's philanthropists of the industrial revolution
- Early in 20th century, two schools emerge:
 - Charles Sumner Ward & Lyman Pierce
 - Bishop William Lawrence
 - Agree on two points: large early gifts and outstanding volunteer leadership



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The Comprehensive Campaign Stanford University 1960 (PACE)

- *Plan of Action for a Challenging Era (PACE)*
- Organization wide 10-year projections
 - “The Red Book” a new benchmark
- The Ford Foundation: Special Program in Education, three-to-one match
 - \$25 million for Stanford = \$100 million Goal
- Case: 33 distinct projects, capital, programs, endowment, equipment, recurring annual
- Organized leadership through alumni around the country
- Counted **everything** to meet match in 3 years



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An Art and a Science

- The science of campaigns:
 - Series of steps taken according to schedule
 - Based on goal, estimate number of gifts, prospects, and volunteers
- The art of campaigns:
 - A unique challenge in working with people, especially those as volunteers
 - Affect performance through their own convictions, desires, aspirations



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Seven Essential Elements

1. A solid organization
2. A worthwhile project
3. A compelling case for support
4. Availability of sufficient financial resources
5. Qualified and committed volunteer leadership
6. Pacesetting leadership gifts
7. A realistic and well-executed plan

A Solid Organization

- Project and program are well-organized and efficient
- Available to meet needs of all groups
- Clear lines of authority and responsibility
- Adequate resources available
- Clear goals and objectives

Qualified, Committed Volunteer Leaders

- Qualified – appropriate training and experience
- Committed – willing to invest time and energy
- Available – willing to invest time and energy
- Necessary to lead others

A Worthwhile Project

- The organization needs the project and needs it in the long term
- Project adds value to others
- Project is well-planned and organized
- Project is well-timed and executed
- Project is well-funded and supported

Pacesetting Leadership Gifts

- Have a clear vision of what to do
- Have a clear plan of how to do it
- Have a clear budget of what it will cost
- Have a clear timeline of when to do it
- Have a clear list of who to do it

A Compelling Case for Support

- Needs are clearly defined
- Problem is clearly stated
- Problem is clearly stated in terms of impact
- Problem is clearly stated in terms of cost
- Problem is clearly stated in terms of time

Table of Giving Members (\$1 million)

| Year | 1990 | 2000 | 2010 | 2020 |
|---------------|------|------|------|------|
| Total | 100 | 100 | 100 | 100 |
| Individuals | 80 | 80 | 80 | 80 |
| Organizations | 20 | 20 | 20 | 20 |
| Government | 10 | 10 | 10 | 10 |
| Private | 10 | 10 | 10 | 10 |

Availability of Sufficient Financial Resources

- "Available" – funds in the hands of those who can use them
- "Sufficient" – funds in the hands of those who can use them
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A Realistic and Well-executed Plan of Campaign

- Based on a realistic assessment of the situation
- Based on a realistic assessment of the resources available
- Based on a realistic assessment of the time available
- Based on a realistic assessment of the cost available

A Solid Organization

- People prefer to invest in *successful* organizations
- How do you define *success*:
 - Provide a needed service, with quality
 - Led by competent and respected professionals AND volunteers
 - Financially sound and well-managed
 - Known and valued in the community



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A Worthwhile Project

- The *campaign* needs to be about something
 - It has to be about more than ongoing operations
- It should meet these criteria:
 - Build the capacity of organization
 - Respond to (cmty) need perceived as urgent
 - Objectives should reflect a vision
 - Make sense as part of a larger *plan*
 - Appropriate focus for philanthropy



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A Compelling Case for Support

- Not a static written document
- Practical, action-oriented tool
- Positions organization (and campaign) as opportunity for investment
- Written from perspective of potential donor
- Based on strengths, capabilities, and potential
- A strong case is memorable
- The *process* may be most important



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Availability of Sufficient Financial Resources

- “Available” = funds in the hands of *likely donor constituencies*
 - Those with a philosophical rationale to support
- How is constituency defined
 - Direct service (health care and education)
 - Issues and interest
- Size of constituency
 - Often defined by access - **volunteers**
- Affect prospect pool through cultivation



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Qualified, Committed Volunteer Leaders

The presence of wealth is of negligible value without a corps of volunteers who are . . .

- *Qualified* = exemplary financial commitment
- Should be a social or financial peer of the prospect
- Exceptional leaders bring credibility and momentum
- Volunteers vs. Staff solicitor



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Pacesetting Leadership Gifts

- Must be sufficient number of major gift prospects to initiate campaign activities
- Begin at substantial and meaningful level
- 1,000 people asked for \$5,000 \neq \$5 mil
- Rule of thirds, to 80/20 rule, to 95/5 rule
- New terminology: *nucleus gifts, advance gifts, leadership gifts*



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Table of Giving Standards \$5 million

| Number of Prospects | Number of Gifts | Gift Level | Total per Category | Cumulative Total | |
|-------------------------------|-----------------|------------|--------------------|--------------------------|-----|
| ADVANCE GIFTS DIVISION | | | | Goal: \$3,250,000 | |
| 3 | 1 | 1,000,000 | 1,000,000 | 1,000,000 | 20% |
| 6 | 2 | 500,000 | 1,000,000 | 2,000,000 | 40% |
| 9 | 3 | 250,000 | 750,000 | 2,750,000 | 55% |
| 15 | 5 | 100,000 | 500,000 | 3,250,000 | 65% |

| | | | | | |
|-----------------------------|----|--------|---------|--------------------------|-----|
| MAJOR GIFTS DIVISION | | | | Goal: \$1,400,000 | |
| 30 | 10 | 50,000 | 500,000 | 3,750,000 | 75% |
| 60 | 20 | 25,000 | 500,000 | 4,250,000 | 85% |
| 120 | 40 | 10,000 | 400,000 | 4,650,000 | 93% |

| | | | | | |
|-------------------------------|----|-------|---------|------------------------|------|
| SPECIAL GIFTS DIVISION | | | | Goal: \$350,000 | |
| 150 | 50 | 5,000 | 250,000 | 4,900,000 | 98% |
| 150 | 50 | 2,500 | 125,000 | 5,025,000 | 101% |

Numerous below \$2,500 to ensure success

| | | |
|-----|-----|---|
| 543 | 181 | # of Individual, Corporate & Foundation Gifts |
|-----|-----|---|



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A Realistic and Well-executed Plan of Campaign

- Planned and implemented with centralized coordination & effective communication
- Momentum should be created and then maintained at all costs
- Orchestrate all essential elements into plan of action, with definite schedule
- Job descriptions, org charts, weekly timetable (Gantt chart)
- Sufficient Resources



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Time-tested Principles

- Personal solicitation
 - Most effective is face-to-face
- Selective and sequential solicitation
 - Prioritize your work, easiest first
 - Top to bottom and inside to outside
- Distribution of work; definite and limited responsibility
 - Use job descriptions
 - If you can't train 'em - have an *orientation*

The Long-term Benefits of a Capital Campaign

- Besides the money & accomplishment of objectives, there are many benefits of success:
 - Case articulation expands knowledge
 - Increased Awareness
 - Expand donor's role in development
 - Link strategic plan
 - Create new (happy) volunteers
 - Expand donor base
 - Strengthen FR program
 - Build organizational capacity

Test Your Knowledge

What Makes a Winner?

1. To resolve major issues relating to finance and governance, your CEO and governing board must be involved.

True False

2. A capital campaign is basically another way for an organization to increase its revenues and reduce its expenses.

True False

Test Your Knowledge

What Makes a Winner?

- | | |
|---|------------|
| 3. A compelling case for support shows how a successful campaign will meet the needs of the organization. | True False |
| 4. Most prospective donors <i>want</i> to know how much others would like to see them give. | True False |
| 5. The general chairperson should be enlisted as early in the campaign as possible. | True False |

Test Your Knowledge

What Makes a Winner?

6. The easiest way to raise \$5 million is to ask 1,000 people to give \$5,000 each. True False
7. The financial commitments of your top prospects will be greatly influenced by the level of support your “institutional family” provides. True False

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