

Misconceptions versus Truths of Using a Consultant for a Major Gift Campaign Planning Study

By: Gary Bernstein

Your agency is planning a major gift campaign. This significant fundraising undertaking can be a substantial opportunity for you and your nonprofit, but before you start asking for gifts and marketing your campaign, you need to verify that it's doable in the first place.

There are certain questions that are often asked by nonprofit leaders that are planning a capital campaign, "Do we really need a planning study? What are we going to learn that we do not already know? Is it really a good use of our money?"

That's where capital campaign planning studies come into play. Even though these studies are important to the success of a capital campaign, they're surrounded by suspicion, usually due to a variety of misconceptions.

This article will address three misconceptions and truths regarding capital campaign planning studies:

- 1 A planning study will only tell us what we already know
- 2 We can conduct a planning study ourselves
- 3 A planning study is a waste of time and money

Read further and you will learn about the real purpose of major gift campaign planning studies and how your agency can use them to your advantage!

1. A CAPITAL CAMPAIGN PLANNING STUDY WILL ONLY TELL US WHAT WE ALREADY KNOW

THE MISCONCEPTION

Let's assume your nonprofit has an established infrastructure, a star-studded board, and an overabundance of major donors to support your campaign efforts.

You may be wondering why you should just forego the planning study and begin planning your campaign based on information you have in your donor database. After all, your nonprofit knows your donors best! A planning study will only tell you what you already know, so you might as well move forward without one.

THE TRUTH

A successful planning study is one of the most effective means of building long-term, **sustainable relationships** in your agency. Specifically, a planning study is an early cultivation tool that can help you develop strong and healthy relationships with donors

and key community leaders. Donors and leaders will be honored when you ask them for their opinions and take their feedback seriously. Just by setting up face-to-face interviews and asking for their reactions and input to your case for support can be extremely meaningful to these potential donors.

Contributors want to know that their thoughts and opinions matter to your agency, and a planning study is a way to actively show how much you value your constituents. A planning study is also a chance for stakeholders to express concerns that they may have, which can reveal aspects of your fundraising that you didn't realize were an issue. People are more likely to be honest about reservations when asked for their opinions directly.

Ultimately, you can use a capital campaign planning study as a strategic cultivation tool in order to learn more about your donors and leaders so that you can craft more effective solicitation strategies in the future.

2. WE CAN CONDUCT A CAPITAL CAMPAIGN PLANNING STUDY IN-HOUSE

THE MISCONCEPTION

If your agency is worried about the expense of hiring a fundraising consultant, you may decide to conduct the study in-house. After all, your leaders know your agency and your case for support better than anyone else. Plus, potential donors may be more willing to speak with someone they know than to consult with an outsider.

THE TRUTH

Regardless of untainted intentions, in-house interviewers will hold a conflict of interest. Someone who's invested in seeing the capital campaign through may be inclined to advance the project even if it poses dangers.

Specifically, conducting an in-house study will pose these risks:

- Interviewees may over-promise their commitment to the project to avoid offense. Interviewees are more likely to be honest to an outside consultant who do not have ties to the organization.
- An in-house interviewer may miss important themes that fresh eyes would catch. As such, an in-house interviewer may fail to recognize incredible opportunities or glaring issues.

Thus, it's best for agencies to hire outside counsel to conduct their planning studies. According to David Sorkin, Executive Director of the JCC of Staten Island, "a capital campaign consultant is the best choice to conduct interviews so that you receive the most accurate, honest results. Furthermore, a potential donor who's invested in the capital campaign may gloss over negative findings or over-emphasize positive results".

3. A CAPITAL CAMPAIGN PLANNING STUDY IS A WASTE OF TIME AND MONEY

THE MISCONCEPTION

Nonprofits are correct to question services that result in additional expenses. After all, funds should be focused on the mission.

A planning study will take too much time (3 to 4 months!) and will cost too much time and money. If you want to launch a capital campaign, you need to do it sooner rather than later, and a planning study will just slow down the process.

THE TRUTH

A failed capital campaign is a much greater expense than the costs of conducting a planning study.

This isn't just about not meeting a fundraising goal. Donors want to give to competent, capable nonprofits who can steward funds wisely and ultimately achieve their goals. A failed campaign can jeopardize your reputation and the support of donors in the future.

There are many other reasons why a planning study isn't a waste of resources!

Capital campaign planning studies can:

- Excite donors about your capital campaign. A planning study is a great opportunity to gain early interest for the quiet phase of the campaign.
- Cultivate donor relationships. There's no downside to learning more about your donors and speaking with them through targeted interviews. They are the core of your organization.
- Identify holes in your infrastructure. Regardless of whether you move forward with your capital campaign, a planning study can help you identify organizational weaknesses. Fixing these issues will help you strengthen your nonprofit as a whole.
- Build sustainable strategies. The opportunity to get feedback on your case for support and assess your fundraising strategy is fundamental to your growth as an agency.
- Increase your visibility. Understanding your nonprofit's role in your community and reputation can help you craft marketing strategies that will enhance the awareness of your agency in your community.

Ultimately, if you can see the value in using your donors' and leaders' insights to strengthen your nonprofit, then you should see the value in planning studies, too.

A good study will leave your agency with a road map for a successful capital campaign, a planning base from which your agency can reach or even exceed its goals.

Most importantly, at the end of the planning study you should be able to answer the question, “Where do we go from here?” You should have clear guidelines for creating a compelling case for support for your organization and the campaign. You should know how to engage your board and other volunteer leaders, and what roles they will play during a campaign.

You should have a target goal and strategies for reaching that goal. Additionally, you will have begun the process of engaging your most important constituents in thinking with you about the impact of a successful campaign on your agency and the people it serves.

Authors Note:

It should be noted that when I was hired as the Executive Director of the JCC of the North Shore in Marblehead, Massachusetts back in 1992, we didn’t have any development staff and my knowledge of major gift fundraising was nil. (Not unlike most other Executive Directors at that time). That was until we hired an outside development consultant to assist and guide us through a capital campaign effort. Without his expertise and counsel, I wouldn’t be where I am today, consulting on multi-million dollar fundraising campaigns for Y’s and JCC’s and other nonprofits throughout the nation. The lessons I learned early on as an executive working with outside counsel proved to be an invaluable skill.

I have found that the planning study is a useful device when properly timed, adequately prepared for and conducted by a trained interviewer and consultant. Boards can decide to go it alone, but rarely obtain honest, personal, private, and confidential information from the study participant.

In conclusion, it is my recommendation that nonprofit board leadership and executive staff should interview and ultimately retain reputable, experienced professional consultants. The study is the beginning of the cultivation process with your prospective donors. The Planning Study and ultimately the campaign is more than just raising money, its increasing your agency’s awareness and visibility in the community and ensuring agency sustainability long into the future. Such a study can be invaluable to executives and to board members.

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