Andrew Olsen: Good afternoon. This is Andrew Olsen, host to the Rainmaker Fundraising Podcast, and I am thrilled today to have my good friend John Kozyra with me. John is chief philanthropy officer at St. Mary Medical Center, which is a member of the Providence Health System. And John is also a contributing author to my most recent book, 101 Biggest Mistakes Nonprofits Make and How You Can Avoid Them.

 John is here to talk to us today particularly about capital campaigns. So, John, welcome to the show.

John Kozyra: Hey. Thanks Andrew. Such a pleasure to spend some time with you.

Andrew Olsen: Dude, I'm really excited for this conversation. So, just for all of our listeners, John and I go way back. I don't know exactly how many years, but he and I worked together on the food bank fundraising team at the Russ Reid Company, back when that agency was around, and have grown up in the industry together.

 John, in addition to being the chief philanthropy officer at St. Mary Medical, he's held senior level consulting roles at CCS Fundraising and at Changing Our World, and then was also a frontline fundraiser at St. Mary's Food Bank in Phoenix.

 So, John, I'm curious, does every nonprofit you work for have to have St. Mary's in the title?

John Kozyra: It's funny you say that. I jokingly tell people that she's my patron saint. I guess only in Catholic fundraising you can get away with that joke, but yeah, that's just where I've landed is St. Mary's. She tends to follow me. She was a good lady you know?

Andrew Olsen: That's awesome. Again, thanks for being here. I want to talk about two things. I want to get into some of the big campaign mistakes that you outline in your chapter of the book, but before I do that I want to create a little bit of space for us to talk and for you to share a little bit about your career progression because I think it will be interesting for our listeners, given that you've worked really in many different facets of the nonprofit sector, both on the nonprofit side and as a consultant.

 So, tell us just a little bit about how you approach your career, and what some of the highlights and biggest learnings have been for you.

John Kozyra: Absolutely. Happy to. And it's interesting because I've had sort of a non-traditional fundraising career path. If you remember, you and I Russ Reid in, I think I started there in 2010, so it's coming up on, well, it's 10 years ago now, and that was my first taste of fundraising, and that's where I really learned what annual fundraising was about, that's where I learned what digital fundraising was about, direct response, and it gave me a lot of the science of that.

 And I'd be remiss, at every stage of my career I've had really good teachers and really good leaders, and as I think back to Russ Reid I think back to you Andrew as someone I learned a lot from, and I also think of Derrick Torry as someone that was just a real good teacher, and gave me a lot of tools and resources.

 And so, when Lisa Notaro at St. Mary's Food Bank Alliance called me and said "Hey, do you want to come basically lead our annual fund?" It was the second largest food bank in the country, this kind of thing. I said "Sure." And I felt fairly equipped from Russ Reid to do that, and Lisa being the leader she is, and she's ambitious, she's energetic, she really gave me a lot of autonomy to test and try things at St. Mary's Food Bank.

 And it was interesting because when I got there Lisa had just got there six months prior and they were a program that was struggling to raise $12 million and they had a little bit of an old school, dysfunctional fundraising program. And so, we really revamped to be more of an integrated fundraising program, and I learned a lot there about how to leverage PR strategies to drive direct response fundraising results.

 And so, when I left they were up to raising over 14 million a year, and I just talked with Lisa last week and they are on track to raise $20 million this year, which is unbelievable in terms of their fundraising revenue.

 And so, but when I was at St. Mary's I was there for about two and a half years. We had a lot of success, and loved it, and that shift from theory at Russ Reid where I learned best practice, to then practice and having a leader like Lisa who believed in me, who trusted me, and who kind of gave me free reign to do a lot of good things with her at the program, in the program.

 But when I was there I realized I haven't done a lot of major gifts work, and I knew that that would be a gap if I wanted to grow in fundraising. And so, funnily enough that's when you Andrew reached out and said "Hey, there's this organization called Changing Our World. They're launching a major campaign in St. Louis. Are you interested?" And me being young and uncommitted at that point. I didn't have kids, or a wife yet, or anything, I said "Sure."

 And so, I uprooted myself from Scottsdale, Arizona in January to move to St. Louis, Missouri in the middle of winter, and that was debatable if that was a smart decision or not.

 But I was there in St. Louis for a year and a half. We led a $110 million, successful $110 million campaign for the Archdiocese of St. Louis where we created a massive endowment that would support Catholic education really for generations to come. The Catholic schools, they were struggling to stay afloat. Their prices were going up, their attendance was going down, and this the Archbishop thought would be a good way of offsetting their experiences and providing grants for them to keep them afloat.

 And again, I had some really good teachers there. Two people that I worked with that really taught me the ropes of major gift, campaign fundraising were a guy named Jim Kopp, who is now at another direct response agency, and another guy named Fred Roberts who has been in parish and diocese fundraising world for over 20 years.

 While I was in St. Louis, funnily enough, I reconnected with my high school girlfriend Lauren. We had been apart for 18, almost 20 years at that point, and I had this opportunity with CCS Fundraising to move back to California, and I took it because I wanted to be near Lauren, she lived in California, and soon after I got back we got married, and the rest is history and we have a baby and all of that.

 But I carried on the consulting role at CCS, and the unique thing about my time there, CCS to me is one of the best shops in the business. They're very aggressive, they always hit their numbers. Missing goal is not an option at CCS. They are intense.

 When I was there though I got a broad exposure. I worked with symphonies, I worked with social service organizations, museums, but really the big thing that I worked with was Catholic healthcare organizations, and the Dignity Health and Providence Health Systems, and that's where I really found my love for what I'm doing now in Catholic healthcare.

 I'd be remiss though, at CCS my best teacher and mentor, it was my boss, Chris [Looney 00:07:09], and Chris is just second to none. He is a top notch, major gift fundraiser and consultant, and I have a lot of my success in fundraising in terms of major gifts to credit to him because he really taught me how to drive results on major campaigns, and so I have to give him a lot of credit.

 But that time at CCS is what prepared me to take my current position, which is leading a foundation for a Catholic hospital, and here, once again kind of like Lisa back at St. Mary's Food Bank I am blessed with a leader and a boss who believes in me, who advocates for me, and who trusts me. Her name is [Kenya Beckland 00:07:51]. She's our regional chief philanthropy officer. She came to us from Hogue Hospital, which is a major fundraising shop in southern California.

Andrew Olsen: Sure.

John Kozyra: And with her we were able to, my first full year on the job was 2019, and we were able to drive results really well. We finished the year 14% over goal, and that really was a result of major gifts and planned gifts.

 And so, I think I wanted to share that because it's sort of a non-traditional path where I went from theory in agency or consultancies, to practice, and was able to make that leap and apply what I learned in the best practice world, and I imagine there's a lot of folks that work in fundraising that think "Well, what would it look like if I worked in consulting?" And I would say do it because all you have is to gain in terms of best practices, building your network of partners in the industry, as well as learning different sectors of the industry. Had I not worked in consulting I would not have landed in Catholic healthcare.

 But the message I wanted to share is that any good ideas that I have in my chapter in the book, or any good ideas I share on this podcast really probably came from one of those people I mentioned. I really stand on the shoulders of all my teachers, and leaders, and mentors because that's how you grow in this career. In a way it's a mentorship based career because there's not a textbook really for fundraising. You've got to learn how to navigate the dynamics of this very complex field.

Andrew Olsen: Yeah.

John Kozyra: I hope that helps. I hope that's valuably for your lessons because it is a non-traditional path.

Andrew Olsen: Yeah. I apologize. I cut you off for a second, but I'm right there with you on that. I think this is so much more of an apprenticeship driven field than a certification field if you will, and I think if we're all in this industry being honest about it, none of us started as experts. We all learned, and grew our way in through being mentored by other people who are smarter than you. So, I think it's really valuable.

 I'm curious to know form your perspective what's... Oftentimes I hear people say, consultants say things like, "Well, I wouldn't want to work inside a nonprofit because it has all these problems." And this and that. And I think the consulting world, I too have been on both sides of this fence. The consulting world has its own problems.

 But I'm curious to know what the one or two biggest learnings you might be able to point to on each side of the spectrum, from inside the client organization and from a consulting perspective.

John Kozyra: Sure.

Andrew Olsen: What are the things that [crosstalk 00:10:30] you most, or you feel like improved most across them?

John Kozyra: Yeah. So, I'll start with consulting, and forgive me, I'm going to share a couple more than two, but I have three or four things that I'll share on the consulting side. So, the really fun, intense part of consulting is that your client is in one of their most transformational moments of their history right? They're making this investment in a firm, and you're expected to show up and drive results for them.

 And so, with that I love the fact that there was this clear mission and metrics of success right? You're being hired, you're being contracted, and your job is to drive results. And so, my biggest learning in that environment was the level of activity in terms of donor relationship activity needed for success is so much higher than most fundraising shops realize.

 We at CCS typically operated on a three to one ratio, meaning you need to make three asks for three times the amount of money you want to raise per dollar. So, if you want to raise a million dollars, you need to ask for at least three, and you need to approach at least three times as many donors as you think you do essentially.

 And so, the level of intensity, and focus, and activity is so much higher, and I wouldn't have understood that had I not worked in consulting. And so, I would say that was a major takeaway.

 I think the second major takeaway was there was a phased approach to the way consultants approach fundraising. And so, when you're in an annual fund, you're in house, you're focused on all your donors at all times, in consulting it's "Okay, who are our best prospects and let's go to them first. Let's separate that out and do research on our next pool of prospects we're going to go to." And then there's a much more strategic approach of how you work through a donor pipeline. So, those are major learnings.

 The con of consulting for me, and this is something that everybody either enjoys or doesn't enjoy. I didn't enjoy it, which is why I ended up leaving consulting, but I felt at the end of the day I wasn't doing something that was authentically mine. So, you consult, you provide guidance, you provide advice, you hold clients accountable, you drive results, but at the end of the day it's that organizations and that clients success, transformational project.

 And so, for me I wanted to feel like I was contributing something good to the world, and consulting was a way to do that, but it wasn't completely there for me. And so, when I decided to come in house that was the driving force for me to want to work in house.

 And so, I'll switch now to working in house unless you have more questions on the consulting side?

Andrew Olsen: No. Go for it.

John Kozyra: Okay. Cool. So, moving in house, leading a foundation, I was fortunate that I was given a great team. I have five people on my team. I was given a very dedicated board. And so, getting to build, and cultivate, and strengthen my team and my board, that provides me just a lot of satisfaction, and that was actually surprising. It's funny because I've managed teams in the past, I've worked with different organizations in the past, but I've really come into my own, and I think part of it's because I also became a parent six years ago. I think there's something to that where you turn a corner in your own human growth and development.

 I think for me I love the part of shaping the vision for our fundraising. I also sit on the hospitals executive leadership team so I get to contribute in some ways to vision for the hospital strategy and where we're headed, which is really great.

 I think the biggest learning though in house is how do you create a clear call to action. When you come in as a consultant the organization and their board has already decided that the investment made sense because we have this big project that we needed to take on, but when you're in house that may or may not be the case right? There might be things we need to fundraise for, there might be things where you don't need to fundraise for.

 And so, for me in terms of developing a case for support that's always front of mind. What are we raising money for? What's the rationale? And who are the donors that might have inclination to support this? But it's not a given. It's not always there for you. That's the fundraising teams job to work on that, develop that narrative, and drive that forward.

Andrew Olsen: That's good stuff. That makes good sense. Thank you for sharing that.

John Kozyra: I hope so.

Andrew Olsen: Yeah. So, let's jump into some of the content from your chapter from the book. So, you wrote a chapter on some of the biggest mistakes that are made with effective capital aides, and I'm curious, one of the things you talked about was campaign readiness and preparing for a campaign. So, I would love for you to talk about why that's so important, and then as a part of that or in addition to, I wanted to talk about the downside risk of not doing a feasibility study before reaching out.

John Kozyra: Okay. Yeah. So, we'll take this in phases here. In the chapter I gave a big list of common mistakes, and as I was going through the list it dawned on me that most of the things that I was facing that were challenges or barriers, and I've lead about 20 capital campaigns and most of the time you're dealing with various elements of just not being ready for the effort. And all of my consulting friends are going to shoot me when they hear me say this, but consultants will not tell you that you're not ready. They'll only tell you what you can do and how to do it right? Their job is not to say "Hey Andrew, your organization is not ready to go about this." Their job is to say, "Well, here's what we think you could do, and here's how we would go about doing it."

 And so, when I was writing this I thought "Well, I really need to call out some of the aspects that people should be thinking about as they envision some sort of campaign in their future." And I even, funny enough, in the book, it's hard to read because it's a small chart, but I even put in my own nine year, or eight year vision for how I would lead my own foundation through a campaign because, hey, that's how I'm thinking and I figured I might as well share that.

 And so, to me the biggest issue with campaigns is that people simply aren't ready. Maybe they're rushing into the process. It's somewhat typical, and I don't know if you've ever worked with organizations like this, but when the board and the executive team have conversations and then turn around and say "Hey, fundraising team now it's your turn. Go raise the money for what we just agreed to." That's a little backwards right?

Andrew Olsen: Yep.

John Kozyra: And that doesn't typically lead to success because you've bypassed all of the buy in, all of the planning, all the relationship development part of getting ready for a campaign. So, rushing in is really a bad idea, and so fundraising needs to be in from the beginning.

 The other thing I see a lot of organizations struggle with is they're not maintaining relationships with high level folks in the community. And so, when you go to look for people that could be volunteer leaders on a campaign they're just not there, and I've worked on a number of campaigns where you end up having this band of the willing of people that volunteer to work on the campaign, which the number one challenge of a campaign is having access to your best prospects. Well, the way you get access is through relationships, and so if you don't have a campaign committee or cabinet that can really give you access then you're already a leg down at the start of it.

 I think the other thing is being prepared for the high level of activity. I've already mentioned that earlier, but I think a lot of organizations aren't ready for the staffing, and the time commitment, and the resources necessary to drive success. And so, that's something that I think really needs to be given a lot of thought.

 And then, well, I'll just kind of dive into this. In the fund raiser consulting world if you talk to any consultant they're going to tell you there's four ingredients, if you will, of a successful campaign. A really strong, compelling case for support. Engaged, high level, strong leaders. A really robust pipeline of prospects. And a plan that's reasonably ambitious, but also realistic given staffing and other constraints in the organization.

 And so, I think it might be helpful just to talk through those. I fleshed out some questions that listeners might reflect on if they're thinking about a campaign. And so I don't know if that would be helpful, but I can kind of go through those and explain my thoughts there.

Andrew Olsen: Yeah, let's do it.

John Kozyra: Yeah. Okay. Cool. The case for support is the core narrative of what you're trying to raise money for. It's kind of like if you think of yourself as a lawyer you're making a case, so import this. "Why should I make this a priority?" And so, some of the questions that I ponder when I'm looking at a campaign is, one, is the case for support compelling? Is it inspiring? And is it aspirational? Is the organization and board aligned on the plan? I can't tell you how often they're not when you start a campaign.

 And then the last one, and this is very important, is do your donors in the community see this plan as a critical need for your community? And again, a lot of times organizations haven't done that sort of development work, that awareness work, that relational work in the community to where people understand the why of this campaign.

 And so, before you even do a feasibility study it's helpful to have clarity on some of those things around the case for support. The second area is leadership.

Andrew Olsen: So, let me stop you there for a second John.

John Kozyra: Yeah, go ahead.

Andrew Olsen: How do you test that in the market then? That sounds to me like a lot of the leg work that happens in a feasibility study where you're out presenting that case to potential donors and asking for feedback, but do you see a different way to market test that? To validate that the community feels like that's a viable and necessary endeavor?

John Kozyra: So, I do that fairly informally. So, for example, in my current community the community really wants a trauma center. We're not ready to move forward on building a trauma center at this point in time. It doesn't mean it's not in the future, but it's just not what we're going to do now. And there's other fundraising things that we would like to apply ourselves.

 And so, what I do is I kind of keep a list in my back pocket of things that I'm looking at, that I'm thinking about, and when I'm just having lunch with a board member, or out at a rotary club meeting, or presenting at a chamber of commerce I'll just kind of float things, kind of in casual conversation, and just see how people respond to it right? So, if you go out into the community and you say "Hey, we're looking at building a new theater." For example. And everyone you mention that to says "But the college down the road has a theater. That sounds ridiculous." Then that might not be feasible idea right? It's kind of simple.

 But I think having the vision and maybe a list of things that you might want to do in the future, and just floating those ideas, that would be how I'd do it, and that's how I'm doing it right now with some of our upcoming fundraising priorities.

Andrew Olsen: Okay.

John Kozyra: And the other thing that that gives me is the way people respond will tell me what matters to them, what's their motivations, what do they not like about the plan that I need to count as a barrier or a challenge that I'll have to overcome. So, that's one way.

 I think working with boards as community representatives is important. But that's how I would do it. I don't think at this stage, before a feasibility study, I don't think you want to have a formal assessment. I think that might be putting the cart before the horse, so to speak, but it is worthwhile to have a list in your back pocket.

Andrew Olsen: Cool. All right. Now, you were just about to talk about leadership before I asked that question so go ahead and jump into that.

John Kozyra: So, in the chapter I talked about how when it comes to leadership there's this sort of magic if you can get one of your best donors to be one of your first leaders on a campaign your chances of success, I haven't done the research, but they're probably 100 times higher. Just astronomically higher, and for a lot of reasons.

 One, that person probably hangs out with people that can give similar amounts. So, all of a sudden you have a group of early investors in your campaign. I sit on the board for a YMCA, and we recently had a need for $1.3 million for some construction at the Y, and one of our board members got six of his friends together, and talked to them about it, and in about an hour they had contributed $700,000 towards the effort.

Andrew Olsen: Wow.

John Kozyra: That's a lot better fundraising in this environment than going one $5,000 donor at a time right? And so, if you can focus on getting leaders that are your best donors, what I might call your early investors in the campaign, it just builds momentum, builds credibility. So, the questions that I thought might be worth considering is do you have major donor prospects on your board, or in your close circle of friends that would be willing to lead the first portion of the effort? But it needs to be your best donors.

 Is your board willing to do more than merely approve the campaign? I can't tell you how often boards will say "All right. Let's do this campaign, let's do this project." And when you go ask them to help in any way there's crickets in the room. And so, I think there's work that needs to be done there before you even think about a campaign to make sure your board feels ready in terms of their involvement.

 And then I think having some peripheral vision to are there other leaders in the community that are ready and willing to be engaged in the first phase? I think that the first three to six months of a campaign effort are the most critical. That's when you get your biggest gifts, that's when you build your momentum, and that's the biggest predictor of success. And so, I think rushing into a campaign with poor leaders, I shouldn't say poor, but ineffective leaders, would be one of the major mistakes that we want to avoid in a campaign.

Andrew Olsen: So, let me ask you this. I talk to a lot of organizations who say some flavor of "Well, we're not really engaging volunteer leaders in this because we had a bad experience before with a volunteer who took us in the wrong direction or didn't take direction well and wasn't collaborative, so we're just going to do it on our own with our fundraising staff." Now, I have a perspective on that, I think you probably share that perspective, but how much more difficult do you see that it is for paid fundraisers to carry the load on this with respect to engaging the community if they don't have those high level volunteers in place?

John Kozyra: Generally speaking, unless you're a major university, but even at a major university they'll have boards built out of very high level donors. Your chances of success in that kind of campaign are slim to the none. I hate to sound dire, but I think that having a very strong volunteer core group who have all made their own major gifts to the campaign and are providing access to other donors in the community to influence them to give it that level.

 I think of a recent campaign where I had one of our first donors gave a half million dollar gift, and he worked with a guy that we knew had capacity to do significant amounts of giving to the campaign, yet this individual had said "I'm not going to be supporting this campaign this year. I have all of these other priorities." And so, after we got that initial half million dollar gift we talked with him and said "Will you go to this other person with us and talk to them about a gift?" And all of a sudden we had another quarter of a million dollar gift because like hang with like typically in social circles, and so the level of influence you get when you have some of your major donors involved as volunteer leaders on a campaign, you just can't do that internally in house.

 People look at the chief philanthropy officer as the, I think Lisa Notaro said "That's the head mooch." And so, they're not looking at me as somebody that can influence them to do that kind of giving. I can get good gifts, but I don't think that I have the ability to get the biggest gifts.

Andrew Olsen: Yep.

John Kozyra: So, I think volunteer leaders, if you don't get a core group of good volunteer leaders who are also good donors your chances of success, again, are jeopardized. Can you pull it off? Maybe, but if you want to be ready then you want to have that core group in place and have it be really strong.

Andrew Olsen: Yeah. I figured you were going to say that, and I don't know if you know Lisa Wolf over at Westfall Gold, but I had her on the show a couple of weeks ago and one of the things she shared with me is they only work with ultra high net worth individuals and families, and she said that in their research something like 94, 95% of high net worth individuals said that if someone they knew and trusted asked them or recommended to them to give to a particular initiative they would seriously consider it, and I think a percentage like that is off the charts high and something the entire industry needs to take note of. That level of influence with people who are not paid to be asking is really important.

John Kozyra: Yeah. I mean, think about it, it's something you're doing with a friend to create change in your community all of a sudden right? It's a different thought process, versus "Okay, John's bugging me for my annual gift. I'm going to give him something to make him go away." It's a different type of thought process when you get that magic of the major donor volunteer leader with your major donor prospects. There's just magic that happens there that staff can't create.

 So, yeah, so I think it's critical to have a really strong committee in place.

Andrew Olsen: Yeah.

John Kozyra: So, the next area are around prospects, and kind of tying back to the level of activity necessary for campaign success, you really need to think about do we have the pipeline, and this might take some wealth screenings, some other analysis. And I'm sure you guys at Newport ONE do a lot of this work, but really digging into what does our current database look like, and what does it need to look like for success.

 And so, a few questions that I think about is, one, do you have a broad base of support and are there hidden goldmines within that that need to be worked on in terms of giving capacity?

 Two is do you have well cultivated major donor relationships? Again, I can't tell you how often campaigns get launched and you try to get ahold of some of their major donors and they're not returning your call, they're not involved, they're not engaged, and you're thinking "Well, it would have been nice to do 12 months of relationship work before we started this campaign to get ready for that."

 Three, do you have access to major prospects in your market or in your network of relationships? So, who are those folks that are two or three relational rings removed from you that you know you have access to when the time is right for the right campaign.

 And then who can you involve, this is from a prospect standpoint, especially a major gift prospect standpoint. Who can you involve very early in the planning process to cultivate their interest in making a gift? And so, I usually have a campaign planning committee, usually put together a team that oversees the feasibility study, and this is a way to start involving those major prospects and potential leaders early on so that they get fully bought in and that they'll be ready to be your first donors, or what I might call your early investors in this effort.

Andrew Olsen: So, I want to stop you there because I think this is a critical piece that so many organizations miss. I can't tell you how many conversations I've been in where an organization says "Yeah, yeah. We're not really going to go into the community for this campaign. We're planning to launch and close this campaign on just a couple dozen existing donor relationships." Rather than using this as an opportunity to go out and acquire major donor partners, investors as you said, which is just shocking to me because there's no other way that I can think of that in a concerted manner in a brief period of time an organization can build relationships with high net worth investors in the community. Certainly you can't do it through direct mail, or online, or anything like that.

 I'd love your thought on this way of thinking that organizations don't want to use, or are afraid or concerned to use a campaign as a means for high dollar donor acquisition.

John Kozyra: Yeah. It's unfortunate that that line of thinking is out there because my biggest fear, so just when I think about my current fundraising program, my biggest fear is that we launch a campaign, I go talk to all of our existing donors, and I get them to make pledges, and then in three years I have no donors because they're all paying pledges. That's my biggest fear right? And now that it's out there I hope it doesn't come true, but if I have something that keeps me up at night it's that we maximize the potential and then we have no donors. Will it happen? No. Not everybody will support every campaign, but it's a fear that I think is realistic.

 So, I was talking recently with the chief development officer of a major children's hospital foundation who is moving into a $250 million comprehensive campaign, and we were just kind of talking about it, and I said "How are you feeling about it?" And it's ambitious. A quarter of a billion dollars. That's a lot of money. And he said "I hate campaigns because it kind of creates this artificial moment in time to maybe raise a little more money than you would otherwise." And he said "My goal is that this campaign builds our infrastructure and elevates our fundraising indefinitely." And that to me is the gold standard of campaigns.

 A campaign should elevate your fundraising. It should galvanize your base of support. And it should give you an excuse to go and promote who you are, and how you're trying to transform the community in which you operate. So, at the end of it don't get to the end of your campaign and have your donors be tapped out saying "Oh my goodness. We just did all of this great work. We're done." Get to the end of your campaign saying "This is our new normal. All of a sudden we have three major gift officers instead of one, and that's our new normal." Use it as a way to elevate fundraising, and I think that that's entirely possibly, and I think a campaign is a good excuse and a good way to build that awareness and to build that future.

Andrew Olsen: I agree. Okay, what's next on your list?

John Kozyra: So, the last thing that people need to think about is having a really good campaign plan. I think this is another mistake, a major mistake that people think "Well, we just need to raise a couple million dollars. We'll go talk to a few good donors and we'll just get it done." It doesn't work that way, and I think so often in consulting I would work with organizations that they didn't understand all of the rigor that needs to go into phases, and research, and prep, and talking points, and all this other stuff.

 And so, a couple of questions for consideration as you reflect on thinking about this. One is, do you have a plan that is reasonably ambitious with regard to activity and timeline? So, can you sustain the campaign activity for success? And are you giving yourself enough time to do it right? I think so often when you're in a feasibility study there's a little bit of pressure to say "Let's get this done really fast." Okay, that's understandable. Organizations usually launch a campaign because they have a clear funding need, but it's more important, tying back to our last to point, is to elevate fundraising. So, do it right. Build the relationships, build the case, and make sure your plan supports that.

 Second question, have you allocated appropriate budget and staffing to execute the plan? People need to really look in the mirror and be honest about this one. Are we only making a verbal and contractual commitment to this or are we making an organizational commitment to this? And I think that you need the organizational commitment, you need the strategic commitment.

 And then the third question is do you have or need counsel to be successful? Some organizations, I think like major universities, they might not need a consulting firm to come alongside them. Other organizations, a lot of social service organizations need consulting because they don't have in house expertise to handle a campaign that would be beyond their fundraising experience or expertise. And so, giving serious consideration to when and how to engage fundraising counsel along the way.

Andrew Olsen: So, I'm curious, is there a tipping point where you would say "Okay, an organization of this size, or of this experience level probably ought to have campaign counsel."? Or is it simply varies by every organization based on who's sitting in the seats in the organization?

John Kozyra: I think it's more the latter. I see CCS working with major universities, and major hospitals and health systems, as well as other firms like Marts and Lundy, and others that are doing really important work in organizations that I wouldn't traditionally think needed outside counsel because they probably have experts in the house.

Andrew Olsen: Sure.

John Kozyra: But you never know where they're at in their own evolution as a department, or as a school, or whatever their situations is. And so, typically though, if your campaign is going to be more than $5 million, maybe even three million, then you definitely need counsel. That's a given. I would even say if it's more than say two million, because you have to justify the expense.

 Now, on the upside, I've worked in campaign consulting firms on projects of over $100 million. I know in LA CCS is leading a campaign that's over 500 million. So, in terms of campaign size, there's a lot of scope there. And so, I don't know. It's hard to answer that question because it's very situational. You have to really asses what are our strengths, has anybody lead a successful campaign. So often you'll hear somebody say "Oh, so and so worked on a campaign." Okay, that's fine, but was it successful and what was their role in it? If they were just doing the research, prospect research on the campaign, that doesn't mean they're ready to lead a campaign you know? So, I think that's one of the challenges.

 Here's the thing. When you think about counsel I just think back to being at CCS. This is the largest firm in the country, and when there was a project that came my way, say a hospital or social service organization, I had a network internally of people that had ran similar campaigns and I would get on the phone with them and say "Hey, give me insight. What works? What didn't? What are the landmines? What do we have to be watchful for?" And so, that's part of the value of hiring a firm that's reputable and big is because there's a lot of internal knowledge sharing that happens that you wouldn't otherwise get.

 So, I'm not here to promote hiring counsel. I think there are times where maybe you don't need to because you have some in house expertise to lead and guide that effort, but typically it's helpful, especially at the start of a campaign.

Andrew Olsen: Yeah. That makes good sense. That's helpful. Thank you. Okay, so I know you've got to leave pretty quick for a planning meeting for your organization, but one more question for you because I think everybody who is thinking about campaigns thinks about this, and that is I just want to get your reaction, and maybe some tips or guidance from you on how an organization protects annual operating revenue while in a campaign.

John Kozyra: Yeah.

Andrew Olsen: You knew that was coming right?

John Kozyra: That's the constant question, and that really ties back to what I said is my greatest fear right? If you existed in a static environment where you only had a certain thousand donors and you wouldn't ask them all to support a campaign then you run the risk right? You run the risk of tapping out your donor base. Will that happen? No. It simply won't. Why?

 One is because people that give to a campaign, maybe that's 30% of your donor population that's going to support your campaign. It's not going to be 50%. It's probably not going to be 40%. So, not everybody in your database is going to support a campaign. So, that's point number one. So, that protects a lot of annual support.

 Two, if you have a good direct response program, and you have a good stewardship program, and you're out in the community, you're going to continue to acquire new donors every year that will be annual giving donors. Typically new donors in the pipeline are not campaign donors unless they're somehow connected through a major donor on your board or something like that.

 And three, any time that I've been worried about cannibalizing annual fund I do a combined ask. And this is somewhat non-traditional, but I think it's important to know, and I love these conversations. Go to your donor and say "Hey, I know that you have limited resources and I want to be mindful of that, but we have some pretty serious projects that we're trying to fun that I know these are things that you're interested in. Could we think about a commitment, a pledge for the next three to five years where a portion of it would maintain your annual giving, and then you would do a special amount above and beyond that toward this campaign?" So, doing a combined ask is always appropriate, especially with those who are close to the family.

 And so, I've done that in almost every campaign that I've worked on, and I think that that's important. Donors appreciate the transparency of having that open conversations.

 Sometimes, again, depending on the donor, depending on the situation, I'll even throw in a planned giving request to think about because why not a gift for today, tomorrow, and forever right?

Andrew Olsen: Sure.

John Kozyra: That's what we talk about in the campaign world, and if you're of a certain age we might even be able to count that planned gift toward a campaign goal. Usually it's 72 or older.

 So, I hope that helps, but I think if you have a good fundraising program, you're acquiring donors, you're doing the right stuff in the campaign, I haven't seen the annual fund to get cannibalized in a campaign.

 Now, one thing I will note, and I had this on my notes to mention, is I'm seeing a strategic shift right now in the campaign world, and it's interesting. Historically people would launch these major capital campaigns. We need to build a new building, we need a new piece of medical equipment, and I see this move into comprehensive campaigns, and I think that that's a good thing. So, a comprehensive campaign would be all inclusive right? Of everything you're raising money for, and it would be an elevated goal. And so, I think that that's a good move. It gives you a reason to elevate fundraising for your organization overall, but also with an ambitious campaign goal.

 So, I think that's something that people need to give consideration on is do we want to focus on one project, or do we want to focus on five core priorities or which we have some important capital purchases? So, just something to think about.

Andrew Olsen: Yeah. I'm seeing that shift too. I agree. I think it's a smart shift and I wish more organizations would adopt it.

John Kozyra: Yeah.

Andrew Olsen: Hey man, this has been a really insightful conversation. I think a lot for people to chew on. Thank you so much for being here. I really appreciate it.

John Kozyra: Yeah. I'll give a final, and I had a final piece of advice.

Andrew Olsen: Perfect.

John Kozyra: If you get one thing from this interview is if you're going to do a campaign do it right because you might not get another chance if you do it wrong. Not to sound scary, but make sure you build trust with your donors and elevate your fundraising through the effort.

 So, it's been a pleasure Andrew. Thanks for the time, and always a pleasure talking with you, and I hope that anything that I said might be beneficial to folks that are listening.

Andrew Olsen: Right there back at you man. It's always fun to talk with you and I think it will be beneficial. If somebody listens to this and wants to connect with you, has questions, or maybe wants to bounce an idea off you, what's the best way for people to reach you?

John Kozyra: Email. So, it's John, J-O-H-N, dot Kozyra, K-O-Z-Y-R-A, at StJoe, S-T-J-O-E-, dot org, johnkozyra@stjoe.org, and don't be shy. I'd love to talk and share ideas. I'm always happy to make time for folks that are considering campaigns are working on those.

Andrew Olsen: Awesome. Thank you John.

John Kozyra: All right. Thanks Andrew. Take care.

Andrew Olsen: You too man.