chapter three

Preparing for a Campaign: Stage 1

You've done your strategic planning, your organization is ready, and your development shop is up to snuff. Now it is time to get rolling on planning the campaign. In this chapter, I'll introduce you to the four primary tools of campaign fundraising:

- The statement of campaign objectives is a clear and specific description of the purpose for which you are raising money.
- The case for support is a short draft document that pithily and urgently sums up the larger need for your campaign. You'll use it to enlist support within and outside the organization, and to provide the core messages for marketing materials later on.
- The gift range chart is a chart showing how many gifts of various sizes you will need to reach your goal.
- The fundraising feasibility study is an outside assessment by a consultant of your organization's ability to raise the requisite funds for the campaign objectives. A feasibility study is an essential safeguard prior to committing your organization to the risks and rigor of a campaign.

These four tools will give you a pretty good idea of what you are going to raise money for, what the initial campaign goal should be, and what your prospects are for success. And if you've done this initial work well, you will also have actively engaged the volunteers who will end up leading your campaign and making some of the largest gifts.

CAMPAIGN OBJECTIVES

What are you raising money for? Only for bricks-and-mortar or to increase the endowment fund? Or will you also raise money to support expanded or special programs? Or how about including a portion of your operating expenses during the campaign period? Perhaps you'll add money for new equipment, staff training, or even a cash reserve fund. The fact is, what may have started out looking like a simple campaign for a single purpose can and often should be expanded to include related objectives for taking your organization to the next level.

The list of items you will include in your campaign ranges from the very tangible, specific projects—buildings, equipment, furnishings—to the less concrete, such as raising money for an emergency fund or a fund to be spent on a specific program over a designated number of years. Together your campaign objectives should make sense. That is, collectively they should build a stronger organization in a way that makes clear strategic sense. As we talk about more in the next section, people will not give to your campaign because you have put out a laundry list of needs, but rather because you have shaped a compelling vision and articulated what you need to make your vision a reality. See Exhibit 3-1 for a sample statement of campaign objectives for a reasonably complicated campaign. You can also find this on CD 3-1.

Exhibit 3-1 Sample Statement of Campaign Objectives and Estimated Costs

Building project		**$2,700,000**
Land	$250,000	
Site costs and landscaping (10%)	160,000	
Construction (15,000 sf @$100/sf)	1,500,000	
Furnishings (20%)	300,000	
Architects and other fees (10–15%)	290,000	
Contingency (10%)	200,000	
Endowment		**1,000,000**
Scholarship funds	500,000	
Building maintenance fund	500,000	
Administrative and fund-raising costs		**300,000**
Total project costs		**$4,000,000**

Finding the Place Between Cautious and Foolhardy

You'll need to temper your wish list with financial realism, stretching the limits of what you can raise without being foolhardy. The problem is, it is not easy to figure out the difference. After many years in the consulting business, I've come to think that we do ourselves more harm by playing it safe in the name of being "realistic" than we do by dreaming big and being willing to temper our dreams as needed later on. So, start with your ideal. What would it take—really take—to move your organization to the next level of operation so that it can make a very big difference in your world? Now scale back your thinking just a bit by considering what your organization is ready to accomplish under its current leadership, as it is unlikely that will change soon.

Take your list of campaign objectives and add dollar estimates to the list. Then answer the following questions to assess in the most basic way the potential of your early goal. Consider how many multiples of your annual fund the campaign goal is. See if you can identify two or three current donors to your organization that have the financial capacity to make gifts of 15% of your campaign goal. Compare your current early goal to the goal of your last campaign. Compare it with goals of current campaigns of other comparable organizations in your community. See Exhibit 3-2 for a way to evaluate these simple reality checks. If the answer to every question leans toward the foolhardy, consider deleting or shrinking some of the objectives and tempering your goal until it is just at the edge of what might be possible. You'll have plenty of time to revise your goal upwards or downwards in the months ahead, so err on the side of courage rather than safety.

In the example in Exhibit 3-3, an organization with a strong history of gift support in a community with a history of successful campaigns in that

Exhibit 3-2 Evaluating Campaign Goals

Consider carefully the questions below. If your answer is *no* to one or more of the below questions, then consider the reasons why and how they may affect the success of your campaign.

1. Is your campaign goal more than 10 times your annual fund goal?
2. Can you identify at least two prospects for each of the top 10 gifts you will need for your campaign?
3. Do you think you have a donor who might reasonably be asked to give 15% of the campaign goal?
4. Are there organizations in your community that have successfully completed campaigns with similar goals?

Exhibit 3-3 Realistic Campaign Goals—Are You Ready for a Capital Campaign?

Realistic campaign goal: $4 million

1. Is your campaign goal more than 10 times your annual fund goal?
   No, our annual fund raises $500,000 per year.
2. Can you identify at least two prospects for each of the top 10 gifts you will need for your campaign?
   Yes, our board alone provides prospects for at least six of the top 10 gifts, and we have major donors who are capable of making the remaining gifts.
3. Do you think you have a donor who might reasonably be asked to give 15% of the campaign goal?
   Yes, we have a donor capable of giving $1 million!
4. Are there organizations in your community that have successfully completed campaigns with similar goals?
   Yes, we are located in a city with more than 1,000,000 people, and many organizations have launched capital campaigns of $5–10 million.

   Recommendation: This organization is ready for a capital campaign! You may even consider increasing your goal.

Foolhardy campaign goal: $4 million

1. Is your campaign goal more than 10 times your annual fund goal?
   Yes, our annual fund only raises $100,000 per year, but renovating the building will cost $4 million.
2. Can you identify at least two prospects for each of the top 10 gifts you will need for your campaign?
   No, we can identify two prospects for about four of the top 10 gifts. Is that enough?
3. Do you think you have a donor who might reasonably be asked to give 15% of the campaign goal?
   No, but we have a donor who could give 10% of the campaign goal.
4. Are there are organizations in your community that have successfully completed campaigns with similar goals?
   Yes and no. We know of one very popular organization that has successfully launched a capital campaign, but they were part of a national organization and had more widespread support. Our community is smaller; there are only about 200,000 individuals living here, and we are unaware of any locally based organizations that have successfully launched a capital campaign.

   Recommendation: If you can wait, focus on building your organization's resources for a year in preparation for a capital campaign. Then reevaluate and go from there. If it is impossible to wait, find a way to reevaluate the costs of the renovation to better match what you are capable of raising, or look for other sources of funding a portion of the project goal, for example, a mortgage or bonds.

Exhibit 3-4 Source-Use Chart

Sources of and Uses for Campaign Funds						
Sources	*Foundations*	*Corporations*	*Individuals*	*Public Funds*	*Events*	*Totals*
Uses						
Buildings	$	$	$	$	$	$
Equipment	$	$	$	$	$	$
Program	$	$	$	$	$	$
Endowment	$	$	$	$	$	$
Operations	$	$	$	$	$	$
Totals	$	$	$	$	$	$

dollar range might well use the $4 million figure as its preliminary campaign goal. But if the organization has had little history with major donors, or if it is located in a small community with no history of campaigns of this size, the organization may need to temper its goal. Instead it might explore the possibility of funding a portion of the project in other ways—perhaps through a bond or other types of long-term financing. Or, if that proves impossible, the organization may elect to build the project in phases.

Multiple Funding Sources

There's no rule that you've got to cover the entire cost of your projects through a capital campaign. In fact, many projects are funded through multiple revenue streams—capital campaign gifts, government grants, bonds, and borrowing. And different sources of funds are often best used to fund specific aspects of a project. Exhibit 3-4 shows a source-use chart that can help you clarify how to use multiple funding streams. This source-use chart is also shown in CD 3-2.

THE CASE FOR SUPPORT

Once you've clarified your campaign objectives, the money it will cost to accomplish them, and the various revenue sources at your disposal, you'll be ready to begin work on developing a crucial document: the *case for support*.

The case for support lies at the heart of the campaign. Its words help persuade board members, volunteers, and donors to climb aboard the campaign train. The case stirs people to action, moving them to support the campaign with their time and their dollars. The case for support describes in simple and compelling terms the difference your campaign is going to make—not just inside your organization, but in the world you serve. Framed in this external perspective, the case then outlines a simple, credible plan to achieve those lofty ends.

The case for support starts out as a short draft of several pages, but it becomes much more. Think of it not so much as a document, but as an evolving and emerging story about your organization and the project it is about to undertake. You'll use discussions of the very early drafts to align the thinking of board and staff members, gaining clarity and agreement. Once a solid draft of three to five pages has been shaped and reshaped and your insiders support it wholeheartedly, it will become the basis for the fundraising feasibility study and sent to major stakeholders and prospective donors for their reactions and input. (We will discuss feasibility studies in greater detail towards the end of this chapter.) Later, you'll use the case to help recruit campaign volunteers. Still later, you'll reshape it into talking points for face-to-face solicitations, a campaign brochure, grant proposal language, and press releases or even a campaign video.

Good cases for support aren't new. The Declaration of Independence is a wonderful example of a case for support. Take a look at it if you haven't for a while. Granted, Thomas Jefferson wasn't trying to raise $1 million to refurbish and expand the assembly room in Independence Hall, but in writing the Declaration of Independence he incorporated many of the same elements in an effective case for support.

The Declaration presented a problem that affected American society as a whole. Jefferson did not hesitate to list reasons for declaring independence. Indeed, the injuries committed against the colonies by King George III and the British Parliament clearly resonated with many of the colonists who read or heard the Declaration. The list of grievances describes the compelling need, and a compelling need is precisely what must be outlined in a case for support.

In the last paragraph of the Declaration of Independence, Jefferson presents a plan of action—to break away from the mother country. It was a risky plan, yet those who pledged their allegiance to one another and to their new country believed that the goal was worth the risk. The plan conveys a sense of urgency while presenting a well-considered set of arguments designed to convince France to join with the colonists in their fight against England. Jefferson's style and tone urge the reader to action.

In terms of process, Jefferson himself was keenly aware of the problems that the colonies faced, and he was convinced of their need for independence. He wrote the first draft of the Declaration based on his own convictions. Then he submitted it to the committee of the whole for revisions. Through that process, every man in the Continental Congress who signed his name to the final document became a full owner of the Declaration and the ideas it represented.

If your organization can produce a document as compelling as the Declaration of Independence, your campaign will certainly be off to a good start. The best cases for support are not stuffy, but lively, interesting, fun to read, unpretentious, and moving. Such seemingly peripheral characteristics count nearly as much as the actual content.

The Content of the Case

The case is a peculiarly challenging piece of writing. It must be short and succinct, yet cover many topics; it must capture the power of your organization's vision in exciting and highly motivating language, yet at the same time assure readers this bold vision is achievable in practical terms.

It can be hard to write for other reasons as well. For example, in my experience, most staff members find it hard to draw back from day-to-day pressures and write about broader topics such as community and mission. It is much easier to say that you need a new building to expand your program than it is to clearly explain how expanding the program will help the community (and from the community's point of view, not your own!)

The first version of a case for support should consist of four distinct sections:

1. *Why is the project needed?* In this section you simply and clearly summarize in just a few sentences why your organization makes a difference in the lives of others and how the campaign will enable it to do this better. Because this is the opening, you need to grab your readers fast. Keep their attention not on your organization's needs, but on the real-life outcomes the organization seeks to influence.
2. *Why now?* The case for support must convey urgency. Sometimes the answer to the "Why now?" question is simple: "Our building is being torn down," "We have long waiting lists of people we can no longer serve in our current space," or "Our patient census has declined sharply because we can't perform the full range of services people require." All of these reasons

contain the seeds of urgency and lets the readers know that it's important to do this now because the need is great and immediate.

3. *How will the project actually work?* Once you've set the stage for changing people's lives, you have to let your donors know how you plan to set about doing that. Here you will summarize the objectives of your campaign.
4. *What's it going to cost?* Yes, this is a case for a campaign to raise money, and you'll have to clarify how much money you need. If your campaign objectives are complex, you'll have to spell out how much each one of them will cost. I'm a fan of including the cost of fundraising in this section. The campaign will cost money, and its cost should be part of your campaign goal.

The case for support must have its own logic, it must make financial sense, and it must resonate with the perceptions of both the organization and the community. The plan must describe the project crisply and clearly—size, shape, location, cost, and timetable—so that, in a short time, the reader can grasp the gist of the project and understand that the organization has done its homework. Usually, the better the planning, the clearer and more convincing the case.

Who Should Write the Case?

Your case can be written by one of many people, depending on who has the knowledge, skill, and time. Your development director, the executive director, the public relations director (if the organization has one), the campaign consultant, or a freelance writer who specializes in development writing—any one of these might take it on. But in my experience, the early drafts are best written by the development director and often in collaboration with the executive director. Whoever the writer, that person must understand the purpose of a case for support. Writing such a document is different from writing a grant proposal, a press release, or an annual report. The writer must know how the case will be used and have a thorough grasp of the elements that go into it.

It may be tempting to ask a board member or volunteer to draft the case for support, but writing a case for support can be a bruising task, and it is not wise to bruise an important volunteer. The willing volunteer may be happy to take on the task, but what if, as may well happen, the first draft is submitted and it is just plain bad? Then one is stuck either with an ineffective and poorly written case or with a disgruntled volunteer. Furthermore, it is much easier for a board or group of volunteers to critique a document candidly and honestly if they know that one of their own was not involved in its creation. Board members and volunteers are wonderful sources for quotations, factual information, and general impressions about the organization, but don't ask them to take on the challenging responsibility of preparing the case for support.

Using a Committee to Develop the Case

A committee can spend one or more sessions discussing key elements of the case for support. They are then the first to review and comment on the initial draft. The committee should comprise from six to eight people representing a variety of the organization's constituencies.

Using Interviews to Develop the Case

In some organizations, instead of conducting meetings, the writer conducts a set of individual interviews with six to eight individuals familiar with different aspects of the organization and the community. During the interviews (see Exhibit 3-5), the writer builds a set of impressions and opinions about the organization and how it has made a difference in people's lives. These stories can then be used to breathe life into the case.

Exhibit 3-5 Case for Support: Question Guide for Individuals (Also see CD 1-3)

1. How did you first become involved with the organization?
2. In your own words, describe the mission of the organization.
3. How has the organization's work affected you personally?
4. What contributions to the community does the organization make that are important to you?
5. What three words best describe the organization to you?
6. Why do you think this project is important to the community?
7. What is most compelling to you about the project?
8. What are your greatest concerns about the project?
9. What details would you like to see included about the project in the case for support?
10. What is the single most important reason that you believe someone would support the project?

THE ANXIETIES AND BENEFITS OF DEVELOPING THE CASE BY COMMITTEE

Our hospice was planning to build a new inpatient center. We assembled a high-powered committee to work on the case. The committee included a number of area business leaders, some of whom had served on the board of the primary hospital in the community. As we discussed the project, some of these gentlemen wondered why we couldn't simply refurbish some of the many empty hospital rooms in the community. The staff, however, was determined that the inpatient facility be designed specifically for hospice patients and that it be located away from a hospital setting. The businessmen were set in their expectation that they could save money and benefit two organizations by combining the goals of both into one project. As the discussions progressed, feelings ran high and the conversation was often heated. Eventually, however, the entire committee agreed to the original plan for a new building. The conflict had forced the hospice staff to evaluate carefully the benefits and disadvantages of a new, freestanding structure over rehabilitated hospital rooms. They had to articulate clearly just what it was about hospice that differed from the typical hospital environment. In the process everyone learned much more about the project, and by the end the businessmen had become the new project's greatest supporters.

—Development Director

Remember, It's Just a Draft!

Let's assume for now that you'll be the one writing the case. A key point to remember is that your words will continue to evolve and improve as you get feedback from others and as new information becomes available. A document that is stamped as a draft encourages input from others, enabling them to contribute to the case. Invest in a rubber stamp with the word DRAFT in large letters. Or get to know the watermark feature on your word program. It puts a large, inescapable DRAFT mark on every page, and it takes an act of will to get rid of the DRAFT watermark!

You will find it quite freeing to write a document knowing that it doesn't have to be perfect. In fact, the quest for perfection is highly overrated in my view as it tends to make us defensive when people make suggestions. Rather, you might envision yourself as an initiator—just getting the basics down on paper—and then inviting people to help create the perfect document. This way of writing is easier, more fun, and much more effective.

BLOWN AWAY BY THE DRAFT

I'll never forget my meeting with our campaign consultant as we began work on the preliminary case for support. We needed to send it out to the committee that was overseeing the feasibility study, and it was a rush job. I was full of anxiety, trying to get every word perfect. At one point the consultant turned to me and said, "Where's your draft stamp?"

"My what?" I replied.

"Your draft stamp," she insisted, "so we can stamp the copies of the case document we're preparing. If we don't leave opportunities for the members of the committee to add their ideas, they'll feel they've been presented with a *fait accompli*, and we will have lost a great chance to build ownership in this project."

"Oh, right, draft stamp," I said, taken aback. It then took me a few minutes to accept the fact that my words didn't have to be perfect. In fact, the more I tried to create the perfect document, the more likely it was that I would become defensive about any proposed changes during our committee meeting.

The idea of presenting a document that was deliberately less than perfect was tremendously liberating. The very next day I went out and bought a big red draft stamp. And now, knowing that when I use it I'm indicating that I'd like others' opinions has freed me up. I still like to present fine prose, but I plan from now on to leave the door open for other people's suggestions.

—Public Relations Director, Hospice

Using the Draft Process to Involve Shareholders

Just as important as the finished case document is the process you will use to develop it. Since the case is written in a series of drafts, every draft gives people the opportunity to contribute their thoughts about the case and about the organization. A good case incorporates the ideas of many people into a coherent statement of values and possibilities for the organization; the case condenses and clarifies these ideas into a consistent and compelling story that underpins the campaign. Involving others in developing the case builds ownership and encourages people to think about the organization perhaps more deeply than they may have before. The discussions, the give and take, and the compilation of everyone's hopes and dreams for the organization can be exhilarating and can help you build the necessary understanding and support for a successful campaign.

Who are these special insiders? They are the individuals who are most closely involved with an organization. Typically, they include representatives from the following categories:

- Founders
- Board members
- Former board members
- Volunteers
- Donors
- Professional staff
- Constituents
- Key community leaders

There are many ways to involve these insiders. Consider putting together an ad hoc committee to work with the case writer. Or, you might conduct a series of individual discussions about early drafts. You will find this to be a simple, concrete way of enlisting their help and support. Keep in mind that these discussions are opportunities, not only to improve the case, but also to develop a sense of ownership for the process. If you make a list of your top 10 prospects for the campaign, and find a way to involve each of them in the case development process, you will be way ahead of the game. Be aware of the different temperaments of the people on this list. Some will be excited by an open-ended conversation before the writing has begun. Some will want to participate in a committee. Some will want to review a draft after it has been composed. And some will simply want to be informed that the process is taking place. Each of these steps is a way of getting a head start on cultivation, and it will pay off down the road.

Sitting Down to Write the Case

Once you have amassed all the relevant information, it is time to write. And anyone who has ever written anything knows that the person who has the courage to do battle with a blank page deserves a medal just for getting started.

For those who write best from an outline, I've included a sample outline for the case below. This outline will help in organizing your thoughts into the four sections that generally work well in cases for support. It may be, however, that the muse will suggest to you a different organization for the case.

As long as it covers all the necessary areas, has its own compelling logic, and reads well, any order is fine. Generally, however, the case document emerges more or less as follows:

1. The introduction to the project—A preliminary description of the project set in a context that describes community needs
2. The background for the project—Information about the organization, including date of founding, mission, accomplishments, importance in the community, and growth
3. The project—A deeper look at the project: what, why, where, when, how, and how much
4. The project's benefits to the community—A summary of what the project will accomplish

Simple Guidelines for Effective Layout

Good graphics are just as important in a case for support as is good writing. At this stage, there's no need for a graphic designer, but take a look at the following six simple layout basics before preparing the first draft:

1. Use ample white space to show off text.
2. Use one easy-to-read serif typeface.
3. Use bullets and headings to organize the flow of the argument.
4. Use drawings and charts to convey information and add variety.
5. Use quotations to add the human touch.
6. Include a cover page that includes the date of the draft.

In drafting the case for support, keep the following points in mind (see Exhibit 3-6 or CD 3-3).

The Case Is an Investment Prospectus

Prior to investing in a company, a smart investor finds out as much as possible about the company. What are its mission and corporate vision? Where does it see itself going in the next few years? Who runs the company? What is its financial position? The case for support must also present a sound investment opportunity. The "investor" should be able to tell what an investment in the organization will accomplish for the community. And those proposed accomplishments must be framed in a way that is interesting and compelling to the investor.

Exhibit 3-6 Guidelines for Reviewing the Case

1. Does the case statement clearly define the organization's mission and vision for the future?
2. Are the organization's finances clearly presented?
3. Are the arguments for increased funding compelling?
4. Do potential donors understand the impact that their contribution will have on the organization?
5. Does the case statement explain how the organization and the campaign will impact the surrounding community, the larger society?
6. Does the case statement make logical sense?
7. Do readers show emotional responses to the case statement?
8. Is the statement succinct?
9. Are individuals able to identify and articulate the major points of the organization and reasons for the campaign after reading?
10. Does the case statement inspire action?

The Case Answers Basic Questions about the Organization

After reading the case, a prospect should understand what the organization does, when and why it was created, and, in the final version, the names of the key people involved in the campaign. The case reflects the organization's mission and describes its priorities for the future.

The Case Must Have Broad Implications for the Community

The case must have broad and current appeal. It must emphasize societal opportunities, not merely discuss the organization's needs. It should state the value that will accrue to the community if the proposed program is carried out and how the community's quality of life will be enhanced.

The Case Must Contain Statements that Are Supportable and Defensible

The case is not the place to exaggerate the organization's accomplishments or capabilities. Simple, straightforward language that presents the organization's strengths in a realistic and distinctive way will be more effective than overstated claims.

Successful Cases Are Both Rational and Emotional

People give with their hearts as well as their heads. The case must appeal to both. While donors are touched by stories of people who have been impacted by problems in society, recent, highly publicized scandals in the nonprofit world have served to make donors much more aware of the issues of an organization's fiscal responsibilities, board governance, and accountability.

The Case Must Be Optimistic

Care should be taken not to overwhelm the reader with the magnitude of the problem to the extent that the reader becomes sure that it cannot be fixed. The case should evoke a feeling of hope and promise.

The Case Should Be Brief

If one wants one's prospects to read the case for support, then it must be brief and well written. It should be just long enough to cover the necessary information and inspire the reader, yet not so long that a casual reader will be put off by its length. If a reading of a draft of the case leads to eyes glazing over, then one may be sure that the case is too long and probably not well written.

The Case Should Be Easy to Remember

The content of a good case is often translated into "talking points" for board members, campaign volunteers, and solicitors. The written document gives them confidence and information, but its real power is in solidifying the arguments for the project in a form that is easily broken down into three or four major points that solicitors can recall and use in conversation.

The Case Should Move People to Action

The organization's project must happen now. The case is one of the many ways of inspiring action, and action is what will be needed if the campaign is to succeed.

The Delicate Process of Sharing Your Draft

Once you have a solid draft, it is time for you to actually go ahead and share it with stakeholders, as we've already discussed.

Because the draft of the case for support may well be the first document that sets forth in writing the specifics of a new project, this process must be handled with care. After the executive director, the writer, and perhaps the case committee, are satisfied with the first draft, ask the board chair and the development committee chair to review it and comment. Then, after their suggestions have been incorporated, you can send it to the entire board. Send it with a cover memo from the executive director and/or board chair reminding everyone about the case's purpose and setting some guidelines for the board's critique. Establishing a framework for comments will simplify the job of gathering and incorporating suggestions. A sample of such guidelines is in Exhibit 3-7.

Exhibit 3-7 Setting Guidelines for the Case for Support Critique: Sample Memo

MEMORANDUM

TO: Board of Trustees
FROM: Jennifer Schaeffer
RE: Review of Case for Support
DATE: July 20, 2008

Please review and critique the enclosed draft of the case for support and return it to me with your comments by August 15. I plan to use your comments to help fine-tune and polish our case. We will then send it to each of the people being interviewed in the feasibility study.

Please keep the following questions in mind as you read the case, and let me know your suggestions about how we might make it more effective:

- Does it answer the basic questions about our organization?
- Does it clearly and completely describe the project upon which we have embarked?
- Does it frame the reason for this project in terms of our community rather than our immediate need?
- Does it appeal both rationally and emotionally?
- Does it inspire a sense of urgency?

Thanks in advance for your help! I look forward to receiving your suggestions. Enclosed is a stamped return envelope.

The first draft of the case often makes for lively discussion. Set aside meeting time for the board to ask questions and to provide input. But be sure that the meeting does not deteriorate into an occasion for writing by committee. Focus the discussion on ideas and content rather than the specific choice of words and phrases. When a board member has a comment about word choice, accept it graciously but don't debate it.

Sometimes it is hard to know whose opinions to incorporate and whose to leave out. But if the draft document captures the fact and spirit of the project, then each contributor will be happy to believe that he or she had a hand in developing it. Be sure to acknowledge and thank everyone who provided input, whether or not his or her particular suggestions were actually incorporated into the text. Even the suggestions that were not used help determine the essence of the case.

Once the suggestions of the board have been incorporated, the case will be ready to use in the feasibility study. The feasibility study consultant will use this brief document of perhaps three or four pages during the study. The draft will inform those interviewed about the project and campaign plans and will also provide an opportunity for the consultant to gather input for later versions of the case for support.

Step by Step Guide for Developing the Case

Here's a handy checklist summing up the writing process as we've discussed it so far:

1. Review the purpose of the case for support.
2. Review the answers to the five *W*s: who, what, when, where, why.
3. Decide who will write the case.
4. Gather information.
5. Determine the best strategy for involving insiders.
6. Select the insiders to involve.
7. Enlist the insiders (either for the committee or for interviews).
8. Conduct the committee meetings or interviews.
9. Prepare the first draft of the case.
10. Review the text with the executive director.
11. Review the text with the case committee.
12. Revise according to committee input.
13. Meet with the graphic designer (optional).
14. Review with and get input from the board.
15. Revise according to board input.
16. Distribute the new version to those who helped develop it.

DRAFTING THE CASE RESHAPED OUR THINKING

Even as our committee met to review the first draft of the case, it became clear that we hadn't fully thought through some of the pieces we had written about. A word change here and a word change there, and we came up not only with a different sentence, but a different program thrust. We want to do more programming for aging adults but when we changed the word *aging* to *creative* our ways of thinking about our programming shifted pretty radically. Even though we thought we had a good, clear plan in place the drafting of the case made us reconsider.

—Executive Director, Community School for the Arts

The Gift Range Chart

The *gift range chart*, or *table of gifts*, is the third of your four primary planning tools, after your campaign objectives and case for support, and before the fundraising feasibility study. Developing your campaign objectives and the draft case for support has helped you hone in on the financial goal for your campaign. Now you are ready to work with this goal to see how many and what size gifts you need to achieve that goal. The gift range chart is a simple tool to help you do just that.

A gift range chart sets out the pattern of gifts that are needed if the campaign is to succeed. Often a campaign consultant helps design the gift range chart. But once you understand how these charts work, there is no magic to this process, and you can develop charts yourself. Once you have a chart that specifically shows what is needed, you can use this chart to focus razor sharp attention to determine the scope of the fundraising effort ahead.

The Geometry of Giving

Because people have different financial capacities and inclinations, the gifts that make up a campaign range from large to small. Although it is tempting to think about raising $500,000, for example, from 500 donors who give $1000 apiece, it is also unrealistic. That's not how actual campaign gifts come in. It turns out that the pattern of gifts that make up just about every successful capital campaign is similar, with a few large gifts anchoring the campaign and then increasing numbers of gifts at each lower giving level.

At the very top are the few leadership donors whose major gifts ensure the success of the campaign. In the middle are a somewhat larger number of donors who give not the largest gifts or the smallest ones. At the base of the triangle is the largest number of donors, the many people who believe in the organization but do not have the resources or inclination to make a large gift.

The following two rules in particular guide the development of most gift range charts.

The 80/20 Rule

This famous dictum comes from the work by the Italian economist Vilfredo Pareto who saw that in many things 80% of the outcomes result from 20% of the causes. Pareto wasn't thinking specifically about capital campaigns when he noticed this phenomenon. But the rule turns out to apply just as well to capital campaigns as it does to most other human endeavors. In recent years, the proportions have slid even a bit more toward the effectiveness of the few, so we now see that in most campaigns, of the total raised, 80–90% comes from approximately 10–20% of the campaign's donors. It seems hard to believe that so few people could contribute so much, but time and again this rule has been proven true. Most campaigns, no matter what their size, raise most of their money from only a few donors.

The Rule of Ten

The rule of ten is closely tied to the 80/20 rule. It turns out that the campaign's success is likely to depend on its top 10 donors, no matter how large or small the campaign goal. These top 10 gifts set the pace for the campaign and act as magnets for other donors. Together, the top 10 leadership gifts, given early in the campaign, create a sense of optimism and a belief that the campaign will be successful. And of course, people are much more likely to become part of a campaign when they believe that it will succeed.

Developing the Chart

The specific patterns of gifts may vary somewhat from organization to organization depending on the breadth of its reach and the maturity of its development program. A young institution with a small number of donors must rely more heavily on leadership gifts than an organization with a broad base of donors. Thus, tables of gifts vary depending on the organization and campaign for which they are developed.

Below you will see three gift range charts for $10,000,000—each one for a different organization (Exhibits 3-8, 3-9, and 3-10). An organization

Exhibit 3-8 Gifts Needed to Raise $10,000,000, Case 1 (Lead gift is 25% of the campaign goal) (Also see CD 1-5 and 1-6)

Number	*$ Amount*	*$ In Range*	*Cumulative $*	*% of Goal*
1	$2,500,000	$2,500,000	$2,500,000	25%
1	1,000,000	1,000,000	3,500,000	35%
3	500,000	1,500,000	5,000,000	50%
8	250,000	2,000,000	7,000,000	70%
12	100,000	1,200,000	8,200,000	82%
24	25,000	600,000	8,800,000	88%
40	10,000	400,000	9,200,000	93%
60	5000	300,000	9,500,000	95%
100	<$5000	$500,000	$10,000,000	100%

Number of Gifts: 250+/–

Exhibit 3-9 Gifts Needed to Raise $10,000,000, Case 2 (Lead gift is 15% of the campaign goal) (Also see CD 1-5 and 1-6)

Number	*$ Amount*	*$ In Range*	*Cumulative $*	*% of Goal*
1	$1,500,000	$1,500,000	$1,500,000	15%
1	750,000	750,000	2,250,000	22%
2	500,000	1,000,000	3,250,000	32%
6	250,000	1,500,000	4,750,000	47%
10	100,000	1,000,000	5,750,000	57%
20	50,000	1,000,000	6,750,000	67%
40	25,000	1,000,000	7,750,000	77%
80	10,000	800,000	8,550,000	87%
160	5000	800,000	9,350,000	93%
300+/–	<$5000	650,000	10,000,000	100%

Number of gifts: 620+/–

with a limited but wealthy donor base might, for example, use a gift range chart such as the one in Exhibit 3-8. In this gift range chart, half of the goal comes from just five gifts, and the total goal will be reached with 100-plus gifts. In the second chart (Exhibit 3-9), the lead gift constitutes 15% of the campaign goal, and approximately one half of the campaign total will come from the 10 largest gifts. In the third chart developed for a broad-based, mature organization with thousands of annual donors and a limited history of major-gift fundraising, the pattern of giving might be more accurately

Exhibit 3-10 Gifts Needed to Raise $10,000,000, Case 3 (Lead gift is 10% of the campaign goal) (Also see CD 1-5 and 1-6)

Number	*$ Amount*	*$ In Range*	*Cumulative $*	*% of Goal*
1	$1,000,000	$1,000,000	$1,000,000	10%
1	500,000	500,000	1,500,000	15%
4	250,000	1,000,000	2,500,000	25%
10	100,000	1,000,000	3,500,000	35%
25	50,000	1,250,000	4,750,000	47%
60	25,000	1,500,000	6,250,000	62%
150	10,000	1,500,000	7,750,000	77%
300	5000	1,500,000	9,250,000	92%
600+/–	<$5000	$750,000	$10,000,000	100%

Number of gifts: 1,150+/–

projected with the table in Exhibit 3-10. For this organization it will take more than 40 donors to reach one half of the goal for this organization's campaign.

Although the patterns of these three campaigns vary somewhat, they all require lead gifts of between 10% and 25% of the campaign goal and call for more donors as the size of the gifts declines. It is difficult if not impossible to conduct a successful campaign with a lead gift of less than 10% of the campaign goal. If a lead gift of at least that amount is not in the offing, you should either put off the campaign while you develop a major-gifts program to cultivate the lead gift, or lower the goal to a more appropriate level.

You will find gift range chart worksheets in CD 1-5 and CD 1-6 that you can use to develop your chart. Once you have an appropriate chart for your campaign, you can then use it as a tool to help design the campaign itself.

Using the Gift Range Chart as a Campaign Road Map

You can use the gift range chart to figure out approximately the number of prospects you will need for each gift. Then, when you can compare that number to the number of prospects you have, you can assess the chances of conducting a campaign with that particular pattern of giving. Opinions vary on how many prospects are needed for each gift, from a generous estimate of three prospects to get one gift, to a more conservative estimate of five prospects needed per gift. Taking these extremes as a range, we can say that in general, an estimate of three to five prospects for every gift will be in the right ballpark.

The next step is to fine-tune the gift chart. This involves dividing prospects into three categories, based on their relationship with the organization:

- For highly qualified prospects (individuals and foundations or business decision makers who have a strong relationship to your organization and who are known to have financial capacity and an inclination to give), you will need 2–3 prospects per gift.
- For prospects who have some relationship with your organization but about whom you have only limited information, you will need 4–5 prospects per gift.
- And for prospects with whom you have only a tangential relationship, you may need as many as 10 prospects per gift.

A bit of cold-hearted scrutiny of your donor lists will give you some sense of your potential and how many prospects you are likely to need to achieve your goal. And a bit of brainstorming about how you can use the case development and other campaign preparation steps to accelerate your involvement of prospects will serve as a tonic against despair.

Using the gift range chart as a guide, you can estimate approximately how many individuals must be solicited to make a campaign successful. In general, I would hope that you have developed the strongest relationships with the people who have the capacity to make the lead gifts. If this is the case, you will need only 2–3 prospects per gift in this category. If you haven't built strong relationships with these people, you will need many more prospects for these gifts. Because the chances of getting a gift from an unqualified prospect are relatively low, focus your attention on more qualified prospects, and consider any gifts from those less qualified to be unexpected windfalls.

An informal rating of an organization's donor lists by people familiar with the organization and the community might lead to a reasonably accurate estimate of the number of solicitations that will be needed in the campaign. In practice, the further down the gift range chart you go, the more difficult it is to accurately estimate the number of prospects needed. For the sake of planning, however, it is helpful to assume that for the lead gifts, a category in which one should only be soliciting well-qualified prospects, one will need two to three prospects per gift. For the midlevel or major-gift categories, one will need three to four prospects per gift. And for the general or low-level gifts, one will need at least four to six prospects per gift. A gift range chart used to estimate the number of solicitations might look like the one found in Exhibit 3-11.

If your organization has at least 5000 members, and you are interested in whether there might be unrecognized capacity, you may consider doing a *wealth overlay*. Companies such as Grenzebach Glier and Associates, Wealth Engine, Kintera P!N, and Blackbaud will compare your list to databases that identify various wealth indicators. While this can provide useful guidance, approach it with a dose of skepticism; "false positives" are a notorious problem with prospect screening. Suppose you learn that Mr. Jones who gives you $45 a year owns a million-dollar yacht. You still need a way to draw him closer to the organization, and there is no indication he will give you a million dollars instead of buying a new yacht.

Exhibit 3-11 Gift Range Chart and Prospects Required

Lead Gifts: 2–3 prospects/gift			
Gifts needed	*Amount of gifts*	*Prospects needed*	*Total*
1	$150,000	2	$150,000
1	$75,000	2	$225,000
2	$50,000	6	$325,000
6	$25,000	18	$475,000
Lead gift totals: 10 gifts		28 prospects needed	
Major Gifts: 3–4 prospects/gift			
10	$10,000	30	$575,000
20	$5000	80	$675,000
40	$2500	160	$775,000
Major gift totals: 70 gifts		270 prospects needed	
General Gifts: 5–6 prospects/gift			
80	$1000	400	$855,000
160	$500	800	$935,000
300+/–	<$500	1500	$1,000,000
General gift totals: 700 gifts		2700 prospects needed	
Total: 780 gifts		**2998 prospects needed**	

THE FUNDRAISING FEASIBILITY STUDY

Now we come to the fourth of the major planning tools: the *fundraising feasibility study*. You may think you have plenty of feasibility studies already going—after all, the various professionals you have commissioned for financial planning, land use, and so on, may be conducting feasibility studies of their own, for their own specific purposes.

A fundraising feasibility study, sometimes also referred to as a *precampaign planning study*, is much different. The intent here is to consider in detail your organization's potential to raise funds for a particular set of objectives through the capital campaign. A well-done study will help you make the right decisions about conducting a campaign before the planning for a project has progressed very far.

Specifically, the feasibility study accomplishes the following:

- Evaluates the clarity and effectiveness of the case for support
- Assesses how much money can probably be raised for a project

- Makes recommendations for a realistic and appropriate campaign goal
- Determines the organization's readiness for a campaign
- Presents a preliminary campaign timetable
- Identifies potential campaign leaders and donors
- Provides other insights about how the organization is viewed

A well-done study may highlight aspects of the organization that need to be strengthened, and suggest concrete ways to do so. It may suggest alterations to the case for support to make it more effective, ways to engage prospective large donors, specific challenges that need to be addressed concerning the organization's image in the community, and who are the best candidates for campaign chair.

Feasibility studies are also excellent ways to involve and cultivate donors and leaders for the campaign. The primary data are gathered through a series of interviews conducted by the consultant. Through one-on-one personal interviews, major donors, primary staff members, and key volunteers have an important opportunity to have their opinions heard. Indeed, to be interviewed in a feasibility study is to be singled out as a leader—someone whose opinion is valued.

Do We Really Need a Feasibility Study?

You may be wondering why a study is necessary at all, given that you have already begun to create the case for support, the gift chart, and other tools. Why invoke a needless and extra cost? Here's why: the study will be conducted not by your own staff (that's asking for disaster!), but by an outside consultant. And although hiring a consultant is indeed an expense, there is no better way to safeguard your organization on the eave of what will be a huge, challenging, and potentially risky endeavor.

Your board may be wondering about a feasibility study also: "All that unnecessary expense! Why don't we just start asking people for money and see what happens? We already know how much we need. Let's just do it!"

Below are three of the most common objections and fears:

1. "It's risky to solicit candid opinions about our organization from the most important donors." While this fear probably won't be directly articulated, it may very well be an unspoken anxiety among board and staff. It's frightening to imagine an outside consultant poking about, talking to the organization's major donors and key volunteers, who might say things that certain individuals would rather were left unsaid. The organization might learn some unpleasant things about itself that it would prefer not to know.

2. "If the study isn't positive, we may have to postpone our plan. And we have crucial needs that can't wait." While it is not pleasant to contemplate the necessity of delaying, it is much better to wait than to commit the organization to a campaign that is unlikely to succeed. A feasibility study can help an organization pinpoint its weaknesses before committing itself to a campaign. Taking the time to prepare the organization thoroughly for the campaign is what spells the difference between failure and success.
3. "We are going ahead in any case. If we know that, why should we do a study?" Even if the die is already cast, a feasibility study will provide outside impetus to move the campaign ahead. It will help identify and cultivate major donors and provide clear organization and assistance from consultants who know how to do campaigns. The study will also provide valuable information about how to present the case and about the campaign goal. While you may know that regardless your organization will move ahead, you may have some latitude in both case and goal.

Despite the natural anxieties of a feasibility study, a good feasibility study will be well worth the time, effort, investment, and unease. It will help you cultivate major donors; it will provide a way to assess a goal that is achievable; it will give a sense of whether the prospective donors are eager to help or whether the development staff is so far out in front that volunteer support will quickly evaporate. The study may or may not provide the answers hoped for, but whether the study recommends "full steam ahead," a lower goal, or longer timetable, it will ultimately help the organization prepare for a successful campaign.

Not to have evaluated the probability of success for a capital campaign is very risky. Because a capital campaign is highly visible and involves a great many individuals who are important to the organization, it is vital that it succeed. A feasibility study will provide the information and the plan that you will need to maximize your chances of success.

When Should We Conduct a Feasibility Study?

The timing of a study is critical. Studies are conducted after a major project has been conceived and a general project plan developed but before the plan is finalized. A feasibility study explores the primary constituency's reactions to a specific set of objectives and invites selected individuals to provide constructive input.

Because people rarely give major gifts to organizations without knowing in some detail how their money will be spent and what the outcomes will be, you must have a reasonably clear idea about this before hiring a consultant to probe the reactions of the donor base. But it is also important to conduct the feasibility study early enough in the planning process because it may be discovered that the organization's needs fail to match the donors' interests. It is far preferable to make such a discovery early than to launch a full-scale campaign for an enterprise that no one wants to support.

THEY TOLD US THEY WANTED A NICER LOOKING LIBRARY

The goal of our campaign was to connect 16 libraries into the countywide public library system. One of the things we learned from the feasibility study undertaken by our consultant was that many of our donors were quite eager to support the libraries, and, moreover, they thought that the project was very important. However, they didn't think it was quite as important as improving the appearance of the main library. We knew that the library needed repairs, but we had thought that a renovation campaign was a campaign better left for another day.

As a result of the feasibility study we decided to fashion a case for support that combined the network project with building improvements. We came up with a price tag of $5.1 million, which deflated our enthusiasm somewhat, since the feasibility study for the objectives we tested concluded that we could probably raise no more than $3.5 million. The committee met and discussed the money issue at length with the consultants. The consultant encouraged us to speak with some of the largest donor prospects and ask them if they'd be willing to anchor such a large campaign. We did just that and when all was said and done, we had raised the full amount for both the building and the system. It really paid off for us to find out more about what our donors wanted.

—Executive Director

The study will also explore the reaction of leaders and major donor prospects to the proposed objectives and campaign. It will help answer some of the following questions regarding the campaign objectives:

- Do the campaign objectives make sense?
- Are they perceived as important to the community?
- Are the plans appropriate for both the organization and the community?
- Does the project have a strong chance of succeeding?

- Are donors who have the ability to make major gifts likely to be major contributors to this particular project?
- How much money is the organization likely to be able to raise for this project?
- Who are the individuals whose participation and assistance will be most likely to make this project succeed?
- What are the best strategies and approaches for the campaign?
- Are there enough people willing to help with the campaign, and will they be dedicated enough to see the campaign through to completion?
- Is there sufficient staff to conduct a campaign properly?
- What is a reasonable timetable for the campaign?
- What must the organization do to get ready for a campaign?

The Feasibility Study Process

Who Conducts the Study?

As I've already mentioned, your feasibility study should be conducted by an outside fundraising consultant. This gives the organization a chance to get an objective look at itself and the project it has planned. Although the organization's staff will be able to plan the project, an objective study cannot be accomplished with internal personnel, who are simply too close to the organization. Because of the close, ongoing ties with individuals in the community, it will be awkward for a staff member to ask certain questions that must, however, be posed, and it will also sometimes be difficult to hear what people are really trying to say.

Conducting the Study

The feasibility study process falls into three phases: (1) assembling the necessary information, (2) gathering information through interviews and surveys, and (3) preparing and presenting the report:

1. *Assembling the necessary resources*: To conduct a feasibility study, your consultant will need several things: the case for support, a gift range chart, and the list of interview prospects. You will work with the consultant on these—fine-tuning them if you've prepared them in advance, or using your consultant to help you prepare them.
2. *Gathering information*: Your consultant will want to conduct personal interviews with community leaders, leaders of your organization, your organization's major donors, and other key constituents. In some feasibility studies the consultants will also gather information from a broader cross-section of people in a community through surveys or focus groups.

The consultant will work with you to develop a set of interview questions to use to guide the interviews. The questions should be designed to stimulate discussion about the reputation of the organization and its programs, chief executive, and board; the project being proposed; and the potential for gifts and volunteer assistance to the capital campaign.

3. *Preparing and presenting the report*: After gathering the information, the consultant will analyze the results and write a report. The feasibility study report should synthesize and summarize the information gathered, and present clear recommendations about how much money can be raised for the project, the timetable, and next steps.

WE'VE DONE OUR OWN FEASIBILITY STUDY!

When I met with a prospective client recently, they told me that they had already conducted their own feasibility study. They were ready to go, and just needed some consulting help with the campaign itself. As we talked about how their campaign might proceed, I asked them if they had identified any major donors through their feasibility study. They reported that they had asked key community leaders their opinions about the organization and the project, as well as questions about the "fundraising climate" in the community, in the hope of gleaning information about their chances of success. They had learned a lot from their interviews, but they didn't learn whether and how much their lead donors would be likely to give to them. These folks were flying blind. In essence, they had done a community-needs assessment and not a fundraising feasibility study. They still had to find a way to figure out how much money they would be likely to raise. The director of this organization felt awkward asking these individuals how much they might consider giving to a capital campaign for his agency because it seemed almost as if he were asking for the money for himself, and he was afraid of being turned down. This organization may have done its own study, but the study had failed to give them the information they needed to make the necessary decisions. In the end, I had to go back to some of the key prospective donors to assess what they would consider giving to the campaign before we could zero in on the right campaign goal. It turned out that the director's awkwardness about discussing money was a hurdle for the entire campaign and although they finally raised the money, it was a tough campaign.

—Campaign Consultant

Feasibility Study Consultants

Chapter 4 describes in some detail the process of selecting a campaign consultant. You will want to hire your feasibility consultant with the expectation that you will continue with that person or group through the campaign itself. Through the feasibility study process, the consultant will learn a great deal about your organization, the campaign objectives, and your donors that will prove incredibly helpful during the campaign itself. You must give serious consideration to hiring a consultant you will be happy to have represent your organization. The study consultant will serve as the organization's representative to the leadership of the community, lead donors, key volunteers, and any other individuals who are likely to be important to the organization. And the consultant will leave a distinct impression on the people interviewed—people important to the organization. The selection of the consultant is not to be taken lightly. See Chapter 4 for more information on selecting a consultant.

What Should You Expect from Your Consultant?

Lots! Your consultant is an expert guide through a complex and sensitive process. By the time you have signed a contract, the consultant should have outlined the process and timetable of the study quite specifically. Get answers to the questions discussed below. To help put these questions and answers in perspective, each of the questions that might be put to the consultant will be discussed in some detail, for there is a wide range of styles and issues that determine whether the feasibility study, as proposed, is right for a particular organization.

Because the consultant will represent the organization conducting the interviews, the consultant must be fairly well acquainted with the basic facts about that organization. Those being interviewed will lose confidence in the consultant and the organization if he or she seems ill informed. Be sure to discuss with the consultant what he or she will need to know before setting out for interviews.

Who Will Work with the Consultant?

Every consultant has his or her own way of organizing a feasibility study, but many consultants like to involve key volunteers to oversee their work, thereby building internal ownership of the study. Experienced consultants understand that the purpose of the campaign is not only to raise money, but

THE MISINFORMED DIRECTOR AND THE MISGUIDED FEASIBILITY STUDY

When I took a new job as Executive Director of a non-profit organization, I was immediately handed a $2.6 million campaign goal. In retrospect, I can't believe how naïve I was, but when I came in I was told by the board, "Don't worry, you won't have to do any fundraising yourself because we have a committee who will raise all the money. All you have to do is run the organization." Now, the board really believed this. They had engaged someone to head the campaign who was quite well known and well loved and who had raised a lot of money before. I thought we had it in the bag, and that all I would have to do was manage the building project. Well, that was mistake number one.

It also turned out that the "feasibility study" I had been shown was not a feasibility study at all, but rather something that one of the board members had written up about the project. It was really more of a modest first pass at a case statement than a feasibility study, but to the uninitiated it sounded pretty good.

When I finally realized that I couldn't just sit back and watch disaster strike, I brought someone on board to help us put together a business plan and to perform a real feasibility study. This feasibility study told us that we had a problem with name recognition in the community. The individuals interviewed could not conceive of a $2.6 million campaign for an organization that they had never donated to before. Facing a potential flop, we reconnoitered, reevaluated, and regrouped. We broke our campaign into phases, and now, having recovered from the first successful phase, we are gathering energy for the second.

—*Executive Director*

to build and strengthen relationships with the organization's donors. For these consultants, the process of organizing the feasibility study provides an excellent opportunity to involve key volunteers and donors on a feasibility study committee, thereby engaging them in the early phases of planning the campaign.

Will the Consultant Draft the Case for Support?

You can use the consultant's broad experience in capital campaigns to help draft an effective and compelling case for support. But, because the staff knows the program best, they should be actively involved in the writing process.

How Will the Consultant Gather Information?

Most feasibility studies rely extensively on personal interviews. People will often say things in person that they would not put on paper, so the primary power of a feasibility study comes from personal interviews. Your consultant should be willing to conduct enough interviews to cover all of the individuals who are most important to the organization as well as a good cross section of community leadership.

The number of interviews will vary, depending on the size of the organization and the size of the community. For an established agency one might expect a consultant to conduct 30 to 40 interviews.

It is important for the development staff to know who from the consulting firm will actually conduct the interviews and to have the opportunity to meet that person. Because it is difficult for one person to conduct several dozen interviews and remain open and fresh, the interviews might be divided among two or three interviewers who can then compare impressions with one another to form a more accurate picture than that which is obtainable by a single interviewer.

When Will the Consultant Report?

Although consultants vary in their practices, some consultants give a verbal report to the oversight committee after completing approximately one half of the interviews. In that way, the committee has a chance to learn firsthand about the interview process and how it is proceeding. At this midway meeting, both the committee members and the consultants will be able to ask questions that have come up. In some cases this is also a good time to reconsider the interview list. If, for example, the consultant has had a high percentage of individuals who are unable or unwilling to be interviewed, or if the interview subjects have themselves suggested additional interview prospects, the committee may choose to add some names to the list.

How Will the Consultants Conduct the Interviews?

Consultants vary widely in their manner of conducting interviews. Some use detailed forms that can later be collated and scored numerically, thereby providing the basis for a statistical analysis of the interviews. Others use a simple outline to guide more general conversations and rely on extensive note taking to capture information.

Most consultants gather information in four areas—opinions about the organization, the project, the funding, and the leadership. Interviews often begin with the most general questions and move to the specifics of the subject's ability and willingness to help. Initial questions often establish the interviewee's relationship with the organization and determine his or her views of that organization, its board, its programs, and its staff. Then interviews elicit opinions about the proposed project—its importance in the community, its feasibility, and any reservations or concerns that the person might have. The interviews then explore the potential for raising funds and attracting volunteer leadership, including where major gifts might be sought and who in the community might be considered as a campaign leader. And finally, the interviews should probe the giving potential of the subject and his or her willingness to help with the campaign.

In general, beware of statistical analyses with a small interview sample. Among those interviewed the responses of a few individuals will be absolutely crucial in determining the goals, timetable, and probability of success for the campaign. In a sample of 25 or 30 interviews, the importance of those few opinions that carry significantly more weight than the others will be lost in an analysis that accords equal weight to all responses. So, although it may be interesting to see an objective statistical report on the response to each interview question, this type of reporting does not provide the judgments that may be needed.

What Should Be in the Report?

The report should contain a summary of the interview findings, conclusions reached, recommendations as to how the organization should proceed, and a list of people interviewed.

The report of the feasibility study should include conclusions and recommendations on the following topics:

- How much money the organization can raise for the plan presented in the case
- Whether and when to proceed with a campaign
- Areas to strengthen in preparation for a campaign
- Readiness of donors and volunteers to participate in a campaign
- Availability of effective campaign leadership
- Strength of the case for support
- Reputation of the organization

- Assessment of the executive director
- Assessment of the strength of the board of directors
- Comments on conditions external to the organization that are likely to affect the campaign
- An outline of how to proceed, along with a preliminary timetable

How Will the Report Be Distributed?

Organizational leaders should discuss with a consultant how they plan to present the report to the organization at large. Will the executive director have the opportunity to review a draft prior to its broader distribution? Who will be responsible for duplicating and distributing the report? Will the consultant be available to present the findings at a board meeting in person? Consultants vary in their practices. The organization should discuss the consultant's process beforehand.

How Long Will the Study Take?

The feasibility study might take anywhere from 6 weeks to 4 months, depending on the size and scope of the study. From the consultant's point of view, the key issues in scheduling a feasibility study are the client's ability to enlist a committee to oversee the process and the difficulty in scheduling interviews. If the interviews require considerable travel, the interviews will be more difficult to schedule. An experienced consultant should be able to predict with reasonable accuracy the length of time the study will take. The consultant, however, has no control over the scheduling of committee and board meetings. These should be planned well in advance so that the organization itself is not responsible for delaying the process.

How Much Will a Study Cost?

As a rule of thumb, a local study is likely to cost approximately $1000–1500 per interview. The cost increases with the number of interviews. A study for an organization with a far-flung donor base will cost more because of travel time and expense.

Enlisting a Feasibility Study Committee

All fundraising is based on involving people in meaningful ways in the life of the organization. You should seize every opportunity to make such meaningful experiences happen, and a feasibility study is just such an opportunity. To this end, you put together an ad hoc committee to oversee the progress of the feasibility study. People who take part in this way will have a bird's-eye view of the emerging project. They will become familiar with the goals of the organization. They will come to understand the importance and excitement of the new project. They will actually have the chance to put in their two cents' worth (or perhaps even more) about the case for support. The people who are involved in this process are very likely to become thoroughly engaged in planning for the organization's growth.

Because this will be a working committee, it should consist of approximately six to eight volunteers. Allowing for attrition and the inclusion of the development director or executive director and the consultant, this will result in a good size group for serious discussion. The group might include two or three of the strongest board members and a few of the most generous donor prospects. Ideally, the committee should be a mix of those already passionate about the organization and those who have financial or leadership potential and whose greater involvement would be especially beneficial.

The committee will probably wish to meet about three times over a period of 2 or 3 months. It will be charged with assisting and overseeing the work of the consultant on the feasibility study. When the study is completed, the work of the committee is finished.

The development director must be very clear with the volunteers as to what is expected of them, including what their time commitment will be and when their job will be finished. Clarity about expectations from the beginning offers the best chance of ending the process with happy and satisfied volunteers.

The Work of the Committee

Review the Case for Support

The committee members can be an excellent sounding board for the case for support, primarily because they will bring a variety of viewpoints to the task. The input from these individuals will provide another opportunity to refine the case so that it is clear and precise before it is presented to campaign prospects.

Develop the List of People To Be Interviewed

Because the members of the committee are peers of those who will be interviewed for the feasibility study, they will be able to help determine whose opinions are really going to matter and which people are likely to be the most helpful during the course of the campaign. Their help may also be useful in securing interviews with prospects who are not intimately engaged with the organization.

Review the Questions

The committee will review the questions that the consultant intends to ask during the interviews. While the consultant is primarily responsible for developing the interview questions, the committee members may offer others or perhaps suggest different ways of phrasing a particular question. Because they know both the organization and many of the individuals who will be interviewed, they may have some interesting and useful insights into the effectiveness of particular questions in eliciting information.

Help Draft a Letter

The committee will also review and help edit a letter to be sent to all interview prospects prior to scheduling the interviews. It is customary and appropriate to send a letter requesting an interview to each individual on the interview list. This letter is usually sent by the organization and is signed by either the executive director or the chairman of the board. The letter explains that the organization has hired a consulting firm to conduct a feasibility study to evaluate the potential of raising funds for a specific project. It lets them know that they are among a small group of community and organization leaders who have been selected to participate in the study and requests that they make time to meet with the consultants. A copy of the preliminary case for support is sent along with the letter so that the person may choose to read about the project prior to the interview. A sample letter is included in Exhibit 3-12.

Meet with the Consultant for an Update

Have the consultant give an update sometime around the midpoint of the interview process to assess progress and make course corrections if needed. Staying in contact with the consultant during the study is very important. The feasibility study's course should be flexible, and certain adjustments may be needed. Making adjustments is not a sign of bad planning; rather, it implies that the oversight committee is paying proper attention to what is going on.

Review a Draft of the Report

Once the feasibility study is complete, the committee will receive a draft of the report before it is sent on to the board. This gives both the committee members and the consultant the opportunity to review and discuss the report's recommendations while they are still in draft form. If the oversight committee has had a chance to review the report, and then accepts it and recommends its findings to the board, there is a good chance that the board, too, will accept it.

Exhibit 3-12 Sample Letter for Interview Prospects

Dear ____________:

The Hamson Center is facing an important crossroads, and we need your help in making decisions that will determine the Center's future in Eastham. As you may well be aware, the Center's main facility at 50 Central Avenue has become antiquated and, frankly, inhospitable to the people we serve. Bringing that facility into the 21st century is a major undertaking and expense, and we are now exploring the possibility of raising $5 million to renovate our headquarters site. This renovation is a critical ingredient in our ability to improve many of our programs, and to continue to play a central role in the well-being of the Eastham community that we serve.

To help us in our planning, we have engaged Jim Jamison to conduct a series of confidential interviews with people whose opinions we believe would be invaluable in assessing our plans. Jim is an experienced capital campaign consultant who specializes in community-based organizations such as ours.

Within the next week Sandy Taylor of our External Relations Office will contact you to schedule an interview with Jim. I hope you will be willing to share your thoughts about our proposed plans with him. As background for the discussion, we are enclosing a draft description of the project and its rationale for you to review prior to the meeting. The interview should take no more than 45 minutes. Your comments during this discussion will be held in confidence, and you will not be asked for a gift in this meeting.

Thank you in advance for your guidance in helping us make plans and decisions that will reflect the needs and ideas of our community. I know you will find Jim engaging and your discussion interesting.

Sincerely,

Louis Banker
President

Jane McIntyre
Executive Director

The Interview Process

During the interview process, the consultants will spend considerable time speaking face-to-face with board members, major donor prospects, and key volunteers. If the consultants are good interviewers, they will do more listening than talking. But they will also find opportunities during the interviews to speak about the strength and effectiveness of the organization. They will try to engage each individual in a discussion that brings out that person's specific interests, hopes, and concerns about the organization and the project.

Occasionally, someone on the interview list is not available in person or is residing in another state or even another country for a few months, and it is too costly or time consuming for the consultant to travel to that location. When necessary, telephone interviews are better than no interviews. Over the telephone, however, the interviewer can rarely build the kind of personal rapport that leads to the deeper understanding one hopes for from these interviews.

Most consultants prepare a preliminary gift range chart to take to each interview. The interviewer will probably ask for an indication of the level on the table at which the individual might envision making a gift. Through this process, combined with other information gathered from the interviews, the consultant will be able to develop a reasonably accurate sense of the potential for leadership gifts for the project.

The Interview Process Can Be Stressful

The interview process often raises the level of anxiety within the organization. In fact, the entire feasibility study process makes some executive directors and development directors very nervous. After all, their major donors and volunteer leaders are being asked to give their candid opinions about them, and those opinions will be reported back to the full board, and the fate of the campaign hangs in the balance!

To help alleviate some of your anxiety, you should stay in close touch with the consultants. The consultants may not be able to report everything they are hearing in the course of their interviews, but they will be able to dispel most of the horror stories that an overactive imagination may be concocting.

During this period, the community grapevine begins to become active as well. Soon after the consultants begin receiving information about the organization, the organization will begin to receive information about the consultants. The chairman of the board may call to report about his interview. A longtime volunteer who had recently been inactive may call the development director to schedule lunch in order to find out the latest and to gossip about the interview process. It won't take long before the grapevine begins to present a fairly clear picture about the interview process. Now it is time for the consultants to be nervous! All comments thus received should be listened to carefully. If, for any reason, there are a number of comments that ring alarm bells about the consultant, the feasibility study committee and the consultant should be summoned to discuss the problem and suggest remedies. There will be further discussion on how to handle this type of problem in the troubleshooting guide in Appendix A.

Thanking the Interview Participants

Immediately after completing an interview, the consultants should send a personal thank-you note to the individual they have interviewed. The official thank-you from the organization is usually sent after the report has been written, so that the thank-you letter can include information about the outcome of the study. The consultant should assist in reviewing the list of interview subjects to decide to whom to send a full copy of the report and to whom just a summary.

At the conclusion of the interview process, there will usually be a few individuals who could not be reached. Perhaps they were out of town, or perhaps they simply were unwilling to be interviewed. Together with the consultant, the organization should decide how to reach closure with each of these individuals. In some cases, a letter of regret will be the appropriate response. In others, it may be desirable for a member of the organization to meet with that person in place of the consultant. In all cases, however, once the letter requesting an interview has been sent, the contact must be closed appropriately.

The Feasibility Study Report

Although many who have been through feasibility studies a number of times have come to understand that the process is at least as important as the product, it is quite natural for a first timer to see the written report as the centerpiece of the study. As mentioned before, studies vary greatly in both style and content. Some consultants belong to the "heavier is better" school—a leftover attitude from high school and college. They figure that the client is paying a large sum for a report, and so the client may feel cheated if the report does not, through sheer heft, provide a sense that it is worth the money spent on it. It is not uncommon to see studies that run 100 pages or more, with fancy dividers, charts, and graphs, and printed on heavy stock that further increases the weight of the report. Other consultants prefer reports that have distilled the essence of what they have learned.

Encourage the consultant to submit a draft of the report to the development director, executive director, and board chair to read before it is shown to anyone else. This will provide a chance for these individuals to digest the material, to discuss any problematic areas with the consultant, and to catch any inconsistencies or errors that may have occurred. Once the report has been distributed to a larger group, it will be more difficult for the consultant to make changes.

Once these three have had a look at the report, the next draft should be distributed to the feasibility study committee for their consideration before being presented to the board. A meeting of the committee should be called, and the report should be sent to the committee members several days before that meeting to give them sufficient time to read it. And as always, it should be stamped DRAFT and CONFIDENTIAL in large letters on the front cover. The consultant should be encouraged to present the report as a draft at this meeting and to solicit advice and suggestions for its improvement. It should not have a fancy cover or any other "bells and whistles" at this stage, so that in its provisional appearance it will encourage the committee members to be free with their suggestions. Such an exchange will lead to a better report and will solidify the committee's support for the final version.

Once the committee has accepted the report, copies should be sent to every board member. At this stage, each copy should be attractively bound and be professional in appearance. These reports should be sent with a cover letter requesting the members to read the report and to be prepared to discuss it at the next meeting when the consultant presents his or her findings. Sometimes these reports are presented to the board as part of a longer meeting that covers other issues. Sometimes, if the report includes controversial or difficult material, the report is presented at a special meeting of the board. The consultant should make a verbal presentation of the report and then ask the board to accept the report.

What Next?

The recommendations made in the feasibility study provide a plan to move the organization into a campaign. In some cases, the study suggests that the organization take some time prior to a campaign to get ready. These readiness areas might include strengthening the volunteer leadership, identifying campaign chairs, increasing the capacity of the development office, improving the organization's visibility, or sharpening the case for support. In some cases, the study recommends that the organization move directly into a campaign and outlines the next steps. In either case, the committee recommends to the board that the report be accepted. This committee's recommendation constitutes an endorsement of the contents of the study. The board's approval generally leads to a motion to act on the recommendations made by the study.

Confidentiality

Most consultants begin each interview with a statement that the content of the interview will be held in confidence and that the material that has been gathered will not be attributed to any particular individual. This promise of anonymity frees the individuals who are being interviewed to express opinions that they might otherwise withhold if they knew that their thoughts would be reported back directly. People often use the interview process as an opportunity to pass constructive suggestions to the organization anonymously and sometimes even to vent their frustrations about the organization's direction or operation.

Because many people feel uncomfortable expressing criticism openly, opinions are often left unstated if they go against what is perceived as the consensus. There are more hidden opinions around a board table than there are those that are openly expressed. A feasibility study provides a voice to some of these undercurrents in a fashion that can lead to constructive debate.

Do not ask your consultant to reveal specific confidential information. The interview forms will remain with the consultant, not with the organization, and the consultant's reputation rests on his or her ability to respect each interview subject's right to confidentiality.

Getting the Most out of the Feasibility Study

Once the study is complete there will be an excellent opportunity to build on the relationships that were strengthened during the study. This chance should not be allowed to slip away. Key board members and donor prospects should be telephoned. They should be invited to lunch; their opinions should be sought. They should be involved in the next steps outlined in the study. Feasibility studies usually raise a host of far-reaching issues around which people can rally. Using such opportunities to draw people closer to the organization is the wellspring of effective fundraising.

REFERENCE

Declaration of Independence. http://www.nara.gov/exhall/charters/declaration/decmain.html.