



Assessment & Recommendations regarding the COVID-19 pandemic and your capital campaign

March 30, 2020

This post summarizes our assessment of the COVID-19 virus's impact on philanthropy and our client's capital campaigns as well as our recommendations for managing your campaigns during the crisis.

The current situation and the immediate outlook

As you know, the COVID-19 pandemic has rapidly escalated in ways that caught most of the world by surprise. While each day we know more about the risks and consequences of the virus, as well as strategies for containing and mitigating its effects, it seems there is much more to learn in the coming weeks and months.

Both what we already know and what we don't yet know is causing concern, worry and uncertainty throughout our society and donors and potential donors are not exempt. The State of Wisconsin's recent Safer at Home order, which expires April 24, 2020 seems a prudent and necessary measure but also creates challenges for philanthropic activity, where personal relationships are the foundation of all we do.

In terms of its impact on philanthropy, during other past nationwide crises, some donors have been reluctant to make gifts until circumstances around the crisis have stabilized and a recovery plan is better developed and understood.

The short-term outlook

No one knows how long this pandemic will last, but health and behavioral guidelines, along with massive and aggressive actions announced by all levels of our government intend to curb the spread of the virus and limit how long it adversely affects us all. Our collective understanding of the pandemic is growing and there have been several medical and legislative developments lately that would appear to be forming the basis of a recovery plan.

Vaccines are being developed and human testing is underway, all levels of government are mobilizing in unprecedented ways to contain the virus's spread and flu season is winding down, which will likely help tamp down the spread. The largest federal aid package ever developed has been announced. While no one knows for sure how long the virus will disrupt our lives, more often than not we hear about it measured in terms of months and not years.

Philanthropy is generally resilient. If donor responses to past crises are any indication, as the pandemic slows and some sense of normalcy returns to our day to day lives, donors will start giving again. Yes, giving often declines at times of uncertainty but it commonly rebounds as the crisis abates and the long term trendline for charitable giving over the decades continues to rise.

Recommendations for our clients:

1. **Be sensitive to donors** who may themselves be affected or know those who are, such as family, friends, co-workers and neighbors.

2. **Be prepared for a donor to ask, “What affect is this virus having on your organization and your plans and campaign?”** Be candid and transparent, but also careful not to convey too much doom and gloom, unless Covid-19 really will change your plans for the project and campaign for the worse. If it won't, re-affirm to your stakeholders that the virus will not change your vision or plans. Your measured determination to succeed will exude confidence to your donors.
3. **Reexamine your case for support.** Does the pandemic require any adjustments to your appeal for support? In light of the virus, should parts of your case be better emphasized and others deemphasized? Should more relevant topics be added? Should anything be removed?
4. **Focus on the outcomes of your project** and not about how much harder fundraising is now because of the crisis; donors are generally motivated by positivity and tangible outcomes and less about your fundraising challenges.
5. **Stick with timeless fundraising fundamentals.** There are limits to what new and creative approaches can yield, especially if they're at the expense of time-tested, relationship-based fundraising. Remember, major gifts are still the focus for most campaigns; that hasn't changed.
6. **Proactively engage your best prospective donors.** Call them and open a dialogue about their impressions of the pandemic, how they may be personally affected and how it might impact their interest in supporting your campaign or the timing of a gift or pledge.

Some donors will be reluctant to give now while others may still be ready, despite the virus. Respect your donors wishes; while general encouragement of their support is appropriate and responsible, be sensitive and prepared to honor their wishes. A donor's "not right now" might mean a larger gift later because you showed you cared.

7. **Stay in regular personal contact with your largest potential donors going forward.** A study of high net worth American donors by the Center on Philanthropy at Indiana University revealed that the number one reason donors stopped giving to a particular charity was "no longer feeling connected to the organization." Now is not the time to go radio-silent because of Covid-19.
8. **With Social Distancing now the norm, be ready to choose safer channels,** such as the phone and video conferencing (preferable), as well as less personal options like email, texting and social media.
9. **Momentum is crucial for your capital campaign. Consequently, be cautious about slowing down or suspending your campaign.**

To borrow a phrase from Sir Isaac Newton, "An object at rest tends to stay at rest, and an object in motion tends to stay in motion." Your campaign is in motion.

Consider the work you've done to create and sustain the momentum you have, and also how costly it would be to slow or stop it, only to have to re-establish it later.

Although Covid-19 may affect your Schedule of Asks, almost any campaign can achieve continuing progress with ongoing leadership development, donor engagement and communications initiatives so that you're poised to re-ignite gift activity when the pandemic abates.

As always, we appreciate our partnership with you. We have seen national crises like this before and remain optimistic for your campaign and committed to its success!