Brother, can you spare $1 000 000?

Heather Kent

In brief

Cash-strapped hospitals and research institutes are using new and sophisticated methods to convince new and sophisticated donors that they should support their cause.

En bref

Les hôpitaux et les instituts de recherche en manque de financement ont recours à des méthodes perfectionnées pour persuader les donateurs avertis de contribuer à leur cause.

A row of shiny new vehicles ranging from camper vans to sports cars sits in front of the Vancouver General Hospital, beneath a billboard advertising them as prizes in the hospital’s latest lottery campaign. Downtown, St. Paul’s Hospital has just raffled off a $350 000 condominium. This highly successful venture, now in its eighth year, involves the annual sale of 10 000 tickets for $100 each, making it one of the hospital’s major fund-raising efforts.

The condominium and car raffles are examples of the well-staked ground surrounding health care fund-raising. In British Columbia, UBC and a proliferation of hospital foundations in the Lower Mainland are now using increasingly sophisticated methods to “source dollars.” In layperson terms, they are targeting well-informed donors.

Separating potential donors from their donations involves intensive communication and networking. Today’s donors demand facts and options. Some want brochures or information sessions, while others want to know about bequeathing part of their estate or about supporting a specific medical condition. Clearly, the days of hospital auxiliary rumble sales have disappeared.

Don Livingston, president of the 17-year-old Vancouver Hospital Foundation, says the organization stepped up its activities about 5 years ago in response to the competitive environment. He says there is more aggressive competition for donors, who in turn are “asking better questions about how their money will be used.”

Miro Kinch, medical faculty development officer at UBC, adds that more donors are arriving “with a good idea of what they want to do.”

Promoting awareness that 50% of its patients are from outside Vancouver and that it is a provincial and not just a Vancouver facility is an important starting point for the Vancouver Hospital. Direct-mail material sent to potential contributors emphasizes the hospital’s links with the entire province and provincial statistics for patient care.

New donation programs are also emerging, with “bequest giving” leading the list; Livingston is already predicting that it will become the biggest source of donations within the next 20 years. Anticipating support from aging baby boomers, the foundation arranges free estate-planning seminars to encourage donations. A brochure outlines 11 ways of contributing while retired or after death.

The foundation has also started to solicit funds for specific medical conditions, giving individual donors control over where their money will be spent; brochures are already being developed about prostate cancer.

The hospital is also using this information-intensive approach in a partnership with the UBC Development Office in an attempt to raise $28 million for the province’s new Brain and Spinal Cord Research Centre.
Livingston says the hospital’s first marketing step for that campaign will be to develop an identity so that “people understand the urgency to fund it.” The centre will research a broad range of conditions, from neurodegenerative disorders to schizophrenia. To help create initial awareness among potential donors, the Vancouver General recently devoted an entire issue of its regular newsletter to the centre and its need for money. Included were large photos of lead researchers and lay-language explanations of their work and its importance.

The fundamental fund-raising process at the Vancouver Hospital Foundation involves a 5-step sequence that begins with identifying potential donors and ends by nurturing and encouraging those who have answered the call. Donors of large amounts are carefully courted at social and institutional events in an attempt to find their preferred niche in the wide range of health care spending choices.

At UBC the preferred fund-raising style focuses on building long-term relationships with the university’s “very good friends.” For the brain and spinal cord campaign, the first goal will be to find about 10 donors willing to give a minimum of $250 000 each. The remaining funds will be raised over the next few years.

Kinch said people want to donate to medical research and education because “illness touches people so closely.” UBC’s medical faculty raised $7 million in the 1996–97 academic year, making it “far and away the largest recipient of donations on campus.”

The UBC development office has 32 staff members, 13 of whom are assigned to specific faculties; the medical faculty has had its own dedicated fund-raiser for 4 years. The rest handle estate and other major gifts and alumni funds, and search for prospective donors. Shannon von Kaldenberg, the director of development, says all donor activity is tracked via computer.

In her 18 years in the fund-raising field, the biggest change has been the shift from searching for corporate donations to “very individually driven” campaigns. Approximately 80% of the donations for the Brain and Spinal Cord Research Centre will come from individual donors, 15% from associations such as the Heart and Stroke Foundation, and only about 5% from corporations.

Increased reliance on fund-raising has met with both acceptance and resistance among doctors and medical researchers, but von Kaldenberg says they “definitely understand that they have to go to other revenue-generating sources.”

Livingston thinks most hospital-based physicians strongly support foundations, although he admits that some doctors still feel the “government should be doing it all.”

When hospitals do try to raise money, frontline staff like doctors and nurses are the foundation’s “best asset,” says Livingston; 3 physicians sit on his foundation’s 19-member board.

Physicians are also invited to weekly meetings at the foundation’s offices and staff members try to create an “infectious enthusiasm” among physicians who are seeking donations to support research. At the same time, they try to teach them about the fund-raising process and opportunities for patients to support research. “Those who are most willing to work with us are the most likely to benefit,” explains Livingston.³