



ANECDOTES AND ANTIDOTES

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by

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Consultants: Why or Why Not?

This June 2005 marked the completion of my 16th year of consulting with Catholic institutions. As with any “ride,” it has been an interesting 16 years. If someone would have told me twenty years ago that I would have logged over 1,300,000 miles of domestic travel on Delta airlines by the end of 2004, I would have thought they were crazy. But, that’s what my little plastic card from Delta now says. Or, as some of my family and friends say, “When are you ever going to get a life?” But, believe it or not, I love this ministry of Catholic development and stewardship. It is very rewarding, challenging and fulfilling.

One of the parts of this business that I have never been able to understand is why more presidents, pastors, principals, development directors, board members, parish council members, etc. are not able to understand – *for Catholic institutions* – the different kinds of consulting companies. Not all should be thrown into one barrel that says, “Fund-raising firm.” I know I have always cringed when I and our associates at ISPD have been referred to that way. So, the next question that is usually raised when we take this stance is, “So, your company doesn’t raise money for Catholic schools and parishes?”

With over 16 years experience, it is our belief that a Catholic *development* company is vastly different than a *fund-raising* company. Do we raise money? Of course we do; in fact we have raised millions and millions of dollars over the years. Yet, that is not our total focus; that is not our ultimate goal; everything does not have to center around the dollar bill. In our ministry, everything centers around people – engaging people to believe in a vision and a plan, and inviting them to share their many gifts to make that vision come alive. Those “gifts” can be many and varied. Yes, they could be gifts of money, but they could also be gifts of wisdom, of time, of talent, of resources, of relationships, of expertise, of prayer.

The main difference between ISPD and most other consulting firms is that we totally buy into our definition of development: *the meaningful involvement of people in your mission and vision for the future*. Our niche is that we have built our business around establishing partnerships with Catholic parishes and schools where we work with them to engage hundreds and hundreds of people into the life of that institution. We do not see inviting, involving and engaging people as a “smokescreen for money.” We do believe in establishing a strong base of people who can then become the ambassadors for the vision of that parish and/or school.

Recently, I was invited to a board meeting at a Catholic high school to make a presentation on ISPD’s consulting services. Before my presentation, however, there were several agenda items, one of which was a report on the school’s Annual Fund Drive. The chair of the Drive stood up and said, “Well, I’ve got good news. It looks like we are going to end up making our goal again this year by reaching the \$80,000 mark. We still have one more mailing to do, and that should get us over the hump. Thus far we have 347 pledges, and we are at \$63,000.”

Everyone around the table shook their heads in affirmation and commended the chair of the Drive on the success. The chair then made the mistake of turning to me and asking, “Frank, as a fund-raising consultant, how do these numbers sound to you?”

I say “mistake” simply because our barometers for an Annual Fund Drive are not totally centered around money. I know that sounds strange, but please hear me out. So, I asked the question, tongue in cheek, “Do you really want my opinion? ‘Cause you may not like what you hear, simply because we do not consider ourselves as just ‘fund-raising counsel’.”

Most smiled and said they would like to hear what I had to say.

I then said, “Please allow me to ask some questions before I offer my opinion.”

(Listed here are my questions and their answers).

ISPD: “Over the past five years, what has been the dollar goal of your Annual Fund Drive?”

ANSWER: “\$80,000”

ISPD: "Over the past three years, how many donors have you had each year?"

ANSWER: "We always get between 300–350 donors."

ISPD: "Of those donors that you do get each year, how many of them gave the previous year?"

ANSWER: "About 60%–70%"

ISPD: "So, you are losing about 30%-40% of your donors each year?"

ANSWER: "Yes"

ISPD: "What percentage of your 3,000 alumni participates each year?"

ANSWER: "5%-6%"

ISPD: "What percentage of your 550 parents participates each year?"

ANSWER: "25%"

ISPD: "Is anything being done to meaningfully invite, involve and engage 100 new people into the life of the school each year?"

ANSWER: "We invite people to the festival and the dinner auction and send them auction tickets."

ISPD: "Is there a Major Gift Division that seeks financial leadership in the Annual Fund Drive?"

ANSWER: "No"

I went on to say, "Obviously, having only been on your campus for a couple of hours, and listening only to your conversation tonight, it is difficult to comprehensively assess your Annual Fund Drive. However, there are a number of barometers that are important to us at ISPD in terms of measuring an Annual Fund Drive. Here they are:

- We are just as interested in the amount of people who participate as we are in the amount of money raised.
- We measure success by the retention of donors from year to year and the number of new donors year to year.
- We recommend that a Catholic high school Annual Fund Drive retain 90% of their donors from year to year. All development efforts should gear themselves to accomplish that goal.

- We also recommend that a Catholic high school increase their donor base by 20% each year, regardless of the amount of money given by each individual. All development efforts should also gear themselves to accomplish that goal.
- We recommend that a Catholic high school seek to engage 100 new people into the life of the school each year, where those folks feel like this place is “theirs” and any participation in an Annual Fund Drive is something that they want to do, simply because they believe in the vision and the plans for the future.
- We believe in inviting financial leaders to participate in a Major Gift Division (\$1,000+) of the Annual Fund Drive, and we encourage you to set that up as a meaningful “society” with an eventual goal of 100 members each year.
- We recommend that the Annual Fund Drive not become THE “bucket” to dump money into but simply another vehicle that has been established for people to financially participate if they so desire.
- *We believe that the success of your Annual Fund Drive will be in direct relationship to the quality of your development efforts: identifying, informing, inviting and engaging people into the life of your school. All efforts, all energies, all resources should be poured into making development come alive.*

It was probably not what that board wanted to hear that evening, or maybe they were just taken back by this “people approach.”

And so, as you look at those bullet points above you will see that we believe in an Annual Fund Drive, and we do believe in a “Major Gift Division,” but those are “outgrowths” of a strong development effort. Those are vehicles that are created and established. And, we do know that one thing is clear: many *fund-raising companies* go after the money to meet the dollar goal of an Annual Fund Drive, a Capital Campaign, an Endowment Campaign; however, a *Catholic development consulting company* focuses on engaging more and more people into a lifetime of stewardship and gift sharing. There is a major difference.