



# h Brakeley Briscoe Considering Philanthropy

## *So You Want to Have A Campaign?*

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Sooner or later, every non-profit organization or institution considers conducting a capital campaign—or, often, a "comprehensive campaign" that includes non-capital needs and counts nearly every dollar given during the official pledging period. The opening question is, of course, why go through the bother, expense and effort to launch a campaign in the first place?

There are those who hold that the day of the campaign is fading, that constituencies are getting "campaigned out", that the volunteer base traditionally associated with campaigns is a disappearing species. Here at BBI, you can't prove it by us, if the number and quality of the inquiries we're receiving are any indication. It's clear to us that the better economic times we're now enjoying are creating a high level of confidence in the future among 501(c)(3) managers and governing boards.

The short answer to the "why" question is that campaigning is the most efficient way to raise large sums of money in a definable period of time. If the organization is to remain competitive, have the capacity to take appropriate programmatic initiatives, and build on its strengths, it must be able to raise sufficient dollars quickly and efficiently, and the most effective way to do that is through a campaign.

But beyond that short answer are

a number of operational and psychological considerations.

First, an institution must work constantly to focus public and constituency attention on its prevailing mission, vision for the future, and the objectives that must be met before the vision can be realized. Launching a campaign forces an institution to define or re-define itself - and then to set priorities. It compels the institution to articulate what it is doing, where it is headed, and what it wants to be.

Second, every institution needs a *raison d'être* for fundraising that is grand enough to inspire the imagination and to activate the desire to give. Most donors like to be identified with big causes, and campaigns tend to be perceived as big because their goals are so ambitious. Defining the campaign case inevitably helps to clarify the essential worth of the entity, going beyond simply what it does to what its work is fundamentally all about and why that work is important.

Campaigns also help to coalesce resources, interests and efforts by leveraging a dynamic, high-intensity, results-oriented undertaking. The coalescing phenomenon helps to step up and maintain the pace and level of fundraising activity. A significant by-product is that sights for giving at all levels are raised and continue

to be raised beyond the conclusion of the campaign, whether one is talking about annual giving or major gifts. All the boats rise with the tide, the saying goes.

Achieving the maximum benefit from a campaign requires the discipline of a well-structured operation with fixed assignments, goals and deadlines. Working within the defined parameters of a campaign can be exhilarating, creating an environment that builds morale, sense of purpose, and esprit de corps. Thus, campaigning generates a stronger sense of urgency and personal commitment in a development program.

Finally, campaigns provide volunteer leaders and donors with the assurance that any major participation will have high public recognition and lasting importance. This encourages the use of creative instruments, such as planned giving options, that allow donors to stretch to their fullest gift potential.

### **Variables to Consider**

The general considerations outlined earlier apply to virtually to any institution or organization contemplating a campaign. But there are also a number of variables that are highly specific yet still vitally important. For example:

***Internal Predisposition.*** If a campaign is to succeed, it must be "owned" by the entire institution, as opposed to being perceived as

belonging to one segment or another or even to one person.

Especially at the Board level, there cannot be merely a significant predisposition toward a campaign; anything less than unanimity spells trouble.

**External Predisposition.** The issue here is whether the constituency—alumni, grateful patients, service recipients, business and foundation communities—is in a campaign frame of mind. If they are not (which can be assessed qualitatively and quantitatively), the campaign should be called into question, at least until appreciation of the need for the campaign is heightened through a program designed to create greater awareness.

**Leadership.** You can have an inspiring case, urgent needs, exquisite timing, and lucrative sources of support just waiting for you, but without dedicated and effective leadership, it just won't happen. The synergy of the leadership troika—volunteer chair, CEO and chief development officer—is more than crucial, it's the difference between a perfunctory effort and a great victory. (And it's why we at BBI, in our pre-campaign planning and feasibility studies, give such great weight to our assessment of the leadership team that is available.)

**Institutional Morale.** Campaigns have a wonderfully unifying effect. The football metaphor is perhaps useful:

Winning requires a team effort, a strategy in which all believe, outstanding performance by a few superstars, a large and enthusiastic corps of boosters, and strong and consistent management. If your institution or organization

needs to restore its credibility or has a less-than-spectacular fundraising track record, a campaign may be just the ticket to pull things together.

**Carpe Diem.** Made popular in the movie "Dead Poet's Society", the Latin phrase for "seize the day" is as true in fundraising as in any other human endeavor. On the one hand, one has only to open the daily mail to realize that the competition for the philanthropic dollar is unprecedentedly fierce. On the other, the 9/11, tsunami and Katrina tragedies are only the most dramatic examples of how conscious the ordinary citizen has become of the non-profit world and its funding needs. This dichotomy may provide the best argument for campaigning as a way of life. Darwin was right - the fittest do survive, but they do not survive without the vision, courage and determination to move forward.

#### **When Not to Launch a Campaign**

Let's lay one oft-heard reason to rest. Overall economic and philanthropic downturns, unless truly extreme, are decidedly not reasons to postpone a campaign. Nor are competitive campaigns. Your funding needs are not going to go away or become less urgent; your constituencies, by and large, are your constituencies through thick and thin; and if you wait for that ideal moment when all is clear, you'll wait forever.

Some factors, however, are worth considering, not the least of them being cost. Campaigns cost money. Expenses for a campaign can run between 5% and 8% or more of the incremental funds raised. Further, if you are counting on using unrestricted campaign proceeds to

fund the budget, you'll find that the largest expenditures tend to occur in the early going when the least amount of cash is coming in.

Another consideration is the extent to which campaigns can create unrealistic expectations. There is an often heard true story about a boarding school that announced it would receive \$100 million from an alumnus. The morning after the announcement, the faculty were lined up at the Headmaster's door wanting to know when they were going to get their raises. And then there are the ever-important volunteers, who tend to start feeling disappointed unless they receive a steady stream of good news. Such expectations are often out of touch with reality, sometimes wildly so, but expectations, like assumptions, can make life difficult for all.

#### **To Campaign or Not to Campaign, That is the Question**

Some level of risk is inherent in every campaign. As is the case with the decisions we make each day in every aspect of our lives, our assessment weighs the benefits against the risks. One helpful way to assess the risk is to seek the advice of experienced consultants who have not only the skill sets required to evaluate your chances of success but also the courage to give you sound advice, even if that advice is not quite what you wanted to hear.

At the end of the day, the decision to move forward with the campaign rests on factors both quantifiable and qualitative, not the least of which is a sense of institutional self-confidence.