



Milwaukee | Madison

## **\$2.4 Million in 12 Months**

A Case Study of the Campaign to Renovate and Expand the Stoughton Hospital Emergency Department

## Situation

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Stoughton Hospital was founded in 1904 by the community for the community. Over the years that followed, the facility grew as they invested in several improvements and expansions to ensure that the highest-quality services and equipment were being provided. Over the past few years, patient volume demands had outgrown the hospital's current design, which also challenged optimal patient comfort, accessibility and privacy expectations. The best solution: renovate and expand the Emergency Department, including day surgery and lab.

As the hospital's executive team considered funding strategies for the renovation and expansion, it became apparent that as much as \$2 million would need to come from the public through a capital campaign. Compounding the challenge was a serious obstacle: the funds would be needed in 18 months.



Would the community care about this project?  
Could the Stoughton Hospital Foundation raise \$2 million?  
Could fundraising be done in the short time allotted?

## Feasibility Study

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To answer these questions and more, the Foundation hired McDonald Schaefer to determine its probability for success.

McDonald Schaefer conducted a capital campaign feasibility study, discreetly meeting with the hospital's key stakeholders – including selected board members, major donors and community leaders. During personal visits, McDonald Schaefer asked participants for their impressions of the current hospital, their feedback on plans to renovate and expand the Emergency Department and their initial interest in supporting a capital campaign to fund it.

Based on information gathered during those visits, McDonald Schaefer conducted a proprietary analysis to determine what was achievable. They concluded that, while it would be challenging, \$2 million was a realistic campaign goal; provided the Foundation follow a specific recommended campaign strategy, based on McDonald Schaefer's years of experience planning and directing successful capital campaigns.

Although a bit apprehensive about the goal, the Foundation forged ahead and started planning for the most ambitious campaign in its history!



# The Campaign

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With the results of the feasibility study in hand, Foundation Director Mary Link and McDonald Schaefer began intensive planning to prepare everything – *and everyone* – for the project.

During this critical planning stage, the Foundation focused on four priorities:

1. Campaign Leadership
2. Communications
3. Major Donors
4. Campaign Infrastructure

## Campaign Leadership

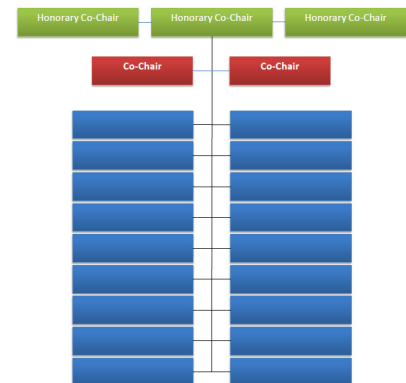
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Knowing that successful capital campaigns depend on active and influential volunteer leadership, the Foundation set out to recruit a visible and well-connected campaign cabinet whose members would make generous gifts of their own, open doors to other donors and be enthusiastic ambassadors for the project.

The Foundation started by inviting three, well-recognized families with deep roots and connections in Stoughton to serve as Honorary Co-Chairs. They agreed, and the campaign now had prominent and respected citizens endorsing the project.

Next, the Foundation decided on a two-person Co-Chair structure, which would serve as the working core of the cabinet. They recruited two individuals who were well-known in the community, had participated in other fundraising efforts and had served the hospital through membership on its Board of Directors. In other words, their affinity for the hospital and the project was very strong and they were ready and willing to take on this important leadership role.

The last step in developing the leadership team was to recruit 17 additional individuals with connections of their own, who collectively would give the Foundation wide access throughout the communities served by the hospital. McDonald Schaefer trained and mentored these committed friends of the hospital, closely supporting them in their outreach as they became effective volunteer fundraisers.



# Communications

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The feasibility study found that individuals in the community had a high regard for the hospital and were interested in the project. Even those who didn't receive their medical services through the hospital understood that having a strong emergency department nearby was a community asset. In addition, there was a universal respect for the hospital and the role it plays in defining Stoughton as its own independent community in spite of its proximity to Madison.

A wide variety of communications strategies would be needed to raise awareness for the project. These strategies would provide a solid rationale for the renovation and expansion, and answer the public's questions convincingly.

McDonald Schaefer and the Foundation developed a comprehensive communications plan, integrating dozens of related messages and distribution channels to reach people effectively throughout the community and provide education. As part of this plan, the team gave special consideration to speaking directly to the issues and concerns that were discovered through the feasibility study.



McDonald Schaefer and the Foundation developed the following materials for campaign folders, that provided everything a cabinet member would need during personal visits with potential supporters:

- Campaign stationery for all correspondence to give the campaign its own identity
- Case for support (the main project brochure)
- Named gift opportunities
- Renderings and images of specific renovation and expansion plans
- Frequently asked questions
- A dynamic list of current donors
- A campaign pledge form and return envelope

The Foundation and McDonald Schaefer also developed other communications tools including newsletter articles, a campaign website, direct mail, attractive signage and e-communications, which helped increase awareness of the campaign and reinforced the giving decisions of well-known and respected donors, several of whom were featured in articles and on signage.



Among the most important communications opportunities of a campaign is the public campaign kickoff – but this opportunity also presented a challenge for the Foundation.

Campaigns generally go through two phases: first, the quiet phase – most of which comprises 1:1 conversations with potential major gift donors; and second, the public phase – which begins after the campaign reaches a significant majority of the goal, ideally as much as 75%-80%. During the public phase, mass media is used to expand the reach of the campaign to the entire community and encourage broad support, with campaign awareness and momentum building steadily with each progressive step.

The developing challenge was that the project’s construction timeline was accelerating ahead of the campaign’s quiet phase. Secondly, a few very significant lead gifts were beginning to increase awareness of the campaign and enable the Foundation to trigger public phase outreach even while finishing 1:1 outreach. The result was that the quiet phase and the public phase of the campaign were overlapping with one another, creating potential hurdles for the team with regard to maximizing the campaign’s potential with all prospects.

McDonald Schaefer helped the Foundation meet this challenge head on, assisting in the orchestration of a public campaign kickoff in the hospital lobby. With major donors, major donor prospects, the hospital board and local press in attendance, the event helped highlight the urgency of the project and the campaign – for both cabinet members and potential donors in the community. The event included refreshments, a short program with speakers, and public recognition of all donors-to-date in encouragement of others to join the campaign.

In addition, McDonald Schaefer ensured that all of the communications strategies were organized and managed in an integrated communications schedule for optimal messaging and timing.

## Major Donors

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By the time they are completed, capital campaigns will receive gifts of all sizes – even gifts of one dollar! But successful campaigns depend significantly on large lead gifts, relative to the project’s goal. Aware of this fundamental campaign principle and supported by the findings of the feasibility study, Link and McDonald Schaefer evaluated the Foundation’s entire pool of potential supporters and prioritized its donor list based primarily on three questions: How affluent is the donor prospect? Are they ready to be asked for a gift? Which of our team members knows the donor the best?

Based on the results of this important exercise, the Foundation developed a sequence for reaching out to the community following the effective campaign strategy of “top down and inside out.” The Foundation would begin its campaign by reaching out to those people with the largest gift potential first, then move on down to smaller gift donors (top down), as well



as those closest to the hospital and most supportive of its plans and then outward to the broader community (inside out).

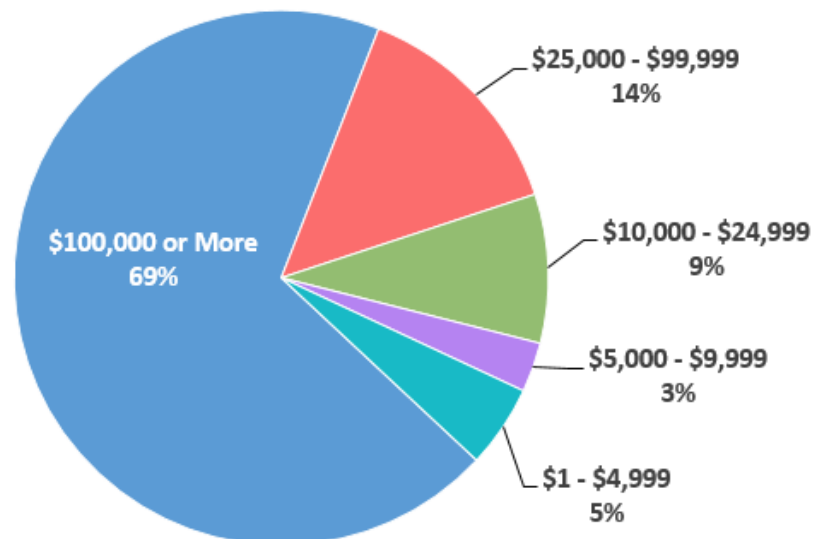
The strategy proved very effective. The Foundation raised \$1.6 million in donations of \$100,000 or more – 80% of its entire goal – with just three lead gifts:

\$1,000,000  
\$500,000  
\$100,000

Additionally, maximizing lead gift potential was the single most important element to the campaign reaching its goal ahead of time. McDonald Schaefer helped maximize lead gift potential, moving the most important prospects from an estimated \$400,000 in feasibility study gift intentions to \$1.6 million in campaign pledges. Doing this involved careful evaluation and discussion of prospects’ past contribution histories, their giving interests and their intricate connections to the community and Hospital. Ask strategies were then developed for these lead donor prospects.

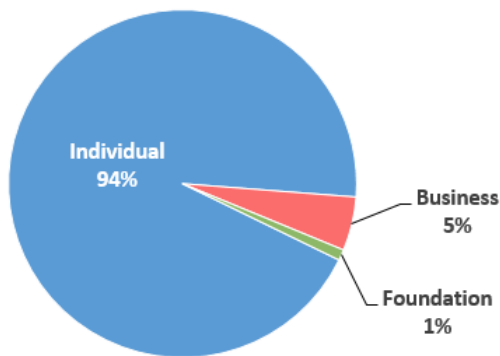
The graph below shows how gifts at all levels contributed to reaching the goal, but major gifts of \$25,000 or more accounted for more than 80% of the goal. This underscores the importance of lead gifts.

**Gifts by Size**  
Showing how much gifts at each level contributed to the overall total

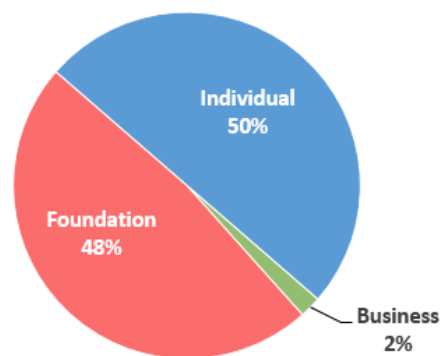


Throughout the campaign, the Foundation reached out to individuals, businesses and foundations, all of which contributed to its success.

**Gifts by Segment**  
Showing the *quantity* of gifts by type of Donor



**Gifts by Segment**  
Showing the *dollar value* of gifts by type of Donor



## Campaign Infrastructure

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Since the Foundation had been fundraising for years, it already had in place much of what was needed to take on a campaign. Nonetheless, capital campaigns are major undertakings that tax and strain an organization's development department; even one that is established, has experienced staff, systems, policies, a communications plan, brand recognition, computers and software and other infrastructure in place. There are a surprising number of details to manage during a major campaign and they often present challenges different from those encountered in annual fundraising efforts.

Recognizing that a functional campaign office is essential to supporting active volunteer fundraisers and ensuring a good rhythm for the campaign, the Foundation objectively reviewed its capacity. It considered its staff, development policies, record keeping, prospect research tools, fundraising software and hardware, office space and more. After evaluating all of its systems and resources, the Foundation made strategic adjustments and was properly prepared for the demands of the campaign that followed.



## Summary

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When Stoughton Hospital decided to renovate and expand its Emergency Department, its Foundation was tasked with raising millions of dollars on an expedited schedule. The Foundation took the appropriate first step of conducting a feasibility study to determine the true potential for the campaign and then, working at the direction of McDonald Schaefer, went on to conduct an energetic and disciplined \$2 million capital campaign on an ambitious 12-month schedule, ultimately raising \$2.4 million (20% over goal)!

The campaign reached and exceeded its goal primarily for three reasons:

1. The Foundation diligently focused on the four fundamentals essential to successful campaigns:
  - a. Campaign Leadership
  - b. Communications
  - c. Major Donors
  - d. Campaign Infrastructure
2. The Foundation ran a well-managed campaign that leveraged personal relationships with a few major donor prospects who cared deeply about the future of health care in Stoughton and had well established relationships with the hospital.
3. Foundation staff and leaders followed the process created in partnership with McDonald Schaefer. They also consistently prioritized the campaign which made week-to-week and month-to-month progress possible. This sustained focus is essential to successful campaigns.

McDonald Schaefer is pleased to have partnered with Stoughton Hospital as Campaign Director on this important campaign and congratulates all those involved on this impressive achievement!



Click here to see a [two-minute video clip](#) of Stoughton Hospital leaders discussing their successful campaign.



For more information or to discuss your fundraising challenges, contact McDonald Schaefer at (414) 272-1835 or visit [mcdonaldschaefers.com](http://mcdonaldschaefers.com).

