

Campaign Readiness

When are you ready for a campaign?

National Philanthropy Day - AFP South Eastern Chapter



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Offord Group

When are you ready for a Campaign?

Most organizations say it's
when.....

*“ we need
the money*

Campaign Readiness

- Organizational will
- Intent
- Measures and evaluations
- Willingness to invest time, money and resources

So, how do we start thinking about this?

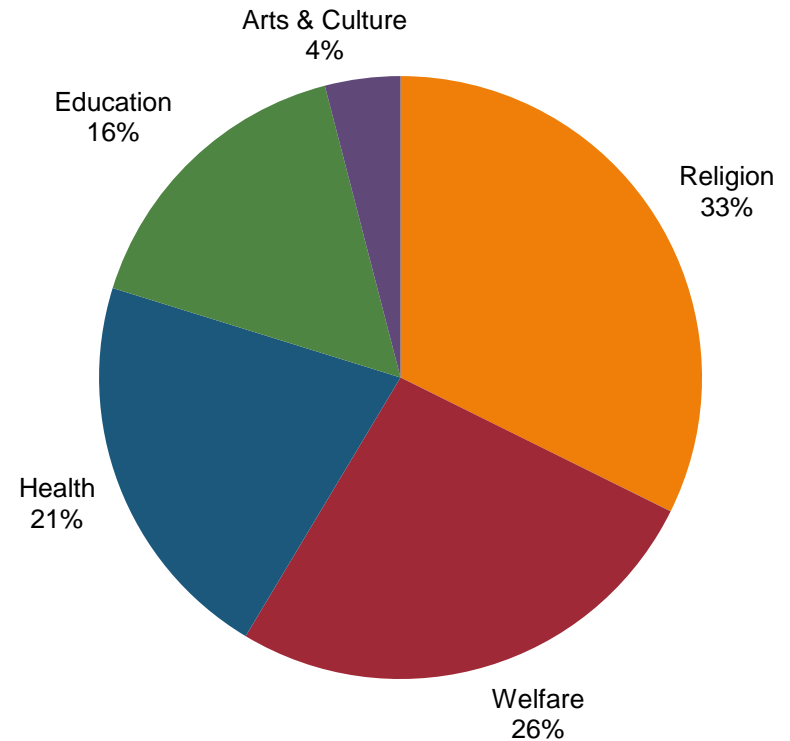
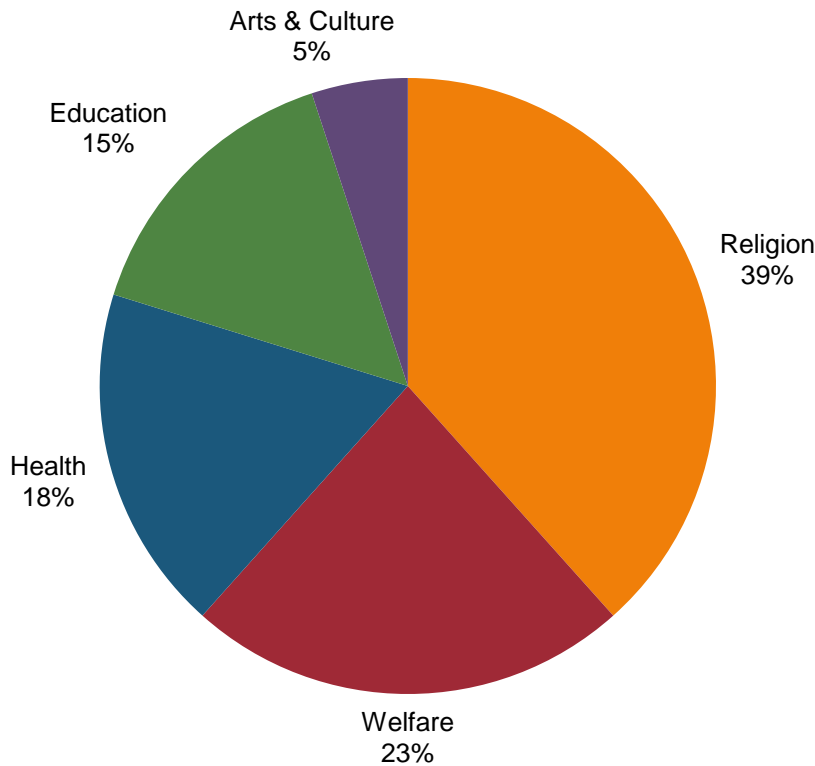
How healthy is the philanthropic landscape?

Charitable Market Sector Size (2001-2009)

In 2001, approximately \$14.0 billion was raised

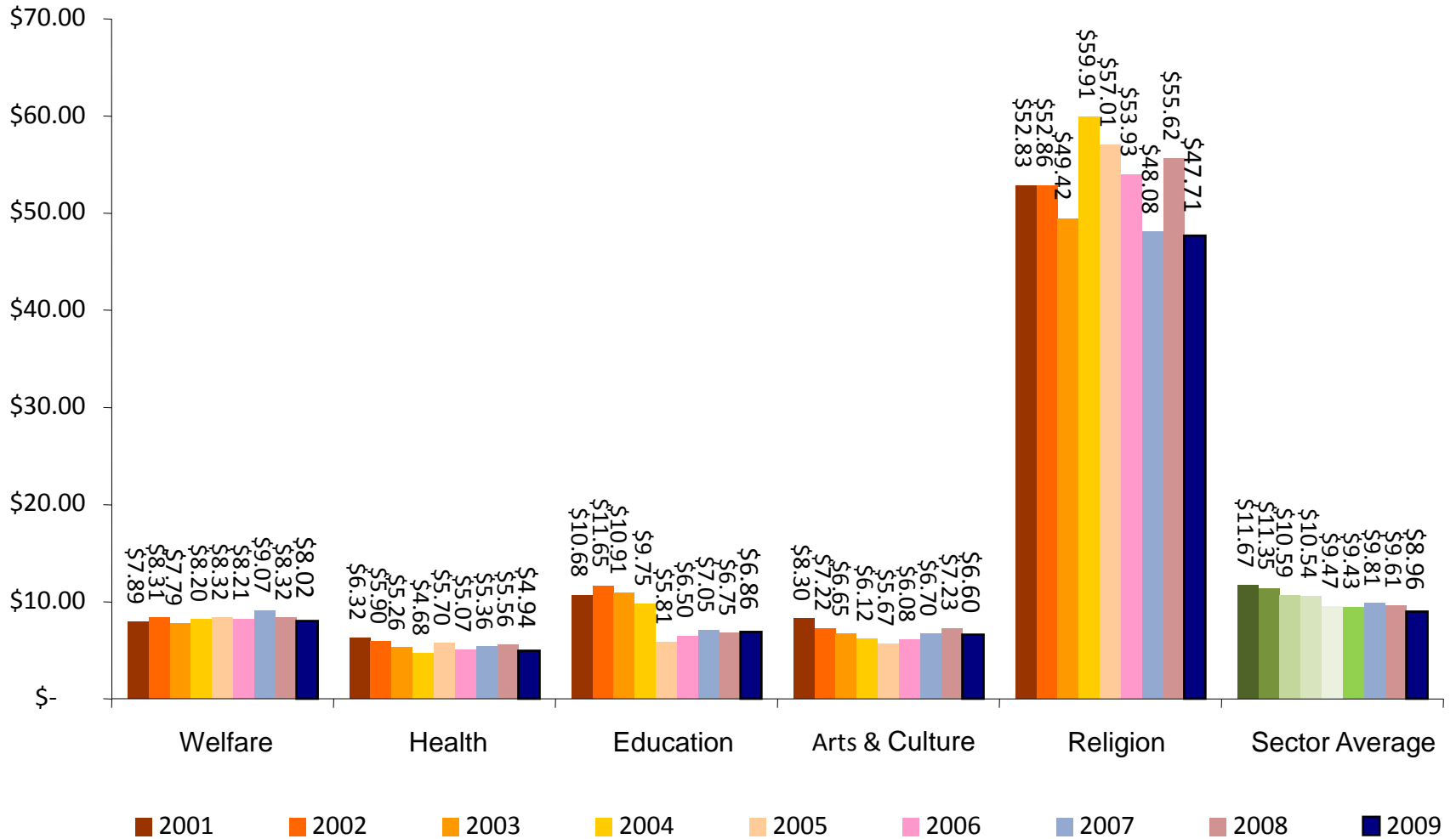
45%↑

By 2009, approximately \$20.4 billion was raised



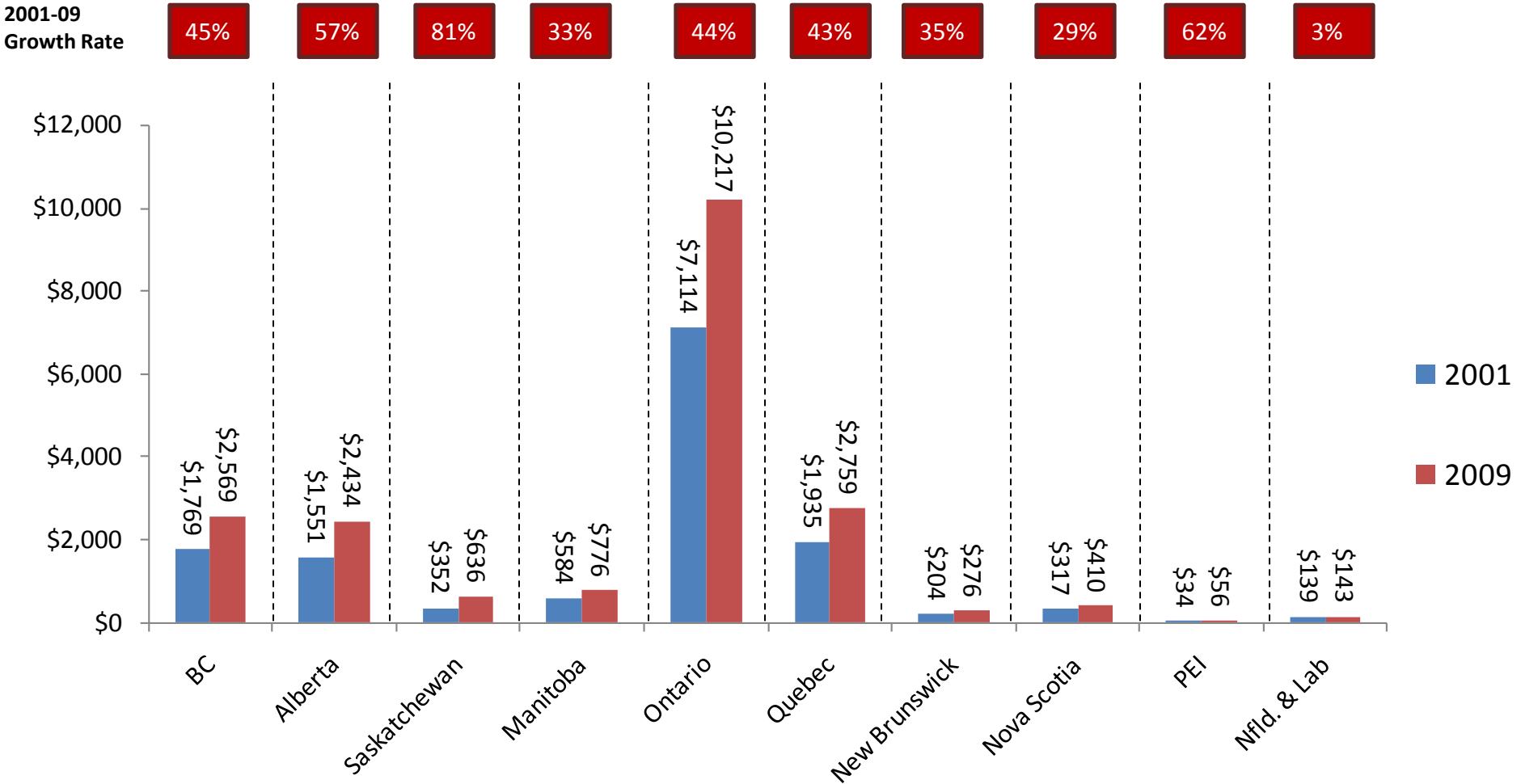
* Among registered Public Foundations and Charitable Organizations

Return on Fundraising



* Among registered Public Foundations and Charitable Organizations

Provincial Charitable Sector Market Size*



What do we need
to consider about
the fundraising
environment?

Considerations

- The **fundraising environment** is growing **increasingly competitive**.
 - Know your competition
- Closing **leadership gifts** typically requires **18-24 months**.
 - Build your timeline – and expectations – accordingly
- **Fundraising** is no longer the **sole responsibility** of the **fundraising professional**
 - it is about **institution/organization-building**, and involves the executive team and program leaders as well

Considerations (2)

- Donors continue to **scrutinize the efficiency of charities.**
 - Transparency, accountability and communication
 - Financial model
- **Technology** continues to **change how** organizations fundraise
 - There are more online donors than ever before – a result of the belief that online giving is more cost-effective. ***But how can you best use it for your cause?***

Considerations (3)

- **Demographic** changes are **affecting who and how** donors give
 - **Baby Boomers** are entering their **peak giving years**
 - An **aging population** will see an **upsurge in planned giving** such as estate gifts
 - **Diversity** is growing **increasingly important**
 - Stats Canada predicts that by 2017, one out of every five Canadians will be a member of a visible minority, the majority of whom will be concentrated in Canada's major urban centres: Toronto, Vancouver, and Montreal.
 - **Women** are playing significant roles in the not-for-profit sector as donors and as volunteer leaders

Why this campaign?

Why now?

As an organization, ask yourselves:

- Who **needs** this campaign?
- Who **wants** this campaign?
- How is this campaign **connected** to who we are?
- Who is setting the **priorities**?
 - Are the priorities real?
 - Vision vs. need
- What are the current **strengths** of the organization?
- What are the **weaknesses**?

Should we do a Campaign Study?

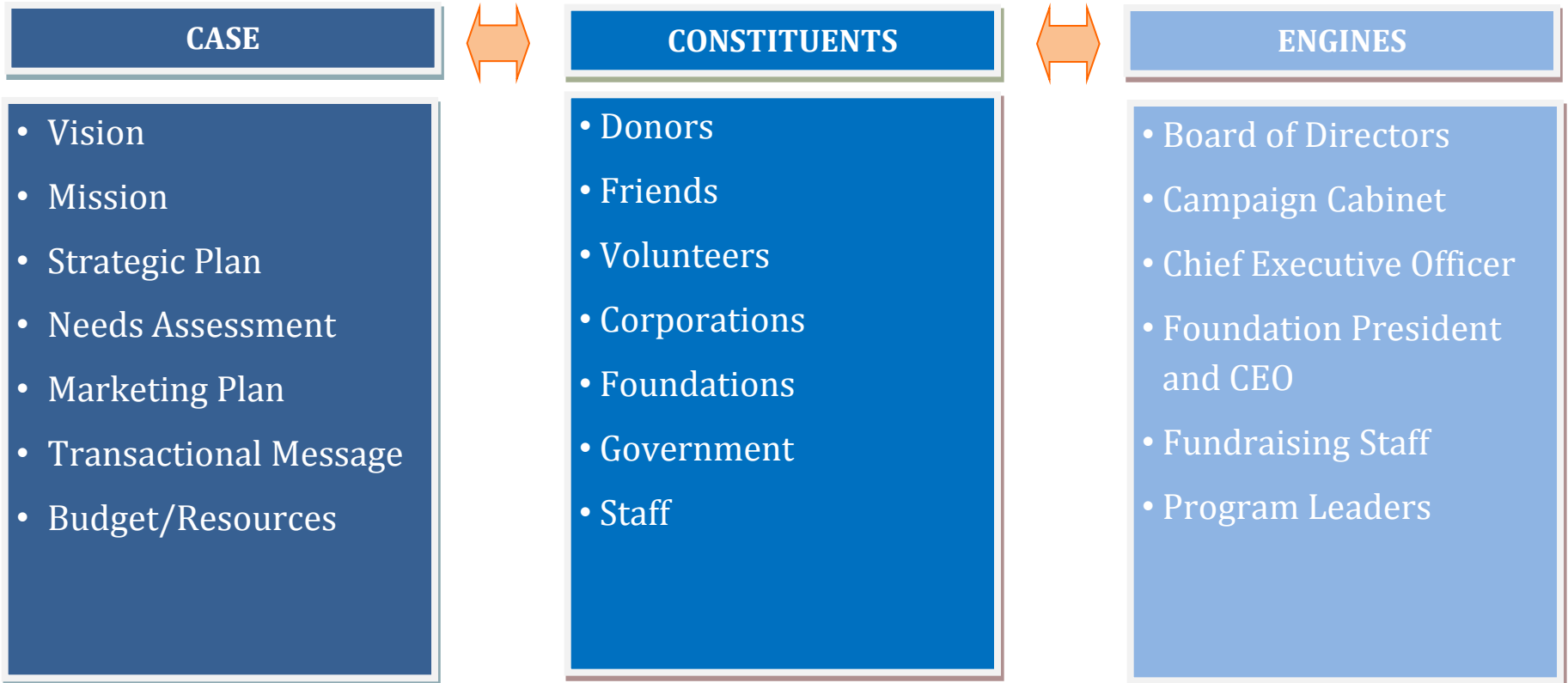
- Feasibility vs. leadership readiness
- How do we find out...
 - If the priorities meaningful/relevant/resonant?
 - About donor attachment to your organization?
 - Is the goal achievable?
 - Are there potential lead donors?
 - Are there potential lead volunteers?
 - Are there any threats to the success of the campaign?

Can I raise major money without a campaign?

- **The continuous major gifts model vs. campaign.** Consider the pros and cons with each:
 - Focussed staff
 - Volunteers
 - Goals
 - Institutional leadership
 - Marketing

What does a
campaign look
like?

Elements of a Campaign Plan



A successful campaign will have:

- A timetable and plan
- A committed board and staff leadership
- A well-articulated Case for Support
- Engaged prospects
- Management resources
- Staff and volunteer engagement

The goal

- **How do we set it?**
 - Intersection between need and capacity
 - Leadership readiness study, then Prospect Review, then Advance gifts
 - Set goals, then build resources to achieve.
 - Ensure not set too high or too low
 - Maximum goal: 10 x current annual fundraising revenue (but depends)

What is the campaign about?

What's our story?

- Do we have one to tell?
- Who is passionate about us?
- What will motivate them to connect and to give?
- The story should be about
 - **Vision**
 - **Impact**
 - **What's possible**

Not about:

- *We need money*
- *We want money*
- *We're having a campaign*

How do we tell it?

- At every opportunity
- It's about them - not you
- Test it:
 - In the campaign study
 - Broad-based
 - Opportunity to cultivate, meet and reach out
- Cultivation/solicitations.
- Integrative Marketing (brochures/videos/direct marketing/public relations/advertising)
- **And most importantly, through the Case for Support**

The Case for Support

- The process of its development is as important as the resulting publication
 - An **effective Case for Support must answer 3 main questions:**
 - **Why this organization?**
 - **Why should donors support the campaign?**
 - **Why now?**
- Should be sharply articulated, compellingly written, and connected to the mission and vision of the organization
- It should clearly state the need and the urgency, and **is aimed at donors**

Marketing

- **Is it necessary to spend money on marketing?**
 - *Not if you know that:*
 - Leadership is ready and willing
 - You have identified all the prospects you need to win
 - Your case is well-defined, sharply articulated, and easy to understand
 - *Yes if you need to:*
 - Stake out your image, brand and position
 - Build an environment that supports volunteers and donors
 - Create momentum and prestige

Who will lead the campaign?

What about the campaign chair?



From the
Board?

OR



New
blood?

What about the leaders?

- **Are they ready to ask for money?**

- The Chair, the CEO, and the CDO should be prepared and willing to assume leadership roles
- In campaign, *everyone* should be asking for money
- Do the development leaders have authority?
- Insider adviser and counselor roles?

“We must not forget that a fundraising effort cannot succeed unless one person asks another person for money.”

- Andrew D. Parker Jr.

The roles of volunteers and staff

Advancement Staff:

- Secure resources for strategic priorities
- Match sources of private support with priorities
- Undertake planning studies of philanthropic potential
- Engage prospective donors in the life of the institution
- Provide appropriate stewardship for donors of all level
- Use Senior leadership's time wisely
- Ensure the institution follows ethical and professional standards

Senior Volunteer Leaders:

- Embody the essence of the organization
- Strong commitment to fundraising, in time, resources and energy
- Regular access to key meetings as appropriate
- A commitment to relationship-building with top donors and prospects
- Collaborate and share information with Advancement staff

What should I
anticipate
budgeting?

General rules of thumb:

- **Remember: every situation is unique, so these are guidelines ONLY**
 - Maximum goal: 10 x current annual fundraising revenue
 - 2.0 additional FTE for every \$10 million of goal (although pay attention to economies of scale)
 - Incremental campaign budget in the range of 10-15% of goal over active period
 - Budget allocation:
 - 50% staffing and operations
 - 40% marketing, communications, donor relations
 - 10% consulting and analytics

What are staffing considerations?

Responsibilities

- Role of the **CEO/President**

- **Visionary**
- **Role model**
- **Advocate**

- Role of the **board members**

- **Organizational commitment**
- **Personal commitment**
- **Influence**

Things to think about regarding staff structure:

- **How many staff?**
 - 1 major gift officer for every 100-150 qualified prospects
 - 1 administrative person for every professional
- **What additional functions do I need?**
 - **Campaign management:** understand you can't run new program on top of everything else off the side of someone's desk
 - **Campaign communications support:** proposal writers, website management, creative development, donor stewardship, correspondence, presentations
 - **Research, pipeline and prospect management,** call preparation
 - **Volunteer management**

How do I keep them accountable for fundraising?

- Lead by example
- Create environment for success
- Set clear goals and expectations
- Provide just enough rope: let them fail or succeed
- Reward performance

What do I need to
know about
donors?

Donor Trends

- Growing phenomenon of donor pro-activity
- It's a relationship: dialogue and discovery before the proposal
- Closing gifts is a time-consuming process
- Donors take a longer-term view with their support
- Donors want to know your market position – and are keen to understand issues of duplication and collaboration

Considerations

- **How effective are the organization's current stewardship strategies?**
 - Do they effectively communicate the importance of philanthropy to the organization and its mission?
- **Does donor recognition matter/are we ready to recognize donors?**
 - Yes, to major donors (and yes to boomers)
 - Must be meaningful and thoughtful way
 - Have clear policies/watch out for pushed limits
 - Endowment management needs explanation
 - Doesn't end with the event – keep building

Traditional Donor Pyramid

- A major gift is one that has the potential to make a **significant impact on an organization's mission**
- For almost all organizations, major gifts are the **top 10% to 20% of gifts received that produce 60%+ of gift income**
- For an individual donor, a **major gift is often 10 times, or more, the largest single gift they have ever given**



Your experiences and questions

Thank you!

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