

## Capital Campaigns: Current Trends in New Zealand

Capital Campaigns are reliant on a clear vision, a mission that meets social needs and a clearly defined project. They focus on a small number of donors, who have the interest and ability to make large gifts. Excellent leadership is required plus a committed group of donor askers. The Campaign is the time when so much preparation comes together. A flaw in the preparation or implementation will reveal itself as a Campaign that fails to achieve its potential.

As fundraising targets get larger, we are seeing larger lead gifts and the proportion of the target that comes from the top ten donors is increasing. Recently I've seen more than 80% of the target come from fewer than ten donors. The interesting thing here, and New Zealanders are only starting to realize it, is that these are gifts can and will be made by individuals – not Trusts and certainly not corporates.

It has been documented that individual giving trends are towards considered giving – not a little for everyone, but increasingly significant gifts which are made to organizations and causes that we believe can change things in our world. This is good news as far as the future of Capital Campaigns is concerned.

We are seeing a growing number of individuals make strategic investments in causes that are important to them. The gifts are not untagged though – they come with the donor's interest and involvement. Stewardship of the gift can no longer be taken lightly.

This onus for making significant gifts is further exacerbated by recent changes in giving by Philanthropic Trusts. The dis-

establishment of Lottery Community Facilities committees will have a major effect on schools, sports groups, arts societies and community groups throughout New Zealand. Lottery Board policy now favours the “little to many” approach to funding and will continue to use its funding in a non-strategic way to bolster the proliferation of small groups, many of which blatantly compete and duplicate services.

An address by Wayne Ward (Community Trust of Canterbury, August 2002) picks up on this very point. “The Community Trust was approached by 190 welfare groups last year, 30 of which rose from the ashes of other groups, each with the same aims and objectives and 20 of which made no apology for setting themselves up because they could access community funding. Seven groups approached because they relied 100% on fundraising and were “going down the gurgler”.”

Extraordinary wealth is now being created in the Gaming Trusts, but few organizations will see any real benefits from this largesse. Once again many organizations receive small donations; but there is no strategic investment in the community. Upcoming legislation will have the effect of increasing transparency and accountability in these Trusts, but I am doubtful that they will fill in the gap created by the withdrawal of Lottery Community Facilities funding.

Schools will continue to need increasingly large amounts of capital development – pools, auditoria, music suites, gymnasias ... the list goes on. Where they are state and integrated schools there will be greater difficulty in raising capital funds. The

Ministry of Education Financial Assistance Scheme is gone, Lottery Community Facilities is gone and the MOE has now made it virtually impossible for the Board of Trustees to employ an ethical fundraiser. This makes it very difficult for a school to run a successful Capital Campaign - these two funding sources provided a multiplier effect in the past as they encouraged large, personal gifts, early in the Appeal to then support applications to the relevant bodies.

The final trend, which will impact on the future of Capital Campaigns, is the role of volunteerism in New Zealand. We are certainly seeing a lot more "self-ism". Broadly speaking, there is an increasing

expectation that it is the government's role to provide our social services, our recreation, our civic amenities, our education, and our healthcare. Not for profits are often trapped in government contracts to provide the services the government prescribes at the cheapest possible price. This is contradictory to the role of the third sector in a civil society. Not for profits are intended to be the pioneers, not the maintainers of government policy. This mentality comes to the fore when people are asked to give, to work and to lead on a Capital Campaign. Everyone wants the result; they just want someone else to produce it for them! This mentality, if not curbed, will cause massive future change to the third sector.

© Lisa Wells Fundraising Ltd

Published in Fundraising in New Zealand, Vol 11, December, 2002