

Are you planning a campaign?

Frequently Asked Questions

Q: What is a campaign?

A: A campaign is an intensive fundraising effort designed to raise a specified amount of money, within a defined period of time, in support of the mission and objectives of an organization.

Today, campaigns take several forms.

- The **capital campaign** once had a goal related specifically to building construction, renovation, or expansion. With substantial goals and a focus on “bricks and mortar”, a capital campaign was often considered a “once in a lifetime” effort. Now, it is not unusual to schedule capital campaigns every five to ten years.
- An **endowment campaign** builds a fund to be held in perpetuity by the organization. The money in this fund is invested; the organization may draw a specified percentage annually from the growing investment while the principal remains intact. Endowment campaigns can showcase the group’s mission and vision for the future. The campaigns are appealing to donors who can contribute to the financial stability and long-term sustainability of organizations important to them, often through deferred gifts as a part of their estate plan.
- We’re seeing more organizations mount campaigns for **change capital** or **bridge funds**. These supplement normal annual fundraising so that an organization can make strategic investments in new programs or expanded capacity, which will eventually make the organization more sustainable. Such campaigns may be shorter in duration, with a streamlined structure and narrow prospect pool.
- The **comprehensive campaign**, now being used more frequently, has a combined goal that derives from the goals for each component of the organization’s fundraising program: annual fund, capital needs (building and/or change), and endowment. This is a comprehensive approach to increasing funds; all gifts to an organization during a specified time period are counted toward the campaign goal.

Q: What characteristics set campaigns apart?

A: Three characteristics typically set capital, endowment, change and comprehensive campaigns apart from day-to-day fundraising:

- the goals are much larger than those generally set for annual campaigns;
- pledge commitments are payable over a number of years; and
- campaign volunteers, who pledge their own resources, perform many roles in the campaign, such as providing access to and soliciting prospective donors.

Q: What internal resources are required for a campaign?

A: Extraordinary goals require the dedication of resources, which include, but are not limited to:

- **careful planning**, often incorporating a strategic plan, engineering studies, or business plans that help to define and validate the proposed campaign's goals;
- **staff leaders and staff members** who make the campaign a priority;
- a **campaign manager**, with previous campaign experience, who supports the volunteer leadership, manages all campaign details, and devotes full time and energy to this assignment. The manager may be a current member of the staff who is reassigned to the campaign or a new hire specifically for the campaign; the organization may also engage fundraising counsel to guide staff and volunteers;
- an **engaged and supportive board** that designates the campaign as an organizational priority, and whose members are willing to give according to their capacity and to solicit gifts from others;
- appropriate gift acceptance, data entry, and recognition **policies**; and
- an **effective data management system** to record gifts accurately and acknowledge them promptly, to detect trends, monitor progress, and to analyze and project philanthropic potential.

Q: How long does a campaign last?

A: Most campaigns have several phases and the overall timeline varies depending on the project. Plan on six to 12 months for the campaign preparation phase; the solicitation phases of the campaign may take 24 months or more to complete. A recent study found that the average duration ranges from 3.4 years for human services to 5.2 years for educational institutions. For most campaigns, pledge commitments may be paid over a three-, four-, or five-year pledge period; some will accept deferred gifts. Most organizations adopt clear standards to determine which gifts "count."

Q: What makes a campaign successful?

A: Successful campaigns are able to answer the following questions affirmatively:

- Are we well thought-of? Do donors trust us to do *great* things when they entrust us with their money?
- Are our campaign goals appealing?*
- Can we secure generous leadership gifts that inspire and set the pace for other contributors?
- Can we recruit committed and effective leaders* who are willing to devote their time and talent to the various tasks required to achieve the fundraising goals?

* Please ask for our resources on creating a **Case for Support** or **Recruiting Campaign Volunteers**

- Do we have sufficient human and technology resources that supply expertise? ... dedicated data processing assistance to provide quality service for donors and prospects and respond efficiently to an influx of new gifts?
- Is our fundraising strategy sound? Has it been detailed in a comprehensive fundraising plan that can be carefully implemented throughout the campaign?

Increasingly, nonprofit organizations rely on a feasibility or campaign planning study by an independent third party. The study provides guidance in refining the campaign objectives, setting an appropriate fundraising goal, identifying leaders and donors, and creating a workable timetable for the campaign.

Q: What strategy is the most effective for a successful campaign?

A: Like all fundraising, campaign strategies are based on “the four W’s of fundraising.”

Who asks Whom for What amount When?

- **Who asks Whom** – Peer-to-peer solicitation is a proven approach because people give to people whom they know, respect, and trust.
- **For What amount** – In offering prospective donors the opportunity to support a campaign with gifts that are proportional to their capacity, an organization can help people determine their gift amount by:
 - suggesting a gift size (based on research and homework done by the organization and its campaign team); and
 - providing the option to pledge and pay over time.
- **When** – Successful campaigns employ a strategy called “sequential solicitation:” solicitation of initial contributions from those who are closest to an organization—board members, campaign leadership, and staff—and those who have extraordinary financial resources and the ability to make the largest, or “leadership” gifts to the campaign. The early support from the organization’s “family,” combined with a few large gifts, sets the pace for the campaign and bolsters the confidence of campaign volunteers. It also ensures that prospects for the largest gifts are asked for an appropriate amount in a timely manner.

Q: How many gifts and prospective donors are needed to meet the goal?

A: A campaign **gift chart**—based on the campaign fundraising goal—is a tool that helps determine and illustrate:

- the number of gifts required in the various gift ranges (leadership, major, special, etc.); and
- the number of prospects that will be needed in each gift range to achieve the goal.

The focus on large gifts at the beginning of a campaign is key to establishing a pattern of giving for others to follow. Campaigns frequently seek to secure 80% or more of the campaign goal from 20% (or fewer) of the contributions received. That equates to at least one gift at 15% to 20% or more of the goal and several other gifts at a leadership level to get the campaign off to a healthy start.

Q: Who are the prospective donors?

A: The best prospective donor is a current donor; someone who has made annual gifts and has demonstrated interest in and engagement with the organization. While every campaign has the potential to attract new donors, they also depend heavily on a groundswell of support from regular contributors.

Many organizations conduct a screening of their donor database to help identify untapped potential. Frequently, campaign leaders are asked to evaluate a list of prospects to determine whether they have the following attributes, which often signal a likely donor:

- **linkage** – the prospective donor is involved with the organization and familiar to volunteers and staff leaders, who then become good candidates to make a personal cultivation and/or solicitation visit;
- **capacity** – the prospective donor has the financial resources to make a gift, which has been determined through prospect evaluation and research; and
- **interest** – the prospect is not only interested in the organization but considers its work essential and a good investment.

Once prospects are selected, plans for cultivation and eventual solicitation should be developed. An individualized plan should be created for all leadership gift prospects; the plan will ensure appropriate contact and treatment for the donor and will increase the likelihood of a gift in the amount requested.

Q: What is the appropriate gift request?

A: In addition to research conducted by the organization to determine prospect capacity (prior giving, to whom, for how much), peer evaluation provides an effective tool in determining how much to ask for. Peers (the people with linkage to the prospect) can help decide the gift range most appropriate and achievable. Prospect research may also be conducted by a reputable research firm to help determine the appropriate solicitation amount.

Benefactor Group is happy to discuss your specific situation and help you determine when a campaign is appropriate for your organization. Just call us at 877.437.3711 or 614.437.3000, or email us at info@benefactorgroup.com to begin the conversation.