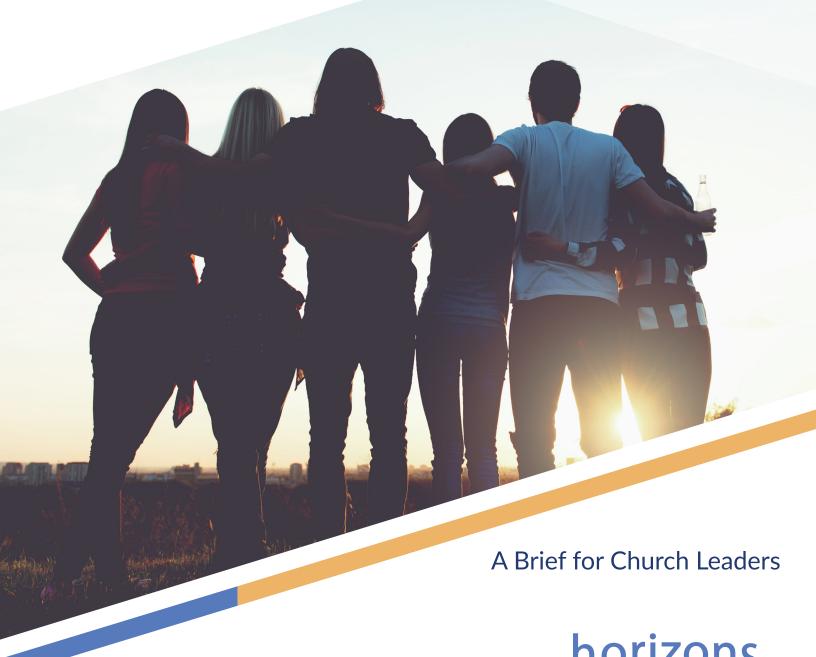
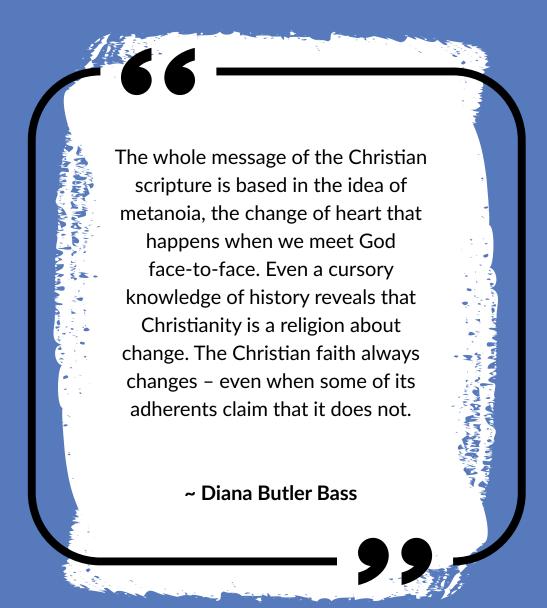
## 4 Nays Your Next Capital Campaign Will Be Different











### **Rethink and Reimagine Generosity**

It is safe to say that almost nothing is as it was.

While the Church has not been known for its adaptability (quite the opposite!), as author Diana Butler Bass suggests, "Christianity is a religion about change." If we are to thrive in today's transformed world, the church will need to change along with it. This is especially true in the area of raising resources for capital projects.

Horizons Stewardship has worked with tens of thousands of churches over the last 30 years. In most cases, when a church engages Horizons to guide them, the underlying issues driving the current state of ministry funding are both identifiable and predictable. We often hear from leaders that they had concerns but were unsure how to voice them or even know if their concerns were warranted.

This is not the time to remain silent or hold back. We are seeing churches successfully lead capital efforts. But they look, feel, and are structured differently.

This brief outlines key changes that will impact your next capital campaign. Then consider how Horizons will help you navigate the changes, fund more ministry, and grow more disciples.

We are better together.



# But What Has Changed Exactly?





### **Change #1: Engagement Matters More Than Ever**

Key Takeaway: Your next successful campaign will be different because of the changes required to measure and grow engagement beyond in-person worship and giving.

Once upon a time, churches had the luxury of speaking to a large percentage of their supporters each week during in-person worship. Prior to the pandemic, the percentage of people attending worship had fallen to the point that most churches considered someone "active" if they attended just once every three weeks.

Now, in our post-pandemic world, most churches are finding an acceleration of this trend. Growing churches have made a commitment to adapt rather than wait for things to "return to the way they were" and have learned to measure engagement based on participation in small groups, serving, giving, and worship in all their forms (in-person, online, in-home and ondemand). These churches are experimenting and adapting, increasing their investment where outcomes are most fruitful and limiting resources where they are not.

Churches that have failed to establish good systems to measure engagement beyond weekly in-person worship attendance, are struggling to assess "Who is still with us? And who is not?"

A Horizons client studied the relationship between households that attended worship (inperson or online) at least once per month and their giving. They found that households who attended worship 1-2 times per month but did not participate in a small group/Sunday School or a serving ministry, gave just 29 percent of those with active participation in a small group/Sunday School or serving ministry.

One of the first steps in preparing for a successful capital campaign is to accurately assess the engagement of members and regular attendees. Doing so creates an accurate picture of your current reality and enables you to establish realistic campaign objectives and the strategies necessary to achieve your goals.

Regardless of your starting point, ensuring a successful campaign ideally begins with a skillfully crafted pre-campaign development plan in advance of a feasibility-readiness study. A pre-campaign development plan should include strategies tailored to the unique ways in which





people express their relationships with the church. In-person worship attendance and giving records are inadequate to fully convey how each household views its relationship with the church. Ultimately, a successful capital campaign will require an in-depth understanding of member engagement and unique strategies for informing, inspiring, and inviting people to participate.

### Change #2: Attention Is Up For Grabs

Key Takeaway: Your next successful capital campaign will be different because it will require a more robust communication strategy that cuts through all the other noise.

Another change that has occurred is the increasing amount of noise and distractions that make it much more difficult to gain the attention of your members and regular attendees. People are overwhelmed with emails, text messages, and other communication. Routinely we hear church leaders express their exhaustion from trying to speak over the barrage of competing communiques from schools, work, and other organizations.

A successful capital campaign requires you to capture the donor's attention and inspire them with your vision. The old method of sharing the vision for the project through a few weeks of sermons and mailing out a few well-crafted letters is no longer sufficient to inform or inspire your donors.

In your next successful campaign, all forms of communication will need to be thoughtfully crafted with the needs, motivations, and engagement levels of your donors in mind. New and creative strategies using multiple forms of media, will be necessary to capture your donor's attention.

ost With the vast array of communication channels available, most people today are choosing to focus on one or two primary means of receiving information and largely ignoring the rest. Understanding your members' preferences for communication allows you to fully engage them in the spiritual discernment necessary to align their gifts with God's desires.

The good news is that, even in the midst of the pandemic and throughout these times of





economic uncertainties, Horizons has continued to guide our clients through successful capital campaigns. Having a clear and compelling vision and an effective communication strategy to invite people to join in what God is doing through your church is far more crucial in determining a successful outcome than the economy.

### Change #3: Fewer Donors Are Giving More

Key Takeaway: Your next capital successful campaign will depend on fewer people making larger contributions than in past campaigns.

There are indeed fewer people contributing to churches and other nonprofits. You may have experienced a decline in the percentage of your giving households as well. In most churches, about 50% of contributing households give less than \$200 annually and comprise less than 5 percent of total giving.

With the surge in the number of 501(c)3 nonprofits, it is not surprising that your most invested contributors also give, on average, to eight or nine other charitable causes. . d The church increasingly finds itself falling further from the top of the charitable list. Your next capital campaign will look different because fewer people are contributing to an increasing number of philanthropic causes impacting the number and size of gifts you will need to be successful. Many are familiar with the giving Illustration that demonstrates the number and size of contributions needed to reach a specific goal. The basis for these illustrations rests on learnings from successful campaigns of churches with similar characteristics. A clear pattern is emerging in churches and faith-based non-profits doing capital campaigns. There is an increasing dependence on the top ten to fifteen gifts needed to successfully meet your goal.

It is not hyperbole to suggest that lead gift cultivation has become absolutely essential to achieving success. Knowing the capacity, propensity and interest levels of your donors is critical. Keep in mind that donors possessing all three characteristics are also being solicited by multiple non-profit organizations, most of which are using publicly available data to supplement what they already know to develop key strategies for cultivation.

For churches and faith-based nonprofits who want to explore the power of donor analytics,





Horizons offers guidance on the use of analytical software, including a CPI (Capacity, Propensity, and Interest) assessment. A CPI assessment can help you identify those in your congregation who may be most open to making a lead gift.

### **Change #4: Donor Relationships are Essential**

Key Takeaway: Your next successful capital campaign will be different because you will have spent time developing authentic and important relationships with those in your congregation who have the interest and ability to fund your important project.

There are several realities driving churches to re-evaluate the importance of purposefully cultivating donor relationships.

- Intense competition for charitable dollars means your donors have more options than ever to contribute to organizations making a difference in the world. They also have more organizations skillfully vying for their giving. Having a personal relationship with someone in the organization has always been a key motivating factor for donors. Cultivating personal and authentic relationships takes time, and intentionality, and needs to occur far ahead of the invitation to make a commitment to the campaign. The pre-campaign development process is an essential tool to engage prospective lead gift donors early and obtain their buy-in and support.
- The Builder Generation (now 78 and older) was known for its institutional loyalty. The generations that succeeded them exhibit less institutional loyalty and therefore, require your time and attention to capture their hearts, minds, and financial support. Communication strategies need to focus on the impact the project will have on people's lives rather than the institutional needs of the church. Younger donors require the opportunity to become personally involved in the project, offering their wisdom and ideas along the way. The pre-campaign development process invites your donors to learn about your plans, ask questions, and provide feedback before you ask for their support.





• Last, if your church capital campaign seeks to raise funds for facilities maintenance and debt elimination, you may want to consider adding another project to the list. Projects that include something outside the scope of maintenance and debt can help attract younger and less engaged donors when communicated properly. Of course, it is always wise to test for support through pre-campaign development and a feasibility-readiness study.

The time to begin developing relationships with donors is not when a capital campaign is starting but long before. Investing in a well-designed pre-campaign development process can accelerate the relationship-building process and result in higher gift indications in your feasibility-readiness study.

Your ministry is urgently necessary to bring the Good News to a hurting world. Your next successful capital campaign will benefit greatly from intentional relationship building before extending an invitation to give.







### So What, Now What?

Researcher George Barna said, "continuing to raise funds the same way they always do – generic pledging campaigns, asking people to pray about giving, talking about people's responsibility for funding the operations and programs of the church – will simply generate the same lukewarm response from congregants...It's a highly competitive market for funds, with more than one and a half million non-profit organizations vying for donor dollars. The organizations that will do well in this area understand why they exist and how to motivate donors to get on board with a distinctive and impactful activity that stimulates people to give beyond the normal one or two percent that is given without much thought or sacrifice."

The landscape has changed, and the church must change. If you are considering a capital campaign for your church, it is important to understand the changes that have occurred and are still occurring. What you've done before simply will not give you the same results. The good news is what is working is not a secret and those who embrace these adaptive responses are seeing the fruits of their labor.

Given the rapidly changing conditions, now is the time to look at your church's financial health. Doing so will allow you to plan and adjust accordingly. In short, it could spur fresh ideas and deliver a new path for a bold future.

Before launching your next capital campaign, invite Horizons Stewardship to share with you how best to navigate these new waters.





### **About the Author**



Kristine Miller, CFRE
Partner and Executive Vice President

As a veteran generosity coach, Kristine believes generosity is key to enjoying a deeper and more meaningful relationship with God.

Kristine is a book author, keynote speaker, and workshop leader at stewardship conferences and other leadership events. She did her undergraduate work in Business Administration at The Ohio State University and received her M.B.A. from Northern Illinois University. Kristine has also held a C.F.R.E. (Certified Fundraising Executive) credential since 2007.

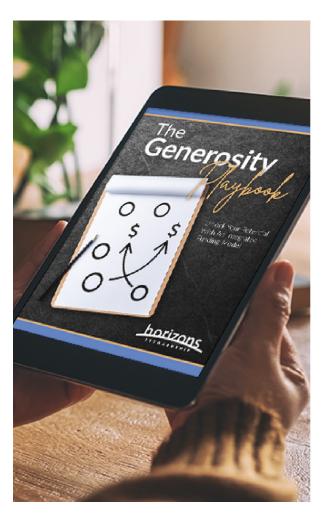
Kristine traveled extensively in Asia while living in Singapore and enjoys cooking Asian food. She and her husband live in Clarkston, Michigan.

### **About Horizons**

Horizons Stewardship helps church and faith-based nonprofit leaders grow disciples and fund ministry through a collaborative framework that is tailored to the unique culture of the church, aligned with leadership's vision, and implemented through coaching, planning, technology, and analytics to ensure the church lives into its full ministry potential and impact.

After more than three decades of working with thousands of churches to raise billions of dollars for ministry projects, Horizons has refined a deeply integrated, spiritually-focused approach that consistently results in more ministry funding and more effective disciple-making strategies.

Horizons' ministry team of International Coaching Federation (ICF) trained coaches are ready to help you discover a proven, effective process that will empower you to move forward with clarity and confidence. On average, churches that partner with Horizons experience a double-digit increase in giving within the first twelve months.



## Minimize Risk, Maximize Impact, and Unleash Ministry Potential

Funding ministry in today's reality requires an integrated funding strategy that ensures you minimize risk while maximizing impact.

Our specialty is creating an **integrated**, measurable strategy that fits your ministry's needs. On average, Horizons' clients experience a double-digit increase in giving commitments within the first year.

### **The Generosity Playbook**

- Integrated Funding Strategy: A roadmap for ministry funding, identifying opportunities for expansion and improvement
- Data-Driven Assessments: Actionable insights for more informed decisions
- Guided Planning: Align leadership and eliminate risk for any expansion initiative
- Campaign Strategy & Implementation: A trusted guide to lead you through every step

Your success is our purpose.
We're committed to giving you
the tools, knowledge, and
support to reach your ministry
goals to make an even bigger
impact in your community.



**The Generosity Playbook** 





