Nsight from NCDS

National Community Development Services

Ideas and wisdom from the professionals at NCDS.

Do We Really Need a Feasibility Study?

You've been through a lengthy strategic planning process. Dozens of stakeholders have participated in committees or task forces and given their input. The board has unanimously endorsed the new plan or project. Everyone acknowledges the need to raise additional funds and has pledged their support. Do you really need to spend time, effort, and money on a fundraising feasibility study?

In almost every situation, the answer is "yes." Here are three of the best reasons to resist the temptation of skipping this step, and some of the unappreciated benefits of honest and objective due diligence.

1. Failure is not an option

No one likes to fail, especially good volunteer leaders who are publicly linked to reaching a fundraising goal. The cost is high – exhausted volunteer leaders, frustrated staff, wasted money, and a lost opportunity for your organization or community to take a big step forward. In most cases, that opportunity is lost for a very long time. A properly conducted feasibility analysis / goal assessment will prevent you from failing.

2. Agreement and endorsement is <u>not</u> the same as ownership and commitment

Getting agreement, consensus, and even enthusiasm for strategic plans and new initiatives is often relatively easy. Some leaders may even "go along to get along." If this is the case, your fundraising campaign will be doomed when top leaders and investor prospects who are not fully bought in make only "token" financial commitments. A professional (and confidential) feasibility interview will not only determine key leaders' level of commitment, but can also help create stronger buy-in and ownership among the most important stakeholders.

3. The highest and best form of market research

Much like consumer product companies conduct research to learn what colors, styles, and flavors people will buy, an objective feasibility analysis can tell you what aspects of your program resonate most with prospective investors, and how to package and position the campaign for maximum support. Finding out what people are truly willing to invest *in* – and how much they are willing to invest - can only be discovered through this step.

There are a number of reasons why skipping the due diligence of a feasibility analysis / goal assessment is inadvisable. But perhaps the strongest validation of its value can be learned from NCDS multi- campaign clients – some of which have conducted as many as seven consecutive five-year campaigns for economic development programs. Despite all of their campaigns being successful, and all of them delivering positive economic impact to their communities, none of them have ever questioned the need for a feasibility analysis / goal assessment. They've seen the value and understand that while boldness and enthusiasm are worthwhile organizational qualities, when the time comes to raise significant funds, it pays to take a long hard look before taking a mighty leap into the unknown.