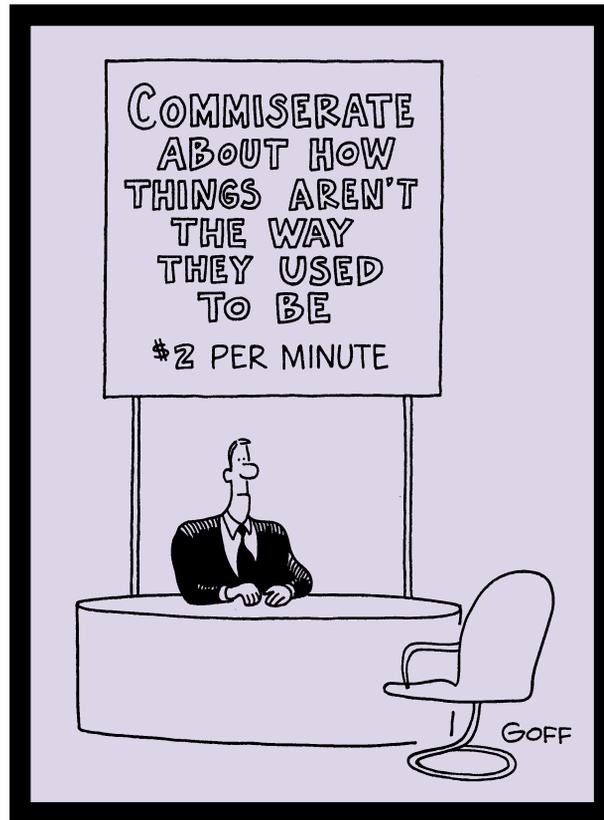


DO YOU NEED TO REBUILD YOUR ORGANIZATION TO SURVIVE IN THE 3RD MILLENNIUM?



Will your organization survive the next few difficult years?
The answer depends on how many changes you're willing to make.

BY DOUGLAS B. CAMERON

The handwriting is on the wall. Nonprofit organizations that wish to survive into the next millennium must examine their programs in light of continuing cutbacks in government support. If nonprofits are to weather the years ahead, program administrators and project directors must become increasingly creative and professional at fundraising, planning, and management.

grants

What's the Problem with Grants?

For decades, thousands of nonprofits have been losing touch with their communities because of their reliance on government grant money. Grants provided a false sense of security and often focused little or no attention on solutions to community-identified problems. Because the resources originated outside the community, the nonprofit's accountability was directed toward the funding source rather than to the nonprofit's community or constituents.

While for years the money supply was artificially high, for the next few years it will be extremely low as the government cuts social programs. Foundations and United Ways also face increasing demands for their limited resources.

The short-term results of this constricting cash flow will be devastating to many organizations. The future bodes well, however, for those organizations with the foresight to diversify their funding sources and to rely on community support for their activities. If you have relied on outside money, there's no doubt that your organization is in trouble. But you can still rebuild if you have the skill, dedication, and perseverance to do so.

ingredients

What Ingredients Do You Need?

First you must decide if you need to make just a few strategic changes or to rebuild your organization completely. To make this decision, see if your organiza-

tion has the following three essential ingredients:

1.

Professional management. Ask yourself this question: If my organization lost its major funding source, would it survive? Your answer will tell you how well management has planned, organized, controlled, and updated the organization.

2.

A full-time, highly skilled, well-motivated resource mobilizer. This is an individual who is knowledgeable about (1) generating money from a variety of

secure in the years ahead. If your support comes from sources outside your organization, such as foundations, United Way, or government at any level, you are looking for trouble.

rebuild

How Do You Rebuild?

If you don't have these three vital ingredients in place, what can you do to underwrite survival? There are two possibilities.

First, you may need to overhaul your administrative and management systems. Or you may need to let the old organization die and begin again with a new board of directors.

As you rebuild your organization, focus on the following key areas:

An active board. Choose board members who will participate actively and enthusiastically. Be sure they support the organization's mission. They must put aside vested interests in favor of the organization and its constituents. They must also be willing to raise funds for your organization and to contribute their own resources.

Clear staff roles. Next, examine your organization's job descriptions. Redesign them to stress how each job helps accomplish the organization's mission. Clearly delineate each job description so that it includes all necessary functions and does not overlap with any other job. Make certain that all staff members, including volunteers, understand their role and how it relates to the greater whole.

Community participation. Be sure your organization is responsive to your supporters and constituents within the community. Educate yourself about your community's needs and think of ways

**Even missions change.
Good managers will allow
these changes to occur.**

sources, (2) training and motivating people, and (3) gaining access to community resources. If you don't have such a person on staff, your organization is in jeopardy.

3.

A support base controlled by the organization itself. Joan Flanagan cites the Golden Rule of Fundraising: "People who raise their own money control their own organization." If your organization raises its own money through membership, volunteers, private philanthropy, cooperative endeavors, the sale of goods or services, or (best of all) a combination of all these methods, you should be

you can address those needs. Actively seek community (including financial, in-kind, and volunteer) support.

At every stage of the rebuilding process, reality test your conclusions. Ask other organizations to review your efforts and make recommendations. Whenever possible, involve community members and leaders in the planning.

Rebuilding is a dynamic, living process. Roles and job descriptions should change as realities change. On occasion, even missions change. Good managers will allow these changes to occur, for failure to do so will result in confusion, miscommunication, and a state of organizational anomie, which undermines morale.

plan?

Do You Have a Plan?

Next, you need to develop three long-term plans:

1.

Administrative plan. To create this plan, first analyze your organizational structure. Then look for ways to eliminate administrative weaknesses and enhance strengths. Turn these ideas into goals and objectives that you and others in your organization must meet. Be sure your plan is flexible enough to change as your organization's needs change. Gear it toward increased skills, professionalism, and efficiency.

2.

Programmatic plan. To develop this plan, analyze what you are doing for your constituents. Decide how you need to improve these efforts.

Before adding or reducing programs, be sure to do careful research. Ask your constituents what they want and how you can improve your services to them. For each program, ask yourself: Is this program needed and wanted by the people it is meant to help?

Eliminate programs that aren't working or that constituents don't want. Remember, bigger is not always better. Too many groups fail because they overextend themselves programmatically. Rather than trying to be all things to all people, choose a few program goals and objectives that you can do well. In this way, you will build your credibility and increase staff morale.

3.

Resource development plan. This plan's purpose is to secure the resources necessary to carry out the other two plans. Ask yourself this: What resources

At least four times a year, measure how well you are meeting the objectives you have set.

do we need to be effective in our administrative and programmatic areas? Money, staff, volunteers (including your board), and in-kind resources are all part of the physical needs of a program. Also ask yourself: Why do we need these resources? How will we get them when we need them?

The key to a successful resource plan is simplicity. Plan to get resources from the most direct source. Too many organizations fail to mobilize adequate resources because they ignore this maxim. Do not assume your primary need is money. Rather than raising

money to pay for printing, copying, or transportation, it's often easier to find someone who will donate such services.

good plan?

What Goes into a Good Plan?

As you create these three plans, be sure they have the following in common:

1.

They should be related to the mission statement and to the established roles and job descriptions of the organization.

2.

The three plans should be compatible with one another.

3.

All three plans should have both short and long term objectives. The plans should cover the next two to five years, with more detail for the first year. The objectives should be action-oriented, specific, quantified, time-phased, achievable, consistent with available resources, and easy to understand by those who will be carrying them out. They should also have a time-cost factor that provides

an acceptable payoff.

For each objective, answer the following questions:

- Who is responsible for carrying out this objective?
- By what date will we reach the objective?
- What is the most likely result if all works well?
- What is the most likely result if all goes wrong?
- What resources are necessary for success?
- What additional resources could augment the effort?

How to Create a Survival Plan for Your Organization

Whether you rebuild from the bottom up, or simply modify your existing structures, you need to create new plans. Base these plans on the following guidelines:

1.

Increase professionalism in all areas of your organization. Most central will be skills in planning, management, and resource generation.

2.

Build your organization on a model of self-sufficiency and community. The more you can look to your own organization and community for support, the better.

3.

Diversify your funding sources as much as possible.

4.

Create close relationships with corporations, constituents, and other nonprofit organizations in your community.

5.

Recruit board members who are active fundraisers and resource developers for your organization. Get rid of inactive board members.

6.

Help staff understand how each task they perform helps fulfill the organization's mission.

7.

Hire a full-time fundraising specialist.

8.

Emphasize a sense of cooperation and collaboration. Create partnerships with groups whose missions are compatible with yours.

- What factors could detract from or jeopardize the effort?
- What contingencies should we plan for?

4.

All three plans should have criteria by which you judge their success or failure. While you should never establish criteria after the fact, you may alter standards as you progress through the year and test your plans against reality. A well-managed program will never have unrealistic objectives.

Periodically (at least four times a year), measure how well you are meeting the objectives you have set. If performance is poor, either take corrective action, or change the objective.

Finally, don't leave your plans in a drawer. Keep them on everyone's desk, and refer to them every day. Their success or failure will determine the continued existence of your organization itself. ■

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Selected Software for Nonprofits

- **Federal Money Retriever*, IDI Magic Valley Technologies, P.O. Box 2301, Twin Falls, Idaho 83303-2301 (phone 800-804-5270; fax 208-734-5695).
- Human Service Information software*, Echo Consulting Services, 1620 Main Street, P.O. Box 540, Center Conway, New Hampshire 03813-0540 (phone 603-447-5453 or 800-635-8209; fax 603-447-2037).
- **Nonprofit Organizations' Business Forms, Disk Edition*.
- Policies Write Now and Personnel Policy Expert*, personnel policy software, Knowledge Point, 1311 Clegg Street, Petaluma, California 94954 (800-727-1133 or 707-762-0333).

*Starred resources are available through the Society for Nonprofit Organizations' Resource Center. For ordering information, see the Society's *Resource Center Catalog*, included in this issue, or contact the Society at 6314 Odana Road, Suite 1, Madison, Wisconsin 53719 (800-424-7367).

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