WIEDERHOLD and associates

Healthcare Industry Experts – Featured Article

Hospital CEO Philanthropy

YOU are the chief fundraiser

By John Gilchrist, FAHP, CFRE
CEO – Foundations, Santa Clara Market
Daughters of Charity Health System

Hospital CEO's have traditionally worn many hats: strategic planner, physician recruiter, physician schmoozer, chief associate engagement officer, chief regulatory compliance officer, leading advocacy efforts, just to name a few. Add one more hat to that list, one which may prove to be one of extraordinary strategic significance: chief fundraiser for your institution.

Philanthropy. The word literally means love of mankind. For hospital CEO's in the Affordable Care Act era, it will mean the difference between market essentiality and irrelevance…or worse.

How many of your institution's top 100 donors do you know personally? How many of you have such a relationship with your top 100 donors that you pick up the phone to have a strategic conversation over potential ventures – not to make the monetary ask at that time, but to ask for advice and counsel? The kind of a relationship where you have confidence that the donor wants to help the organization's mission and is not afraid to offer a differing opinion.

Philanthropic relationships are no different than the relationships you work diligently to create and maintain with your medical staff and other key stakeholders. You "sell" your vision to doctors every day; the new economics of healthcare require you to "sell" your vision to people who can make transformational gifts.

How do you involve your chief philanthropy officer/foundation president in the capital allocation process? The foundation head needs to be at the table at the BEGINNING of those critical strategic discussions. Inclusion of the foundation in the strategic planning and capital allocation processes assures alignment with the overarching goals of the hospital. Vetting of the business plans frequently yields a more urgent and compelling case that can resonate with your donors.

Many CEO's use the same engagement tactics to build deep philanthropic relationships that they use with other constituencies. Examples of these tactics include:

- CEO Roadshows – secure your foundation board members' commitment to host these gatherings in their homes or businesses. Donors and prospects want to hear the CEO's vision for the hospital. No monetary asks are made, rather, the ask is for advice, feedback, and

impressions from the attendees. You build the pipeline of future donors in this process. Your foundation staff will handle this phase through surveys, tours and personalized communication based on each attendee's response.

- CEO Council – peer networking and engagement is the goal with this tactic. By creating an exclusive "club," other CEO's in the community are treated as insiders. Your foundation president manages the functions of this group, thus minimizing CEO time and hopefully, maximizing the opportunity for ongoing relationships with other community business leaders.

Your donors want face time with the leader of the institution. They want to be assured their gift generates tangible and positive impact for the hospital's mission and on the long-term viability of the hospital. Today's donors have evolved beyond the "McDonald's" mentality of we serve more persons – they demand to see the positive outcomes in the health of the community, transforming healthcare delivery, and how their gifts make these happen.

Philanthropic gifts represent over 40% of the spendable capital of hospitals, according to the Advisory Board. You need to personally know these incredibly generous benefactors – and take time to develop new friends of the hospital. Start engaging these folks today – YOU and your governing board will see the results.

About the author:

John Gilchrist is the CEO of Foundations for the Santa Clara Market of the Daughters of Charity Health System, comprised of O'Connor Hospital, Saint Louise Regional Hospital, and DePaul Health Center. His career has centered on healthcare and for the past 12 years, healthcare philanthropy. Prior to coming to the South Bay, he served as the Chief Philanthropy Officer for CHRISTUS Health with responsibility for its four Louisiana foundations. He also served in senior administrative roles in both non-profit and investor-owned hospitals; his duties covered marketing, public relations, business development, PHO contracting and administration, physician recruitment and employment, regulatory compliance, and clinic management.

John is one of 181 healthcare philanthropy professionals who have earned the designation of Fellow in the Association of Healthcare Philanthropy. He is also holder of the designation of Certified Fundraising Executive.
John earned a B.S. degree in Economics and a M.S. degree in Healthcare Administration.

For additional information or questions, contact John at john@philanthropyfocus.net.
