

Are You Really Ready For a Capital Campaign?

Follow this plan to raise the money of your dreams.

By Gail Perry & Andrea Kihlstedt

Are your board members and leaders chomping at the bit to move quickly into a capital campaign? We hear from some fundraisers that they feel pushed to get going and start asking for lead gifts as soon as possible. Your smart plan sets up the dominoes so they'll fall nicely in place. And the organization may not be ready.

Our advice: Sloooooowww down.

The secret to a wildly successful campaign? It's lining up everything ahead of time. It's pre-planning. Here are the key steps you need to work through *before* you launch into your campaign.

1. Decide your scope. Exactly what will you be raising money for?

This sounds obvious, doesn't it? But it's not.

Do you need a new building? Go ahead and develop a rough schematic well in advance.

- Where will the building be and how much will the land cost?
- Do you have a simple schematic design?
- Do you have an idea of what the actual construction (or renovation) will cost? What about the cost of building permits, new furniture, and so on?

And what other things might you want to include in your campaign objectives?

- What about endowment?
- A special maintenance fund or money for equipment?
- What about including start-up costs for any new programs?

Identify all the different "funding objectives" or purposes that your campaign might include – well in advance.

2. Get a rough idea of your campaign dollar goal.

Once you have a sense of what you might want to raise money for, you can put some numbers next to each funding objective. Then you can come up with a "working" campaign goal. It's

“Your campaign's success is determined *before* you ask for your first gift.”



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a starting place for your campaign planning. Go ahead and set a preliminary “working” goal as soon as you can.

Once you start talking numbers, you'll find a sweet spot – a number that impresses people but doesn't make them gasp at your foolishness. (Now, a little foolishness isn't all that bad. It's much easier to come down later than it is to go up, so reach on the high side to start.)

3. Break down the campaign goal by gift amounts.

It's essential for you to create a gift-range chart. This little chart will be a remarkable planning tool for you.

Based on your preliminary working campaign goal, create a chart that shows how many gifts you'll need of what sizes to reach that goal.

- How many gifts of \$1 million will you need?
- How many of \$500,000? And \$250,000?
- How many smaller amounts will you need to cover what your major donors don't?

Know that a gift-range chart for the same goal will vary from organization to organization depending on the size of your prospect list and the potential of your largest donors.

4. Get your board on board.

Make sure your board is well-informed about the prospects and potential for your campaign. Your board members need to do the following:

- **They must understand** how capital campaigns work. Major-gift and capital-campaign strategies aren't always intuitive. Your leaders need to understand that it takes time and a lot of nurturing to close huge gifts.
- **They must all agree** on the campaign objectives. You can't go forward if there is dissent about what the campaign will include.
- **They must be willing** to make the investment in infrastructure that will be required to support the

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campaign. This money won’t just walk in the door. It takes extra staff, extra events, extra PR, and a ton of work.

5. Involve your most important donors in your campaign planning.

Many people ask us, “When do we approach our major donors about the campaign?” We recommend that you engage major donors when your campaign is just an *idea*.

You should involve these donors in the planning process – as your ideas evolve. Let them actually help shape the plan.

Don’t keep your most important donors at arm’s length through the planning process – instead, use your planning phase to draw them in. The pre-planning phase is a wonderfully exciting time to involve your donor prospects.

Remember: Take these steps first and you’ll not only save time and money but you’ll also have your campaign on the early road to success. 

*Gail Perry Group inspires nonprofits around the world with cutting-edge fundraising strategies and new tools to make fundraising more successful and more fun. You can find smart strategies to help you raise tons of money at gailperrygroup.com. Andrea Kihlstedt (andreakihlstedt.com) is an expert on capital campaigns and author of *Capital Campaigns: Strategies that Work*. They collaborate on a website to help people create successful capital campaigns (capitalcampaignmasters.com).*

Bring in Money to Change the World

Raise the money of your dreams with tips from articles such as these (NonprofitWorld.org):

The Word You Hear Most Often in Fundraising (Vol. 28, No. 4)

Do You Need to Pay for a Feasibility Study? (Vol. 28, No. 2)

14 Hot Tips for Cap Campaign Success (Vol. 15, No. 5)
x + y = \$ (Vol. 34, No. 2)

Accelerating Fundraising through Social Media (Vol. 28, No. 3)

Is Your Budget Bulletproof? (Vol. 40, No. 3)

Breakthrough Tips to Boost Your Fundraising (Vol. 33, No. 2)

Listen Your Way to Major Gifts: Power Questions Your Donors Will Love (Vol. 39, No. 3)

Assess Your Tech Readiness

A capital campaign can raise a lot of money while stimulating your supporters to think courageously about your organization’s future. In *Capital Campaigns: Strategies that Work*, Andrea Kihlstedt provides questions to help you decide if you’re ready for such a campaign. She urges you to look closely at the tech tools you’re using to be sure they’re up to date (you can download a tech-readiness checklist at capitalcampaignmasters.com/strategies) and to ask yourself questions such as these:

Do you have a bulk e-mail system like Mailchimp, Constant Contact, or Covio?

Does your donor database generate reports about gifts, including LYBUNT and SYBUNT reports?

Do you use a cloud-based collaboration program (such as Google Drive or Dropbox) to share information?

Does your online donation system use industry standard SSL security protocol to store all donor information?

Do you have cyber security measures and insurance to cover you in the event of hacking or fraud?

Are all your organization’s passwords stored in an encrypted “vault” that two people have access to?

