
*CHAPTER ONE A

Initial Considerations for Entering a Fundraising Campaign (New)

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1A.1 INTRODUCTION

Most nonprofit organizations across the country, sooner or later, consider entering a campaign. A campaign can bring together individuals and entities that are interested in the organization to work as a

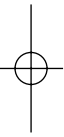
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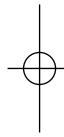
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team to bring the nonprofit's fundraising, and perhaps overall profile, to a new level. Campaigns can be for a specific program or project; for a new building or buildings; or for a combination of programs, projects, and capital. Much work must go into deciding whether to enter a campaign including its size (dollar amount); duration (often 3 to 10 years); areas to benefit; individual leadership to be involved (administrators, volunteers, and development staff); and what other goals should be pursued in addition to raising funds, such as branding, marketing, and public relations. Deciding to enter into a campaign can affect the planned giving officer's work and program, and proper planning will be important for both the whole office and this area of the development office.

1A.2 CAMPAIGN COUNSEL



One of the most important steps to take at the beginning, when considering whether to enter a campaign, is to interview and hire qualified fundraising consultants to help advise, think strategically, and speak on behalf of the development office about all phases of a campaign. Look for a firm that is highly experienced in running the type of campaign the nonprofit expects to enter. Having consultants physically nearby to meet regularly can be very helpful. The following are just a few ways in which fundraising consultants for a campaign can move entering a campaign forward:



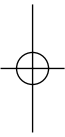

- Identify and vet all issues related to entering a campaign, such as: whether the nonprofit is ready to begin a campaign; whether the nonprofit can raise the money to reach an articulated goal; the goal and duration of the campaign; and when and how to go public with the news that the organization is entering a campaign.
- Speak for, and in conjunction with, the development office's senior leadership to institutional leadership about the campaign and how to move it forward. Doing this can be especially helpful when the nonprofit's leadership may need to hear something unfavorable or difficult, such as the number of additional development staff needed for the campaign, which will strain



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the institutional budget. Sometimes certain information is best delivered by someone outside of the organization.

- Move the process along with goals to be achieved on a specific timetable, such as quarterly or monthly. The consultant can act as a taskmaster for the development staff and some administrators. Development staff is working hard to raise money, and when entering a campaign, the senior staff members need to add planning for a campaign to their workload. With the help of experienced fundraising consultants, both can be accomplished.
- Choose a firm that will invest the time that is needed to make the campaign planning and campaign a success. Select individuals with whom the development office's leadership and institution's administrators will have good chemistry. Consider the element of fun, as the development office's leadership and campaign counsel will be spending lots of time together.



The campaign consultants do not need to have specific expertise or specialty in planned giving. However, in conjunction with campaign planning, the planned giving office should have access to outside professionals or consultants to reach certain goals for the planned giving program entering a campaign, such as drafting a gift acceptance policy, projecting gift amounts coming to the institution in the future, and planned giving metrics.

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Entering into a commitment to raise philanthropic dollars for a major nonprofit institutional campaign is a huge, public, undertaking. While it can garner great financial support and public visibility for the charity, it is not without potential change and challenges for development staff and the institution; hard work by everyone from development staff to senior leadership to volunteers; and new responsibilities for all who are involved. Careful consideration must be taken before entering into this major project.

Consider these advantages to entering into a campaign.

(a) Raise More Philanthropic Dollars

A campaign with a target amount to raise over a set number of years can substantially increase a nonprofit's total philanthropic dollars. Donors feel part of a larger donor community and may feel a responsibility to give and want to be a part of the organization's community in this major effort. Trustees, who are often closest to the organization, may see this as the optimal time to give. A campaign is an excellent way to raise all donors' sights and raise gift amounts to higher levels.

(b) Create Institutional Awareness, Public Relations, Marketing

A large fundraising campaign for a major institution will receive press coverage and attention. The hope is that there will be a buzz about the campaign that brings the nonprofit some attention and added awareness to its good work. Often new mottos, slogans, or monikers are created that help to market the nonprofit in either a new or a more public way. More exposure and attention is created, which is ultimately good for the organization in attracting not just more philanthropic dollars but in additional members, students, patients, and parishioners. This is also the perfect time to increase marketing for planned giving options. Bequest intentions may increase as planned giving donors who are not able to make cash gifts create a bequest to be a part of the campaign. As more publications become available, planned giving should have a presence in each one, outlining the advantages of all types of gift vehicles. This is also the right time to give planned giving publications a new look.

(c) Rally the Internal, External, and Volunteer Leadership

A strategic plan for a campaign will bring supporters, prospects, and donors together. Internally the administration and leadership of the organization will need to make decisions around how a campaign and additional philanthropy will transform the organization. Questions will need to be answered: Who will lead the campaign? Which volunteers—existing and/or new—will participate and lead the campaign? Which donors will be asked to make a lead gift, and when? Does additional development staff and planned giving staff need to be



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hired or existing staff be replaced? Launching a major, public campaign requires thoughtful, strategic thinking by many individuals that causes people who care about and manage the nonprofit to pull together to move the charity to the next level for a successful campaign.

This may be the time to create a leadership-type council for planned giving. Volunteers would be selected who have made planned gifts or might be prospects for a planned gift. Their role, in addition to making philanthropic gifts, would be to act as liaisons or ambassadors for the nonprofit and bring to the charity others who might wish to make a planned or cash gift. In addition, this group can: react to planned giving marketing pieces or advertisements; host small events in their homes or clubs; strategize around how to build the planned giving program; and act as a voice to move ideas forward with the chief development officer and nonprofit's institutional leadership. If the idea of creating a planned giving council moves forward, the director of planned giving should work with development staff to select and ask donors to serve on the council.



(d) Create and Clarify Institutional Goals

A nonprofit fundraising campaign can encourage institutional leadership to select among competing priorities for funding. Once the organization is clear on its mission, the organization must decide what is most needed and/or desired for the organization in the years ahead. What types of gift will most transform the charity? If X amount of funds are raised what will be purchased, added, or rebuilt to move the organization to a new place? While all programs and projects are important, additional funding for certain programs can truly help to transform an organization. Will it be a new, bigger surgical center that will put the organization on the map for surgery in the region? Is it a new wing or building at the museum that can house its entire permanent collection and allow more visitors to come to the museum each day? Is it a rotating scholars' program that will bring in educational leaders from around the world to teach courses on globalization? The charity's leadership will need to choose among competing priorities to focus attention on what will be most important for the charity moving forward. The development office, along with the campaign volunteers



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and trustees, may need to work with senior nonprofit leadership to clarify and select priority funding needs and areas.

(e) Increase Productivity

There is nothing like a major campaign to motivate staff to step up and give their best effort. New roles with different titles and responsibilities can invigorate development staff. In such an environment, the group atmosphere can encourage bigger thinking that results in larger gifts. Teamwork can really come together. Development staff members learn new skills and have experiences and learning opportunities that are available only when preparing or executing a campaign.

The planned giving staff has a timely opportunity to promote planned giving with major gift staff. Major gift officers can be cross-trained in raising both outright cash gifts and planned gifts. Planned giving staff should talk with development colleagues about transformational gifts for donors that may include a multipart gift that includes cash, a life income gift, and a bequest.



(f) Add Unrestricted Support



New philanthropic dollars to the nonprofit usually result in increased unrestricted support. Unrestricted support is greatly welcomed at all nonprofits. Donors who have traditionally supported specific programs and projects may both increase overall giving and give unrestricted gifts as a further investment to connect with the entire organization. Most campaigns show an increase in annual fund dollars from both existing donors and new donors. In their meetings with donors, development officers need to stress the organization's need for unrestricted support. Sometimes donors do not really understand the need for unrestricted dollars and must be asked to make a restricted gift while continuing or beginning support of the organization's annual fund. Once donors understand the role unrestricted dollars can play, from operating support to paying for hard-to-fund areas, they may make both restricted and unrestricted gifts.

Life income gifts are often made as unrestricted gifts to a charity. As life income gifts increase in a campaign, the nonprofit will almost certainly see an increase in unrestricted giving. The challenge for the



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nonprofit comes in knowing that the actual cash cannot be used until the donor's death.

(g) Focus Staff/Accountability/Teamwork

Working together toward a common goal of raising money in a campaign will bring a development team together. Individual roles need to be clarified with metrics attached for accountability. Annual goals take on greater meaning in the context of an institutional campaign, as development staff members see themselves at the institution for the life of a successful campaign. The addition of a campaign should help staff to become more focused and prioritize to spend time on the largest potential gifts.

As staff grows, the planned giving office should have the ability to further define individual team members' responsibilities. Ideally roles are delineated that allow for planned giving staff to: solicit exclusively for planned gifts; manage the bequest program, including its events; oversee a planned giving volunteer leadership counsel; and work with outside professionals, such as the program's fund managers and attorneys.



(h) Stay Competitive



Entering a campaign also keeps nonprofits competitive with institutions across the country. Nonprofits stay current in the news, and in being newsworthy. If one organization announces a \$2 billion campaign, it is difficult for similar organizations to announce a much smaller goal.

Staying competitive applies not to just the nonprofit as a whole but to the development and planned giving offices, too. As new jobs are created, more talk is focused on the nonprofit entering a campaign, and as new institutional initiatives and/or buildings are announced, all of the campaign buzz helps the development office to attract and retain the best development staff who want to work at an organization that is investing in, and working toward, completing a successful campaign. This is very important for development professionals in terms of deciding to work at the organization and retaining good staff, especially in planned giving. Because there are so few experienced planned giving professionals available, announcing a campaign at an

excellent institution will help attract those highly sought after planned giving professionals.

1A.4 DISADVANTAGES TO ENTERING A CAMPAIGN

There are many, many excellent reasons for a nonprofit to enter a campaign, many of which have just been spelled out. But the decision cannot be taken lightly or entered into without solid, strategic thinking done; it is hoped, by intelligent campaign counsel, interested and engaged institutional leadership, thoughtful volunteers, and enthusiastic development staff. Some negatives to consider are listed next.

(a) Scrutiny of Development Program

A campaign should bring in participation from all levels of institutional leadership including the president, trustees, vice presidents, deans, and other senior leaders. When fully brought into the development effort, institutional leaders likely will make suggestions regarding the development function including, but not limited to, choice of campaign counsel, staffing, and efficiencies within the development office. The vice president for development needs to be open to potentially a new level of scrutiny that may result in both positives and negatives. For institutional leadership to invest in a campaign means, among other things, getting the development office in a position to do its best work and raise the most money that it can raise. Investment such as leadership's time, budget dollars, and staffing likely requires more thought into how development runs its business. Ultimately this is a plus for development, but there may be some challenges along the way.

(b) Increased Management of Volunteers

Ramping up for a campaign often means including more volunteers in the development process. A good volunteer is worth so much to fundraising efforts. However, managing a group of volunteers takes time: organizing meetings, preparing paperwork, prepping for solicitations, follow-up. In some cases, more time is spent on staffing volunteers than on soliciting donors and prospects. Development staff hiring should be increased as necessary to work with volunteers, especially



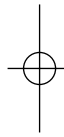
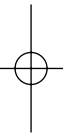
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when creating campaign planning groups, leadership councils, and other volunteers groups formed to raise money.

(c) Planning Distractions

Senior leaders in the development office likely already have a full workload. Time must be carved out for meeting with the campaign counsel, senior leadership, trustees, and volunteers and planning the campaign. These meetings will represent significant additional time and energy. Once planning moves forward, development leaders will be spending more time with institutional leadership and volunteers. And all this takes place while still continuing the day-to-day activities of running a development office.

(d) Budget/Cost



Campaigns cost money to run. An institution that previously spent 10 cents per dollar raised may have to spend more money to raise more money. Campaign counsel will need to be paid, more staff needs to be hired, and existing staff who take on larger roles may need increased pay. For a campaign to be successful, senior leadership must be willing to make this investment.

(e) Risk of Failure/Unmet Campaign Needs

Campaigns are very public. An organization does not want to set a campaign goal that it cannot meet. A failed campaign is a public failure and must be avoided. Selecting an appropriate campaign goal and doing impeccable campaign planning is imperative.

1A.5 CONCLUSION

Multiple considerations need to be examined when deciding whether or not to enter a fundraising campaign. Campaign counsel must be interviewed and selected; advantages and disadvantages of entering into and managing a campaign must be carefully weighed. Ultimately a campaign can be a positive, empowering process for a charity, and a planned giving program, once the decision to enter a campaign has been thoughtfully made.

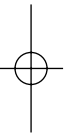
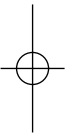


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In summary, some advantages for entering a fundraising campaign include:

- Increased funding
- Greater public awareness
- Cohesive volunteer and leadership effort
- Clarified goals
- Increased productivity
- More unrestricted support
- Staff accountability
- Staying competitive

Disadvantages include:

- 
- 
- Increased scrutiny
 - Increased management
 - Distraction of planning process
 - Increased costs
 - Risk of failure/unmet needs