CAPITAL CAMPAIGNS: IS EVERYBODY READY?

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CAPITAL CAMPAIGNS

Is everybody ready?
IF YOU’RE SERIOUS

➤ If you’re serious about doing a capital campaign, buy this book.

➤ I don’t even know Stuart Grover… but this is a great book

**CAPITAL CAMPAIGNS**

A Guide for Board Members and Others Who Aren’t Professional Fundraisers but Who Will Be the Heroes Who Create a Better Community

How your hospital, civic organization, social or human service agency, museum, school, university, community college, theater, church, musical group, or just about any not-for-profit organization can raise $1 million to $100 million to build a new building, expand your current building, create an endowment, or otherwise move to the next level

Stuart R. Grover, Ph.D.
WHAT WILL HAPPEN TODAY

➤ You will not learn A-Z
➤ You will learn what/why Capital Campaign
➤ You will learn signs of organizational readiness
➤ You will learn how to begin the process
THAT IS TO SAY: YOU WILL LEAVE WITH MANY QUESTIONS

Just not the ones you came in with

Always remember…
IT’S A PROCESS
NOT A LIGHT SWITCH

Begin it now to make a brighter future
PART I:
Campaign basics
WHAT IS A CAMPAIGN?
CAMPAIGN: WHAT

Trevor Depuy, military historian, a long time ago:

"A campaign is a phase of a war nonprofit involving a series of operations related in time and space and aimed toward a single, specific, strategic objective or result."
CAPITAL CAMPAIGN

Providing for an expenditure of a capital nature: buying a thing, constructing a building

But that has been broadened in recent years
WHY IS A CAMPAIGN?
STRATEGIC PLANNING

➤ The need for a capital campaign should emanate from your annual strategic planning process

➤ Yes, *annual* strategic planning process

➤ A campaign will so dominate the resources of an organization that it must be discussed within the context of strategic planning
CAMPAIGN: WHY

To solve a specific, extraordinary need of the community. Your organization is the way to solve this need, and is the home of the campaign.
WHAT QUALIFIES AS A CAPITAL CAMPAIGN?

Campaigns are typically to solve a one-time need

A building
A new program kick-off
Buy new assets

But really: a solution to open the door to the future

Such as...
NEW FACILITIES
IMPROVED RECREATIONAL FACILITIES
REPLACE OLD OR BROKEN EQUIPMENT
A COMPREHENSIVE CAMPAIGN

Many improvements:
A new facility, or…
Maintenance on existing facilities, and…
Endowment fund establishment, or…
Debt retirement
WHO IS A CAMPAIGN?
CAMPAIGN: WHO

Board
Staff
Campaign Counsel
Served Community
Funders
PART II

Is it feasible?
THE FEASIBILITY STUDY

Bring focus to your vision
IS THIS YOUR ORGANIZATION?
Are all your ducks in a row?
OR, IS THIS YOUR ORGANIZATION?
THE FEASIBILITY STUDY HELPS YOU DETERMINE:

“HAIR ON FIRE”
OR
“DUCKS IN A ROW”
THE FEASIBILITY STUDY IS DEEPLY INTERNAL WORK

THAT WILL FORCE COMPEL YOU TO:

➤ Create a very succinct donor-oriented, needs-driven Case Statement (or Statement of Need)

➤ Analyze your

➤ Data base

➤ Donor base (subset of database)

➤ Board and staff matrix

➤ Served public

➤ Reach out to stakeholders of every stripe
The Case Statement: Backbone of All Communications

The art of the Case Statement is information with brevity - do not inundate your reader.

The Case Statement is there to begin the conversation… not end it.

Pictures, white space, interesting graphics.

A web page to go to with the same info.

Ways to continue the conversation - who to call or email.

Careful about asking for money because you could easily get “get off my porch” donations when you want much larger.
THE POINT OF THE FEASIBILITY STUDY IS TO FIND OUT:

➤ Does the public care about what you’re planning to do **enough** to give you money to achieve the goal

➤ If your is board prepared to take this on - because the board is the lynchpin in the entire campaign

➤ If your staff is complete and healthy
WHAT YOU MAY LEARN

The good and the bad
FEAR OF MONEY

A double edged sword
- Fatigued: too much asking and being asked
- Incomplete: wrong people

...or...

Excitement, total buy-in, and prepared to win
STAFF

- Tired, over-extended as it is
- Incomplete understanding of organization’s value
- Crisis of leadership

...or...

Total excitement about the future possibilities
THE PUBLIC

- Lack of understanding of org relevance
- Muddied perception of organization
- Case Statement does not resonate

...or...

100% love the org and where it might grow
FEASIBILITY

BOTTOM LINE:

If your organization is looking at the campaign option as a hail-Mary pass to raise some money, save you from imminent disaster, or simply “get some money in the bank,” you’re not going to win.

If, however, you’re looking at the campaign as a natural progression in your growth, and you’re ready for a great big leap, consider taking this on.
THE **BEST** RESULT OF THE FEASIBILITY STUDY:

You’re ready for a campaign, or you will be with a few tweaks
You find out you’re not ready… but now you know:
- Holes in your organization/programs/vision
- Deficiencies in your staff
- Deficiencies in your board
Most importantly: the public perception of your org

Use this all to get better for the future!
MONEY SPENT ON A FEASIBILITY STUDY IS RARELY MONEY ILL-SPENT
PART III:

The nature of the beast
Organization is critical in all phases

- In the beginning it is an over-arching plan, with a calendar, for what will happen when
- When the case statement will be finished (and printed)
- When/where focus groups will happen
- When it is that you will meet with Mary Jones for coffee, then for dinner with her spouse, who will be at those events, and when and how much the ask will be and who will make the ask when that time comes - know in advance
- So many thank-you cards you can’t even count them!

Now, what is the silent phase? Quiet phase? Public phase?
LIKE A MILITARY CAMPAIGN, A CAPITAL CAMPAIGN IS SECRET(ISH)

➤ You will plan quietly
➤ You will talk quietly
➤ You will build “insiders” who know but don’t leak
➤ Your efforts will almost certainly leak around the edges, but keep the mystery as long as possible
➤ Eventually, with some momentum and particularly with a significant lead gift, your silent phase becomes a “loud quiet” phase… others need to know so they don’t miss the opportunity
PART IV:
Raising the money
WHERE THE MONEY COMES FROM

Board
Lead donors
Grassroots donors
Foundations/granters
RULE OF 12

12 people will make up at least 50% of your campaign goal
The Board

- The board must commit first - every one of them
- The larger percentage of the overall, the better
- This shows leadership to all donors, particularly granters
  - "How much of your board has committed?"
  - 100% participation is the only answer
- Board giving: the bigger the better
LEAD DONORS

➤ Build a list of potential lead donors - not just one
➤ Be ready to
  ➤ Ask for advice
    ➤ Ask for involvement
      ➤ Ask for more advice
        ➤ Then ask for leadership
➤ Be prepared to answer
  ➤ All financial questions
    ➤ Specifics about who else you’re considering for lead
      ➤ How much your Campaign Chair is giving
> Expect rigorous questions
> Expect to cross a lot of T-s and to dot a lot of I-s
> Qualify these efforts carefully - many granters do not fund capital campaigns
> But they *may* do ‘capacity building’ which staffing/consultants to a capital campaign often qualifies as
GRASSROOTS AND THE PUBLIC PHASE

➤ Once you’ve achieved 65 - 80% of your goal you will go public in a huge way

➤ Everyone should know about the campaign - without saying, “we’ve raised 80% of the money!”

➤ You want the public to get excited about the vision, and know they’re making a difference by making a $25, $50, or $250 gift

➤ A broad lower tier of givers shows public buy-in, and assures participation in your programs and organization for the future
NEVER FORGET – THIS IS ALL ABOUT RELATIONSHIPS

PEOPLE GIVE TO EFFORTS BASED ON THE RELATIONSHIPS THEY DEVELOP WITH THE PEOPLE INVOLVED
AND FINALLY

Quantify the planned result
Offer solutions, not problems
Tell the story through a donor’s eyes

Be excited for the future you offer!
AND REMEMBER...
IT’S A PROCESS
NOT A LIGHT SWITCH

Begin it now to make a brighter future
Three books, all on Amazon

Also: 501 Commons

And www.nonprofitaf.com

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