Taking the Mystery out of Capital Campaigns
2017 SAWA MANAGEMENT CONFERENCE
Panel Moderator, Joy K. Hallinan, CFRE
Vice President of Development, Atlanta Humane Society

7 Deadly Sins of Capital Campaigns
Daniel Neel, CFDO, The Animal Foundation

7 DEADLY SINS

Pride
Envy
Gluttony
Lust
Greed
Anger
Sloth
#1: PRIDE

"Pride goes before the fall."

"I know what I need."
Pride
Why a Feasibility Study?

"The grass is always greener on the other side of the fence."

Protect from a Negative Experience

#2 ENVY
Develop a Plan
There is no one-size-fits-all off-the-shelf solution that will work for everyone. Even best practices and proven methodologies must be adapted to your organization’s reality.

Envy

“The grass is not, in fact, always greener on the other side of the fence. The grass is greenest where it is watered. When crossing over fences, carry water with you and tend the grass wherever you are.”

Robert Fulghum

When you just can’t resist taking another bite

#3 GLUTTONY
Comprehensive Planning
• Campaign Business Plan
• Communications Strategy Statement

What if it is too good to resist?
• Re-test with certain constituents
• Find additional resources specific to the opportunity
• Determine what you can live without if additional resources are not available
• Communicate, communicate, communicate

“You can only raise what is available to be raised.”

Profound Statement of Fact
Whose relationship is it anyway?

- This relationship is stagnant
- I am afraid of relationship fatigue
- It takes too much time and effort to grow the relationship

### Relationship Pyramid

- Meet
- Date
- Fall in Love
- Lifetime Commitment

#4 LUST
Lust

Can you bring us new relationships?

Can you do “the asking” for me?

- 90% to 95% of what you raise in a capital campaign will likely be from existing relationships.
- First gifts are rarely capacity gifts.
- It takes less time and expense to keep and grow an existing relationship than it does to start a new one.
“Greed, in the end, fails even the greedy.”

38% of high-net-worth households that stopped giving to an organization or cause cited being solicited too frequently or being asked to give an inappropriate amount as their top reason.

Source: Bank of America Study of High Net Worth Philanthropy

How do you determine an appropriate amount?
- Ask them – Feasibility Study
- Do your homework – Research and Review
How much more grievous are the consequences of anger than the causes of it.

How are you perceived by others?
- Mission effectiveness
- Leadership stability
- Financial accountability
- Donor stewardship
Internal Health

Are you:
- Vision focused
- Mission driven
- Unified in leadership
- Financially stable
- Organizationally disciplined

#7 SLOTH

Hakuna matata!

Campaigns fail to reach their potential not because they run out of prospects but because they run out of steam.
WRAPPING UP...

7 DEADLY SINS

To infinity and beyond!
Taking the Mystery out of Capital Campaigns
Evaluating and Achieving Campaign Readiness
Jan F. Brazzell, Ph.D., ACFRE, Principal Counsel and CEO
Advancement Consulting

“Today’s preparation is tomorrow’s performance.”
Kent E. Dove, Conducting a Successful Capital Campaign

Prerequisites for Campaign Success
- Establish Strategic Identity and Direction
- Complete Project / Program Planning
- Create Clear, Compelling Case for Support
- Develop Fundamental Fundraising Capacity
- Secure Commitments from Key Constituents
- Confirm All of the Above
Establish Strategic Identity and Direction

- Comprehensive strategic planning
- Appealing mission, vision, values
- Plans informed by community input
- Worthy, ambitious goals
- Thorough business planning

Complete Project / Program Planning

If it's a capital project …
- Preliminary architectural and engineering plans
- Impact assessments well-underway
- Community / neighborhood buy-in obtained

*Catch 22*

Create Clear, Compelling Case for Support

- Fundraising objectives and rationale coincide with strategic direction
- Beneficial impacts are clear and compelling to prospective donors
- Project is urgent, important and / or relevant
- Brief, well-written, engaging document outlines your case for support
Develop Fundamental Fundraising Capacity
- Significant base of loyal contributors
- Broad, positive community awareness
- Infrastructure for successful fundraising
- Sufficient staff capacity and budget
- Organizational commitment to a culture of philanthropy

Secure Commitments from Key Constituents
- Board of Directors
- CEO and Executive Team
- Prospective Major Donors
- Key Volunteer Leaders
- Professional Fundraising Staff
- Other “Family” Members

What does a ham and egg breakfast have to do with commitment?
Other Factors
- Reputation of the organization
- Constituency
- Location of the organization
- Climate and timing
- Pacesetter, challenge or matching commitments

Confirming Campaign Readiness
- Assessing campaign readiness
  - Internal development program assessment
  - External “market” study
- Benefits / costs of hiring outside counsel to conduct a pre-campaign planning (a.k.a. “feasibility” study

Typical Pre-Campaign Planning Study
- Process and Timeframe
- Deliverables
  - Internal assessment
  - External assessment
  - Preliminary campaign plans (timeline, objectives, goals, gift chart, and phases)
  - Confidential prospect recommendations
Big Red Flags

Taking the Mystery out of Capital Campaigns
Who Are Your Partners in a Campaign?
Jan McHugh-Smith, CAWA, President and CEO,
Humane Society of the Pikes Peak Region

Building a Community Network
Starting with the Board

Donors and Community Leaders

Community Volunteers
What is a comprehensive campaign?

- Technically, any fundraising initiative can be termed a "campaign." A working definition of a comprehensive campaign could be "an intensive fundraising effort designed to raise a specified sum of money within a defined time period to meet the varied needs of an organization.

Why conduct a comprehensive campaign?

- Capacity building – creating a sustainable funding base
  - $’s
  - Donors
  - Staffing
- Increased focus
  - Case for support
  - Prioritization of projects
- Time pressure
Comprehensive Campaigns

- Why do a comprehensive campaign?
  - More strategic than capital campaigns
  - Provides focus on multiple priorities in one campaign
  - Reduces confusion among donors
  - Dual/triple asks
  - Transformative in nature (not business as usual)

What are your needs?

"Institutions have no needs." People have needs and challenges; organizations have solutions and answers. We must remember to focus on the people who are served and the solutions offered by our organizations.

Gregory Lord, The Raising of Money

Comprehensive Campaigns

- What are they?
  - Extend beyond capital needs
  - Allow for growth in:
    - Annual Giving
    - Programmatic Support
    - Endowments
    - Etc...
Misconceptions about Comprehensive Campaigns

- You need to be a “big” organization to conduct a comprehensive campaign.
- I/we don’t have the time to create a comprehensive campaign.
- My organization is not ready...

Comprehensive Campaigns

"My organization recently completed a successful capital campaign. But now we face the challenge of converting our major capital donors into long-term, sustaining, annual donors. Quite a few of them seem very resistant to making this transition. The thinking behind making a capital gift seems very different from the annual giving mentality."

- From The Chronicle of Philanthropy

What does a comprehensive campaign look like?
What does a comprehensive campaign look like?

The Campaign for Animals will focus on priorities that include:

• San Diego Humane Society’s commitment to ensuring that San Diego County Stay at Zero euthanasia of healthy/treatable animals
• Developing innovative solutions to the most pressing challenges facing companion and wild animals in San Diego
• Expanding our role as a leader in establishing innovative programs and best practices in animal welfare.

With the help of our friends, we aspire to expand our impact for animals in our community and beyond. The Campaign for Animals will do so by focusing on the following priority areas. Each offers a unique call to action to help animals today and tomorrow:

• Lead – Kitten Nursery, Behavior Center & Project Wildlife
• Save – Veterinary Medicine, CSN & PAWS San Diego
• Build – Behavior Center facility, Oceanside Campus Renovation
• Sustain – Endowment

What does a comprehensive campaign look like?

• $150M raised
• Increased philanthropic capacity - $20M annual is new baseline
• Culture of philanthropy
• Increased integration of board into giving
• Increased public awareness
• Decreased reliance on planned gifts for operating budget
• Endowment of $25,000,000
Questions?

Thank you!