

The Sheridan Group – Education Series

Managing Your Capital Campaign During A Recession

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Over its 26 years of business, The Sheridan Group has witnessed and counseled its clients successfully through three recessions. As the country's economy is now 'officially' in recession, we offer several recommendations on the right strategies for success during this difficult time. For additional perspective, we offer several examples of how not to proceed.

Key Strategies for Success

☐ **Stay the Course**

Campaigns are about successful relationships. It is critical during a recession to maintain or advance those relationships. Recognize that your prospects and donors are looking to you and your organization for leadership and for encouragement. They want to be seen, cultivated and they will consider requests for support.

☐ **Maintain Campaign Momentum**

The strategic cultivation and solicitation of prospects in the appropriate order by the best peers and staff must continue. More work effort will be required; slower progress will be made. But as economic conditions improve, the capital campaign will blossom, grow and be completed successfully.

☐ **Be Flexible**

Prospects or donors may ask that their gift decision be deferred or their pledge period extended. Often they will say, "Here's what I can do now; come back and see me when things have improved." Honor their requests and make sure to regularly review the list of these responses so that your second request is scheduled at the appropriate time.

☐ **Increase Campaign Communications**

It is very important for prospects and donors to know what success you are having and how dollars raised are substantively having an impact on facilities, programs and people. Make sure through events, media and publications that donors continue to value your campaign as the most important undertaking with which they are involved.

☐ **Activate Planned Giving Initiatives**

Depending on how your capital campaign is structured, planned giving may already be a featured component. Regardless, while your best prospects may be uncertain about what they can consider in terms of current support, they might well appreciate a conversation focused on estate planning. And, don't forget to broach the subject with those who have already made campaign commitments.

Key Strategies for Failure

☐ **Suspend the Campaign**

It took years of strategic planning and donor relations efforts to reach your current stage of campaign momentum. Suspending your campaign during an economic downturn all but assures the disappearance of this momentum and of potential donors having your campaign as a priority.

☐ **Revise Goal Downward**

Lowering a 'public' goal is never advisable. Regardless of the 'out' of an economic downturn, your Campaign will be irreversibly labeled as failed. Such a situation can be devastating to your long-term ability to conduct a successful capital campaign and will have a negative carryover effect on your annual giving program.

☐ **Emphasize Negative Impacts, But No Solutions (i.e. "The sky is falling!")**

Your constituents want to be part of your vision for success. A continued focus on the recession and its impact on budgets, programs, personnel and facilities will drive constituents away. Focus on solutions for tough times; focus on positive stories; focus on the great people you have working as staff and as volunteers.