

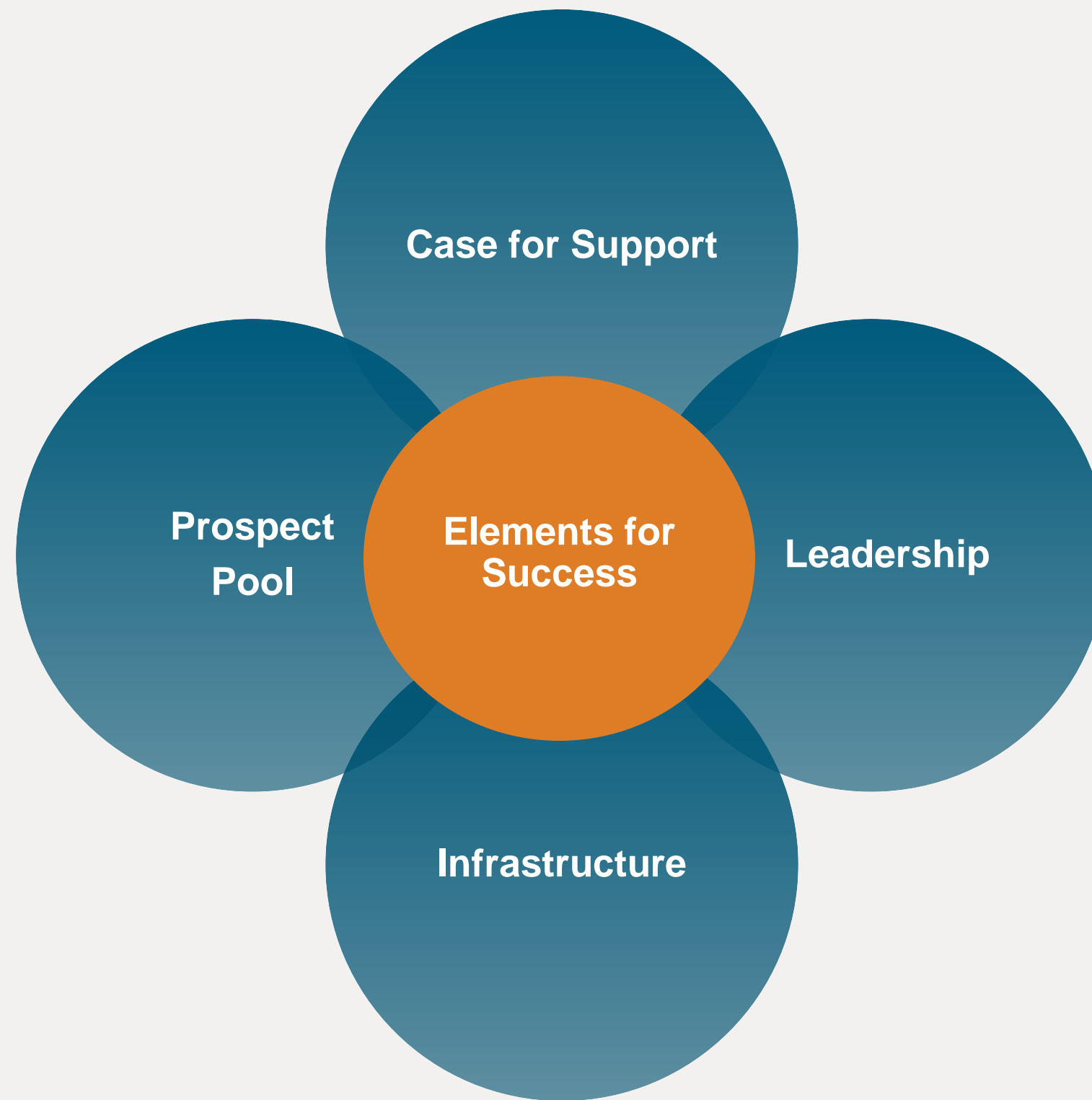


# Fundamentals of the Successful Capital Campaign

Drexel University Museum Leadership Program

May 15, 2019

# Elements for Campaign Success



# Steps in a Campaign Process

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Business Plan

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Case for Support

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Volunteer Leadership

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Building the Prospect Pool

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Campaign Planning/Feasibility Study

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Setting the Goal

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Infrastructure: Staff, Tools, Policies

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Campaign Timeline

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Cultivating Donors

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Campaign Communications

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Milestone Events

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Recognition

# Business Plan

A solid business plan will serve as an operational roadmap and an essential element in building donor confidence

- What is the need to be addressed and why are you uniquely qualified to meet that need?
- What is building cost and projected operating budget?
- What is the revenue model (earned revenue, contributed revenue, investment income)
- How much will need to be raised annually to support operations?
- Is endowment part of the model?
- What is the optimal size of the building?
- What level of staffing is required?

## Case for Support

- Based on a solid business plan
- Compelling and urgent messages—a “rallying cry”
- Positions the building as a means to a greater end
- Appeals to emotional and rational motivations of donors
- Describes the economic impact of a new cultural asset
- Architecture can inspire donors
- An essential sales tool for cultivation/solicitation

*People don't give because you have needs—they give because you meet needs*

# Volunteer Leadership

- Securing the right leadership is fundamental to success
- Campaign leaders need to be generous, respected in the community, and connected to other leaders/donors
  - Public and private sector connections
- The Board must see fundraising as its primary responsibility during the Campaign and must have 100% giving participation
- The role of Campaign Steering Committee:
  - Articulate the case for support
  - Make a gift of personal significance
  - Identify prospects
  - Be actively involved in cultivation and solicitation
  - Approve key policies

## Building the Prospect Pool--Tools and Strategies

- Investigate networks of Board and campaign volunteers
- Know the donor community—who are the ten philanthropists/families who rise to the top as donors?
- Research donors to organizations with similar missions
- Conduct a wealth/philanthropy screening for current members/donors
- Staff and volunteer leaders must be visibly engaged in donor circles to make connections
- Prospect pool is constantly evolving over the course of the campaign

## Sample \$50 Million Campaign Gift Table

Amount of Gift	# of Gifts	# of Prospects	Total
\$10,000,000	1	3	\$10,000,000
5,000,000	1	3	5,000,000
2,500,000	2	6	5,000,000
1,000,000	10	30	10,000,000
500,000	15	45	7,500,000
250,000	20	60	5,000,000
100,000	30	90	3,000,000
50,000	50	150	2,500,000
25,000	60	180	1,500,000
Under \$25,000	Many	Many	500,000
<b>Total</b>	<b>189+</b>	<b>567+</b>	<b>\$50,000,000</b>



# Campaign Planning Study

- An objective analysis of the key elements for campaign success: case, leadership, prospects, infrastructure
- Conducted by an independent campaign consultant
- Includes a thorough internal assessment and external study via confidential interviews with leadership gift prospects
- Designed to answer these questions:
  - Does the case resonate with donors?
  - Does the leadership inspire confidence?
  - Is the target goal achievable?
  - Who should serve as campaign leaders?
  - What is the campaign timeline?
  - Will you make a gift/serve as a leader?

# Goal Setting

With a carefully constructed prospect pool and input from key leadership donors, the museum can set a target goal for the campaign

- Part of a financial formula that includes internal funds, public funding and (sometimes) debt
- The goal will be validated at the conclusion of the leadership gift phase
- For new museums, the goal is often set by construction costs and not the potential of the prospect pool. These campaigns will take longer to complete.
  - Kimmel Center—Orchestra project that began in the mid-1980s; opened in 2001
  - National Constitution Center—established by Congress in 1988; opened in 2003
  - National Museum of American Jewish History—established in 1976; opened in 2010

# Infrastructure: Staff, Tools & Policies

- Campaign Staffing: Who will support the CEO and volunteer leadership in their fundraising assignments?
- Roles for Staff:
  - Identify prospects
  - Develop strategies for cultivation and solicitation
  - Interact with campaign volunteers
  - Plan cultivation events
  - Develop campaign communications
  - Conduct prospect research
  - Develop financial reporting
  - Gift management and acknowledgement
  - Monitor recognition

## Infrastructure: Staff, Tools & Policies

- Database: Does your donor database have accurate information and can it generate the right reports to support the campaign?
- Gift Acceptance Policies: What kinds of gifts will be accepted? How will they be valued? How long is the pledge period? What is the role of planned gifts?
- Pledge management: Pledge forms, acknowledgments, pledge reminders
- Recognition Policies: Identifies spaces/programs that can be named; sets gift levels for naming; describes permanent vs. term naming; includes clauses to protect institution against naming that may not be appropriate in the future
- Other tools: Architectural Model, Campaign Video, Campaign website

# Campaign Timeline



- Set campaign target goal
- Develop Case
- Identify prospect pool
- Engage volunteer leadership

- Solicit leadership gifts
- Validate target goal
- Raise 50%-60% of goal
- Build out volunteer leadership

- Break ground
- Announce goal
- Solicit gifts at all levels
- Resolicit early donors
- Open Museum

# Cultivating Donors

- Process of educating donors about your museum's mission and needs before asking for a gift
- Provides an “insider's view” of the project
- Is relationship-oriented rather than transaction-oriented
- Is a process that leads to a deeper relationship
- Meets the needs of the donor, not the organization
- Connects donors with project leadership
- Opportunities: Hard Hat tours, meetings with curators, meeting with architects, small receptions at VIP locations, campaign newsletters, “ask for advice”

# Campaign Communications

- Visual Brand and Tag Line
  - *It Starts Here: Campaign for the Philadelphia Museum of Art*
  - *In Pursuit of Justice: The Campaign for the Public Interest Law Center*
  - *The Power of Penn: Advancing Knowledge for Good*
- Suite of Materials
  - Case Statement: Printed or not?
  - Architectural and exhibit renderings
  - Pledge documents
  - “Ways of Giving”
  - Naming Opportunities
- Website, Campaign video, time-lapse construction camera

## Milestone Events

- Unveiling Design
- Announcing Lead Gifts
- Groundbreaking
  - Announcing Campaign with final goal
- Exhibit Reveal
- Building Dedication



## Campaign Recognition

- “Donor Wall” can motivate increased giving
- Installation of recognition for named spaces/galleries
- VIP Previews for leadership donors
- Opening Gala—proceeds can support first-year operations
- Community events
- Campaign-ending report that salutes campaign leaders and donors

## Final Thought

*“The nature of a campaign is as complex and challenging as human nature itself because each campaign fundamentally deals with people and their motivations, needs, desires, aspirations and hopes even more than it deals with formulas, organization charts and timetables.*

*But the record shows that those who abide by these organizing principles win more often, win more convincingly and usually win not only the day, but the future.”*

*--Kent E. Dove, Conducting the Successful Capital Campaign (1998)*



Thank you!

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