



TWO BIG MYTHS ABOUT HOSPITAL CAPITAL CAMPAIGNS

A FAMILIAR CONVERSATION

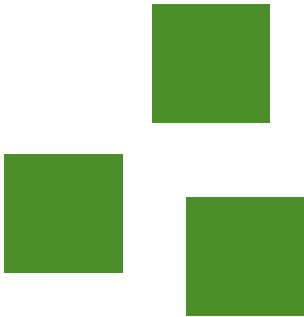
In the past couple of years, I have had a similar conversation with several hospital CEOs and COOs. When we discussed the planning study for a capital campaign, they focused exclusively on building projects. When I asked about other major initiatives—especially workforce development and the social determinants of health—they seemed almost puzzled. When I mentioned funding nursing or allied health scholarships, one CEO said, “We already have scholarships,” funded each year in the operating budget. When I suggested that endowing scholarships might be more philanthropically appealing to donors than the proposed medical office building—and that the hospital could then use the budgeted scholarship dollars for the new MOB—it was a wake-up call. I have had the same conversation in other institutions in the last few years.

TWO MYTHS

This will probably not surprise you, but insiders are often so focused on the institution’s needs that they have trouble seeing whether those projects have philanthropic appeal.

Two myths tend to get in the way:

- Myth #1: Capital campaigns are just for capital projects
- Myth #2: Capital campaigns are episodic programs for episodic needs



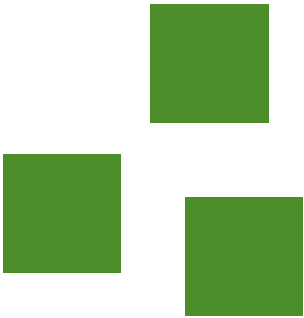
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NOT JUST FOR BUILDINGS

- Myth #1 is that capital campaigns are just for capital projects. A Case for Support lands best with donors when it focuses on strategic, compelling goals.
- The workforce shortage, social determinants of health and outreach to populations with unmet medical needs will be the strongest drivers of giving.

WHERE BUILDINGS FIT

- Capital projects are often one campaign pillar, but shouldn't be forced in just because they're in the capital plan. Prospects may rally for a cancer, cardiovascular or surgical wing—but far fewer for a medical office building.
 - Construction costs have outpaced major-gift capacity, so show how a portion or capability of a building is enabled by philanthropy.
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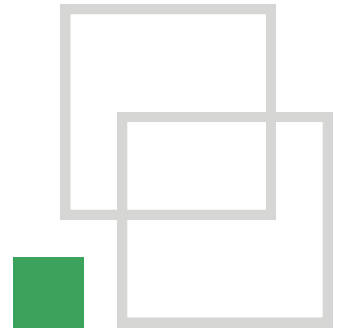
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NOT ONE-AND-DONE

- Myth #2 is that campaigns are episodic programs for episodic needs. One client's last campaign had ended more than 15 years earlier.
- By the time they started again, staff had turned over, many donors were gone, and the foundation had moved backwards.

CAMPAIGNS AS ENGINES

- In best practice, a campaign strengthens the hospital's culture of philanthropy and is an inflection point to a new, higher annual run rate. A campaign that only funds a building does nothing to build philanthropic capacity.
- Healthcare planning has changed: many leaders now say, "We used to make five-year plans, but now we just see an opportunity and go for it." So ask what issues the hospital will certainly face. Will we solve the workforce shortage or homelessness, or fully prevent diabetes, cancer or heart disease? No—so campaign pillars can move the needle on unmet community health needs.



THE PAYOFF

If you can shift the thinking and move from one campaign to the next while following best practices, you will show the value of the inflection point and the higher run rate that capital campaigns enable—without losing ground and resources during long gaps between campaigns.

Want to brainstorm ways to shift the conversation past these two myths? Contact us. We have worksheets and resources to help you change the tone and harness the power of capital campaigns.

By John A. Perry, CFRE
President and Principal Consultant

