NONPROFIT World

Advancement Through Sharing

Volume 26, Number 1
January/February 2008

Five Golden Rules for Board-Executive Retreats

"Retreat from hell" or bonding experience? These keys make the difference.

Three Reasons Not to Plan
The Nonprofit Branding Exercise
Can the Board Give the CEO a Bonus?
33 Top Tips for Building Donor Bonds
Seven Resolutions and Five Ways to Make Them Work

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NONPROFIT WORLD

Editor Jill Muehrcke

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Purpose

The Society for Nonprofit Organizations is a 501 (c) (3) nonprofit organization. Through *Nonprofit World* and other communications with its members, the Society is dedicated to bringing together those who serve the nonprofit world in order to build a strong network of professionals throughout the country.

feature story

Adding team-building activities such as rope courses, rock climbing, and rappelling to your retreat is just one way to break down barriers and create strong bonds. Here board and staff members enjoy the facilities at Zion Ponderosa Resort (www.zionponderosa.com) during a strategic planning retreat. For keys to planning a successful retreat for your organization, see page 10.

This logo symbolizes the goal of the Society, which is to unify diverse segments of the nonprofit world, to draw them together, and to create a dynamic whole without losing their individuality.

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Unsolicited manuscripts and letters to the editor are welcomed. They should be addressed to Jill Muehrcke, Editor, *Nonprofit World*, P.O. Box 44173, Madison, WI 53744-4173 or muehrcke@charter.net or jill@snpo.org.

Editor's page

Seven Resolutions and Five Ways to Make Them Work

Be sure your goals don't end up on your "someday" list.

Setting goals is a great way to nurture growth for both yourself and your organization. What better time to start than right now?

First, take a minute to be sure your goals don't end up on your "someday" list. Use these strategies to make sure you'll reach the goals you set:

1. Create a Goal List. Write down the goals that are most important to you.

2. Check that these goals aren't too big or too vague. If they are, break them into manageable chunks.

3. Make each goal specific, and quantify it. How will you know you've attained it? How will you measure success?

4. Add a deadline. For each goal, write down a realistic deadline for when you will achieve it.

5. Change just one thing at a time. Each month, pinpoint a new goal and focus on it.

Now, here are some ideas to get you started. Pick those most relevant to you, and write them on your list of goals. Then choose the one closest to your heart, and start on the path to fulfilling it today:

Resolution #1. Look at your to-do list, and decide what you can delegate. "Too Much to Do: Four Keys to Effective Delegating" (page 21) will give you the tools to do so. Pencil in some personal time every day. Practice saying no. The difference between someone who has a centered, balanced life and someone who is frazzled and out of control is the ability to say no. See "Don't Let Meetings Steal Your Time" on page 32, and check out www.Balancetime.com.

Resolution #2: Create a profile of your organization (as described in "Defining Your Board's Needs" on page 14). Use this profile to find the board member of your dreams.

Resolution #3. Evaluate your Web site and e-mail campaigns. Rate your Internet fundraising using the tools in "How to Measure the Success of Online Fundraising" (page 23). Be sure your Web site fits with your organization's brand (take a look at "The Nonprofit Branding Exercise" on page 17).

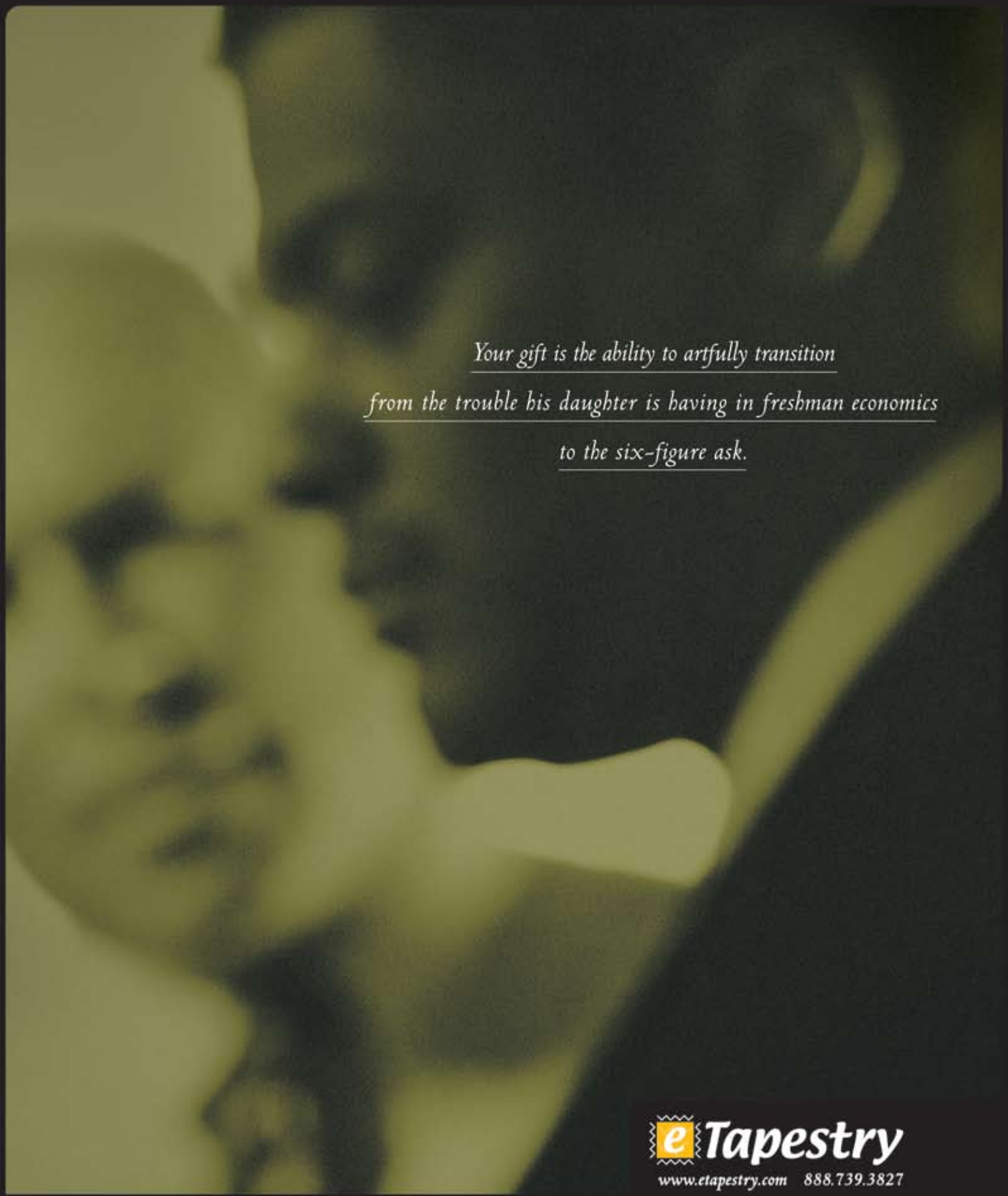
Resolution # 4. Forge strong ties with your organization's supporters and prospects. Look over "33 Top Tips for Building Donor Bonds" on page 8. Pick out three of the suggestions, and resolve to follow through on them.

Resolution #5. Update your strategic plan. Check to see if you're using any of the excuses in "Three Reasons Not to Plan" (page 13). Be sure you incorporate the latest trends into your planning (begin by reading "What to Expect and How to Get Ready" on page 30).

Resolution #6. Organize a retreat for your board and key staff members. There's no tool like a retreat — a day or two away from the office discussing high-stakes issues — to generate ideas, build team spirit, and rejuvenate your organization. Start by reading "Five Golden Rules for Successful Board-Executive Retreats" (page 10) and the resources in "Your Board Retreat Library" (page 12). Give copies to your board members to read, and plan a board meeting around a discussion of these resources.

Resolution #7. Have fun. Take a look at "Laughing in the Face of Tough Times" on page 32. Make it a priority to laugh with your co-workers every day. It will boost morale, increase productivity—and help you live a longer, better life!

Jill Muehrcke
Editor, *Nonprofit World*



Letters to the editor

Frustration over Mailing Fees Continues

Your Web site (www.snpo.org) references a piece entitled "How Does Your Post Office Define 'Insurance'?" Could you please send me a copy? We put out a newsletter called the "FOPNews" for members of the Fraternal Order of Police in Columbus, Ohio. When I mailed this newsletter to our members last month, the post office charged me a standard rate rather than the discounted nonprofit rate. Postal officials tell me that's because our newsletter included an ad for financial services which contained a State Farm Insurance logo.

Nowhere in our ad or newsletter did we offer an insurance policy. This ad was to help our recent retirees invest their retirement money, and so, I believe, it was directly related to our mission.

I made sure insurance was not listed *anywhere* in the ad, because everything I've read says that material promoting any insurance policy is ineligible for nonprofit rates. My argument is that if postal officials mean that the material cannot promote any insurance *company*, why do their regulations say no insurance *policy*?

Very frustrating! Any help would be appreciated.■

Pam Weirick, Editor, "FOP News"
Capital City Lodge #9
Columbus, Ohio

"How Does Your Post Office Define 'Insurance'?" appeared in the "First Alert" department of our Vol. 15, No. 1, issue. Although that was over 10 years ago, the problems it discusses are, sadly, still relevant today. Many post offices still define "insurance policy" in an overly broad way, and nonprofits continue to fight against unfair judgments such as yours.

The best way to fight is to team up with other nonprofit organizations under an umbrella group whose mission is to lobby for nonprofits' mailing rights. The group we mentioned in our earlier piece was the National Federation of Nonprofits. Since then, it has merged with the Direct Marketing Association to become DMA Nonprofit Federation. It's still a good source to contact for help with mailing problems such as yours (1615 L Street, NW, Suite 1100, Washington, DC 20036, 202-628-4380, nonprofitfederation@the-dma.org).

Also since that time, the Alliance of Nonprofit Mailers has come into being. It, too, does an excellent job of representing the interests of nonprofit mailers. You can reach them at 1211 Connecticut Avenue, NW, Suite 610, Washington, DC 20036, 202-462-5132, www.nonprofitmailers.org.

Good luck with your future mailings. Know that you're not alone in your frustration and that there are nonprofit coalitions working to uphold your rights.

Hard-Wired to Give?

Thanks so much for your report on research into whether people are natural altruists ("Is Altruism in the Genes?", Vol. 25, No. 5, p. 31). It's an endlessly absorbing subject, and I'm glad you included it.

The fact that research subjects' brains lit up when they gave money away rather than keeping it for themselves is fascinating. Clearly, donating to a good cause feels good.

But couldn't this be because we tend to reward altruists in our society? Generosity is thus in people's best interests. Why does it necessarily indicate that altruism is in the genes? Of course genes do tend to advance self-interest. Maybe altruism is genetic but not hard-wired into the genes?

One thing that's very obvious: Although some people truly are generous donors, many others cannot be persuaded to contribute money, no matter how hard charities try to explain the benefits. Your articles on fundraising, in every issue, point up how hard we need to try and how important it is to focus on every detail of asking for funds and thanking people profusely for their donations. If we didn't put in such long hours of work on marketing our cause, how many altruistic people would continue to donate to our organization?

Thanks for keeping us up-to-date on research into this and many other interesting subjects. I love *Nonprofit World*. In every issue I find things to inspire, engage, and help me. It's a fabulous magazine.■

Chris Anderson
H.O.P.E.S.
Seattle, Washington

Please Get in Touch

We would love to hear your response to anything in Nonprofit World, your comments about any aspect of the nonprofit sector, and your concerns about your daily work. Please get in touch in any of the following ways:

Drop us a note at: Letters to the Editor, Nonprofit World, P. O. Box 44173, Madison, Wisconsin 53744-4173.

E-mail to: muehrcke@charter.net or jill@snpo.org

Please include your name, organization, address, phone number, and e-mail address. If you'd like your comments to appear anonymously, please let us know. We look forward to hearing from you!

THERE ARE DOZENS

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New IRS 403(b) Rules Place Burden on Employer

If your organization offers voluntary-participation 403(b) retirement plans for your employees, you need to be aware of new IRS regulations. These rules dramatically change how you're required to manage such plans.

Although you don't need to have a written plan in place till January 1, 2009, there's one provision in the new regulations that affects nonprofits immediately. That provision addresses 90-24 exchanges – an employee's ability to transfer assets from one 403(b) to another.

In the past, employees could transfer from one 403(b) provider to another without employer involvement or knowledge. The new regulations require that the employer and the receiving company enter into an agreement to share compliance-related information. In addition, the Department of Labor has issued a bulletin regarding the ability of 501(c)(3) organizations to retain their ERISA exempt status under these new regulations. Here's what you need to do:

- **Adopt a written plan,** detailing the management of your voluntary-participation 403(b) program.
- **In your plan, designate** a list of approved plan providers.
- **Communicate this plan** to all employees.
- **Be aware of new restrictions** on asset transfers as well as new compliance and monitoring requirements. Contact your 403(b) provider to guarantee compliance.
- **When seeking advice on how to address the new regulations, select a company** that's knowledgeable about such matters. For further guidance, contact industry organizations such as the National Tax Sheltered Accounts Association (www.ntsaa.org). NTSAA is a nonprofit association dedicated to issues involving tax-sheltered accounts.
- **Be prepared for increased scrutiny** and possible auditing of your 403(b) plans. Be ready to approve contributions, distributions, transfers, and loans and to assure that tax reporting is completed. ■

– Contributed by Harold J. Harrison, CLU, ARS, MCRA, vice president of Security Benefit (480-266-4979, 800-747-5164, www.securitybenefit.com), a company which helps organizations design retirement plans for their employees

New Form 990 Unveiled

The IRS has released its revised Form 990, which most nonprofits are required to file each year. The new form includes many of the changes requested by nonprofits. Organizations can now describe their exempt purpose and accomplishments on the first two pages, and a new schedule (Schedule O) gives nonprofits the chance to provide supplementary information to better explain their answers. Independent Sector (IS) considers the new form "a major step forward in fulfilling the nonprofit community's commitment to accountability and transparency."

The IRS will phase in the new form's implementation over four years so that smaller organizations can prepare for the new requirements. Beginning in May 2009, organizations with gross annual receipts of more than $1 million or total assets of more than $2.5 million will be required to file the new returns for fiscal year 2008 activities. Nonprofits with gross annual receipts between $25,000 and $1 million may file a revised version of the Form 990-EZ. The smallest nonprofits are already being required to file a new electronic postcard (Form 990-N) beginning in 2008. By the end of the transition period in 2011 (for fiscal year 2010 returns), organizations with gross annual receipts of $200,000 or total assets of $500,000 will be required to file the new Form 990. For more information, see www.independentsector.org and www.irs.gov/charities. ■

Don't Let Postal Service Wrongly Demand Higher Payment

Have you ever sent a mailing and later been told it didn't follow postal rules? If so, did postal officials demand payment for a higher postage rate without first giving you a warning? If that happened since July 20, 2001, it was in violation of postage regulations. A policy that went into effect at that time states that mailers must receive a warning before higher payment is requested. According to the Alliance of Nonprofit Mailers, however, many postal employees aren't aware that such a warning is required. For more information, contact the Alliance (npmailers@aol.com, www.nonprofitmailers.org, 202-462-5132). ■

IRS Scrutinizes Political Activities

As the 2008 Presidential election approaches, the IRS has stepped up examination of nonprofits' political activities, especially contributions to candidates and political action committees, according to the *BNA Daily Tax Report* (www.bna.com). Note, however, that while 501(c)(3) organizations are prohibited from endorsing candidates in any way, they may lobby and advocate for a cause. See these *Nonprofit World* articles at www.snpo.org: "Lobby? You?" (Vol. 9, No. 6) and "How to Lobby without Breaking the Law," Vol. 14, No. 5. ■

Do You Need a Grievance Policy?

Should a small nonprofit have a grievance policy?

Q: I'm the executive director of a small nonprofit. With the help of a grant, we expanded our staff from two to five. Here's the problem: One of the new staffers is the daughter of a board member. There was a conflict between this staff member and her new supervisor. The daughter went to mom, and mom involved the board in the problem solving. I was completely left out. The board president acts as if it's unimportant. I feel like my authority with the staff has diminished. How should I approach this?

It's a good idea to give examples of how *not* to handle a complaint.

A: Whoa! You have to take control back fast! And you need a grievance policy, which I'm guessing you don't have. Without a grievance policy, employees can just complain and tie you up in a web of accusations that will spiral out of hand quickly.

Approach your board president again with the suggestion that your growing organization needs a grievance policy. Often this is handled by a personnel committee or executive committee. An ad hoc committee is fine too.

The grievance procedure should clearly outline who reports to whom, and what method an employee will use to lodge and resolve a complaint. Many grievance procedures use several layers of immediate supervisors or staff committees to resolve issues before they get to the board level.

A simple conversation is probably all you need.

Each employee should understand and sign the policy. It's a good idea to give examples of how *not* to handle a complaint, such as going directly to the board member who's your mom. Each board member needs to sign the policy also.

When your policy is in place and everyone has made a signed commitment to it, you'll have the beginnings of the authority you need to enforce it with staff and at the board level.

There are many sample policies available to help you get started. It's a good idea for a labor attorney to look it over before the board approves it. Your policy will be invaluable as your organization grows. Properly conceived and executed, it can help resolve differences at the earliest stage, and maybe keep you out of court. That's always a good goal!

Finally, I think you need a heart-to-heart with the staff member. She probably didn't realize what potential damage she was doing. A simple conversation is probably all you need to help her understand the boundaries of work and family. ■

Jeane Vogel
Fund Raising Innovations
www.nonprofit-innovations.com

Can the Board Give the CEO a Bonus?

Q: I've been the executive director of my organization for about 20 years. We had a good year this year and my board wants to give me a one-time "achievement bonus" of a few thousand dollars. Is this okay?

A: Yes. Performance bonuses which aren't based on a percentage of the organization's "profits" or surplus, and which don't raise total compensation beyond the range of reasonableness (so that you don't face excess-benefit taxes), are perfectly legitimate. The board should be sure to follow the safe-harbor provisions to provide a rebuttable presumption that the total is reasonable. ■

Don Kramer
Nonprofit Issues
www.nonprofitissues.com

To assure that total compensation is reasonable, see "Executive Compensation," Vol. 23, No. 5, Nonprofit World, *www.snpo.org.*

33 TOP TIPS for Building Donor Bonds

Here's how to create an unbreakable network of support.

Fundraising is less about money than it is about relationships. Use these ideas to develop a loyal constituency of support for your organization:

1. Give your supporters a chance to observe your programs in action or to see a video that describes your programs.

2. Through interviews, surveys, and informal polls, find out all you can about your constituents, including their lifestyles, values, likes and dislikes.

3. Enlist board and staff as fundraisers. In bringing your organization's message to others, they will solidify their own commitment.

4. Use a computer-based system to keep accurate and up-to-date records and generate personalized letters to supporters.

5. In all your messages, focus not on what your organization needs but on how your organization meets people's needs.

6. Send out a newsletter or other regular publication to keep people informed of the good you're doing and how they can become involved.

7. Create a clear statement of your organization's mission and values. Highlight this statement on all your materials to draw in people with similar values.

8. Create an on-line bulletin board for your organization's supporters, where they can ask questions and receive answers.

9. Treat your donors as investors who will receive a values payoff. View them as partners in meeting community needs.

10. At your board meetings, have recipients of your organization's services describe how those services changed their lives.

11. Invite potential donors to serve on committees that match their interests. Notify them of upcoming events or activities that may interest them.

12. Be sure board members donate money to your organization, and encourage staff to do so as well. Giving is a transforming act, creating a sense of belonging and loyalty.

13. Give donors as much say as possible in how their money is spent, and provide feedback on the results of their contributions.

14. Gather details about how people would like to be involved in your organization. Include that information in your database.

15. Ask donors for their opinions and advice. Follow through on their ideas. Keep in touch about how those ideas are working. If you can't use their suggestions, explain why without discouraging their input.

16. Every year, be sure the executive director and board chair meet personally with each board member to ask them to give to the organization. Such face-to-face meetings are the best way to

CREATIVE FUNDRAISING IDEAS

Step Outside the Lines

Marathons, such as walk-a-thons and run-a-thons, are excellent ways to raise money. But consider stepping outside the lines of predictability. Examples: read-a-thons, with people reading books in a public area; dog walk-a-thons, in which participants bring their four-legged companions on the route; prayer-a-thons, especially with a specific cause to which to direct prayers; car-wash-a-thons, in which you wash cars for 24 hours straight (a great idea for young volunteers); weed-a-thons; or any other marathon theme that matches your mission.

Host a Balloon Auction

Does your organization have donated items that don't fit well with your raffle? Use them for a balloon auction at your event.

Write names of these prizes on slips of paper, place them inside balloons, and then inflate the balloons. Auction off chances to pop a balloon and win a prize. For more creative fundraising ideas, see "Special Events Galore!", published monthly for $79 per year by Stevenson, Inc., www.stevensoninc.com.

Mix Class and Fun

Some 260 people attended the first-ever Black-Tie Bowling event held by Isaiah's Promise in Independence, Ohio, netting the adoption-services organization $47,000. Women donned pearls and flowing dresses, and men came in tuxedos (from a rental shop that agreed to donate its rental fees to the cause). They bowled, danced to a jazz band, bid on silent auction items, and watched local celebrities compete for bowling honors such as Most Creative Form and Worst Score.

secure a commitment and will serve as models for board members when *they* go out to seek support for your organization.

17. Share tapes of your board meetings with your organization's supporters.

18. For every time you ask people for money, interact with them two times without asking for money.

19. At your events and get-togethers, mix current supporters with potential supporters. Your supporters can share their enthusiasm, and non-supporters can get their questions answered.

20. Use focus groups to find out what your supporters want. Based on the results, make appropriate changes in your programs.

21. Have volunteers call donors to thank them for their gifts. Such outreach gives volunteers the chance to interact with donors without asking for money.

22. Always listen more than you speak. Ask open-ended questions to find out about people so that you can fulfill their needs.

23. Arrange for volunteers to give talks about your organization at civic group luncheons and meetings. Not only will you increase your base of support, but you'll renew the volunteers' excitement about your organization's work.

24. When giving awards and recognition gifts, think of ways you can involve people in your organization. Lunch with the board or a special tour of your facilities will be more meaningful than a mug or pin.

25. Introduce your supporters to your staff, board, and those who have benefitted from your organization's services.

26. At all board and staff meetings, ask everyone to write down the names of people they've met or heard about who may be interested in supporting the organization. Invite these people to become involved with your organization.

27. Before asking people for money, find out how they would like to be recognized for their gifts. Build your interactions around those desires.

28. Consider every "no" an opportunity to strengthen your relationship and turn the "no" into a "yes."

29. Send thank-you's promptly and often.

30. View special events as a chance to involve your supporters and attract new allies as well as to raise money.

31. Whenever you come across an article or idea that relates to one of your supporters, send it on with a brief, friendly note.

32. Several times a month, call a few supporters to share what your organization is doing. Have staff and board members do the same.

33. Ask people to commit to doing something, no matter how small. The act of volunteering strengthens allegiance.

Selected References

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*Starred references are available at www.snpo.org/members. Also see Learning Institute programs on-line: Resource Development (www.snpo.org/li).

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Five Golden Rules for Board-Executive Retreats

"Retreat from hell" or powerful bonding experience? These keys make all the difference.

By Doug Eadie

Retreats are a powerful way to involve board members, CEOs, and senior managers in accomplishing high-impact governing work that couldn't be done – at least not as well – in regular board meetings. You can use a retreat to update your organization's vision statement, review environmental trends, and identify strategic issues. In addition, retreats are an unparalleled way to build esprit de corps, satisfaction, commitment to new directions, and emotional bonding among participants.

But just because you assemble people in a retreat setting for a day or two doesn't mean you'll automatically realize powerful returns. Be forewarned: Retreats are high-risk affairs that can easily fall apart, doing more harm than good, if they aren't meticulously designed and conducted. The last thing you need is one of those "retreats from hell" that leaves everyone frustrated at having wasted precious time and energy.

> Retreats are high-risk affairs that can easily fall apart, doing more harm than good.

These five golden rules will ensure that your retreat pays off without putting your organization at risk:

1. Involve key board members in designing the retreat.

Create a retreat committee of three to five board members, headed by the board chair. This committee can fashion a detailed retreat plan, including:

- **specific objectives** to be achieved, such as identifying strategic issues and updating your organization's vision statement
- **structure of the retreat**, including how long it will last and who will attend
- **a blow-by-blow agenda** for the retreat.

2. Employ a facilitator.

A professional facilitator can make three important contributions to your retreat's success:

- **Bring experience** of what works and what doesn't.
- **Keep participants on track**, ensuring that retreat objectives are achieved in the time allotted.
- **Assist** in the follow-through process, and produce a follow-up action report.

Just imagine 25 headstrong board members and executives spending a whole day or two together discussing complex issues on which there are diverse viewpoints, and you can see why self-facilitation would be risky. Professional facilitators offer an objective view. If they're authorities in areas such as strategic planning and governance, they tend to command the respect of retreat participants, who

are willing to cede authority for the time spent together.

Retaining the right facilitator is one of your most important decisions. "Retreat from hell" horror stories are usually the result of choosing the wrong facilitator. To make this critical decision, the CEO and retreat committee should review credentials, check references, and interview candidates.

Understanding facilitators' approaches is a major part of making the right decision. For example, if you'll be updating your organization's values and vision statements, you need to understand how candidates define values and vision statements and the process they use to generate them.

3. Use breakout groups.

Breaking participants into smaller groups is a sure-fire way to foster active participation, promote feelings of ownership, and generate lots of ideas. A 1½-day retreat might include nine breakout groups — three groups meeting concurrently in three rounds. In round 1, for instance, the three groups might be: values and vision; conditions and trends; and assessment of strengths and weaknesses. The following guidelines will help ensure that breakout groups are productive and satisfying:

"Retreats from hell" horror stories are usually the result of choosing the wrong facilitator.

- **Widen** board ownership by assigning a different board member to lead each breakout group.
- **Provide** training for breakout group leaders on how to facilitate their groups.
- **After the breakout sessions, get everyone together** to share the ideas generated in the smaller groups. Be sure every member of every breakout group participates in this reporting process. Knowing they'll help present results will focus their minds on their group's work.

4. Avoid making final decisions.

It's natural to want to reach consensus on such things as a vision statement or list of strategic issues at the end of the retreat. But that would be a mistake. Think about it. You and your colleagues are spending a brief time grappling with complex matters that defy easy understanding, and you don't have on hand the information needed for definitive judgments. If you try to make final decisions now, you'll soon find that the feeling of closure is an illusion.

5. Agree on the follow-through process at the beginning.

Build the following steps into your retreat design:

continued on page 12

You can see why self-facilitation would be risky.

• **Record** ideas generated in the breakout groups and the whole-group discussion.

• **Appoint** a task force of a few executive team members and several non-board volunteers. Have them meet four times over the next three months, come up with a refined list of strategic issues, and send it to the CEO and executive team.

• **Ask the executive team to refine** the list further before sending it to the board's planning committee.

• **Have the board's planning committee** hold a half-day work session, review the issues, and then recommend the list to the full board for adoption.

• **After the board adopts the list, have them begin** the process of fashioning strategic initiatives to address the issues.

Thus, loose ends are tied up, decisions are made, and action is taken – not prematurely, but through a well-thought-out process. ■

Your Board Retreat Library

Use these *Nonprofit World* articles (available at www.snpo.org/members) to plan your retreat:

• **Planning: What Every Board Member Should Know** (Vol. 11, No. 3)

• **How to Choose and Work with a Consultant** (Vol. 20, No. 2)

• **The Key to Building Productive Teams** (Vol. 21, No. 4)

• **Master Change, Or Change Will Master You** (Vol. 14, No. 4)

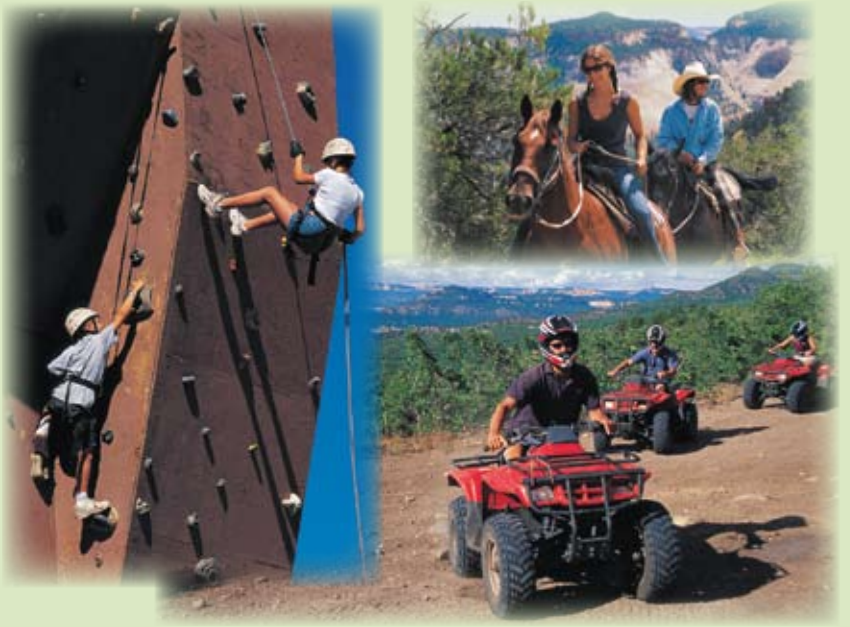
• **Board Retreats: The Wave of the Future** (Vol. 22, No. 4)

• **Training Programs Need More than Good Information** (Vol. 21, No. 2)

• **Ten Steps to Excellence: Moving Your Organization from Mission to Action** (Vol. 15, No. 2)

Where to Retreat?

Zion Ponderosa Resort provides cabin suites, "cowboy cabins," and tent camping.



The place you choose for your retreat can be as plain or special as you like. Some refuges, such as the Zion Ponderosa Resort in Utah's Zion National Park (www.zionponderosa.com) offer high-adventure team-building, such as rock climbing, as well as more traditional team-unity exercises.

The point of a retreat is to spend time together in a different atmosphere, engage in group activities, and get everyone communicating. The important thing is that the setting be quiet and free of interruptions. Look for a location where you can remove all distractions and focus as a group on issues that will move your organization forward.

The author of many books on nonprofit leadership, Doug Eadie is the founder and CEO of Doug Eadie & Company (www.DougEadie.com, Doug@DougEadie.com, 800-209-7652), a firm specializing in building high-impact board-CEO partnerships. His book High-Impact Governing in a Nutshell *is available through ASAE at www.asaenet.org. His newest book is* Meeting the Governance Challenge *(Governance Edge, www.GovernanceEdge.com).*

Three Reasons Not to Plan

By Peter Brinckerhoff

They're common excuses, but here's why you need to think beyond them.

"If you don't know where you're going, you'll wind up someplace else."

The quote above is from that famous American philosopher Yogi Berra. And he's right. Think about it: Would you go on a trip to a new town without a plan of how to get there? Would you load up your stuff and go to the first intersection and say, "Hmmm, which way?" and then make a choice at that intersection, and the next, and the next, without a larger plan? Of course not. You might go in circles or wind up in some very dangerous places.

So why isn't planning done regularly and everywhere? Because people resist planning for a number of (frankly) lame, but understandable, reasons:

I don't have the time. Yes, you do. You have 24 hours each day like the rest of us. And planning is a key part of mission development. It focuses your organization, sets priorities, and gives you the rationales to pursue one area of service while avoiding others.

> A plan helps you set priorities and focus on what you do best for the people who need you the most.

> People resist planning for a number of (frankly) lame, but understandable, reasons.

Plans are never used. That may be true — but only if you design the process that way or use an outsider to write your plan. The more inclusive you are in the process, bringing in ideas from your board, staff, and community, the more ownership there'll be in actually implementing the plan. The more you hold yourself accountable for the plan's goals and objectives (in board and staff meeting reviews) the more likely they are to come to fruition.

Plans are restrictive. What if things change? That's just the point. Things will change, and a plan helps you set priorities and focus on what you do best for the people who need you the most. Of course, you need to be flexible. Design your plan so that you can adapt it, not abandon it, when changes come along.

Understand that when we talk about planning, we're not talking just about the document. The plan itself is only part of the outcome: The process is key as well. It can bring senior staff and board members together for full-fledged discussions about issues, trends, core competencies, and outside influences in a setting and with a depth that won't happen at any other time. This breeds a deeper understanding of the various perspectives around the table.

Planning is work, but very, very valuable work. Having a long-term focus is good stewardship. ■

Planning to Plan

Use these *Nonprofit World* articles (available at www.snpo.org) to make your plan a reality:

- **Ten Steps to Excellence: Moving Your Organization from Mission to Action** (Vol. 15, No. 2)
- **Needed: A Better Grasp of Strategic Planning** (Vol. 24, No. 5)
- **How to Keep Your Plan Off the Shelf** (Vol. 12, No. 2)
- **Don't Give Up on Strategic Planning: 10 Keys to Success** (Vol. 22, No. 3)
- **Planning: What Every Board Member Should Know** (Vol. 11, No. 3)

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Board room

Defining Your Board's Needs

Here's what you need to know before seeking that next board member.

Board recruitment involves two elements — an organization and a board candidate.

The focus starts with the organization's needs. These needs dictate the parameters of the search. As you begin the recruitment process, keep these three vital concepts in mind:

- **The board is a strategic partner** in an organization's governance. Board members aren't just names on a letterhead or writers of checks; they're valuable partners.
- **In this partnership, the board serves as a "brain trust"** for the organization, with each member providing expertise in two important ways:
  - informing the board's policy formation process
  - serving as a resource for senior staff as they implement the organization's mission.
- **Finding board members with the skills to be "brain trust" partners** requires a planned search, custom-tailored to the organization's needs.

Choose board members with the same attention to their roles as when you hire staff. For example, you wouldn't hire a development director or chief financial officer without a job description and a clear understanding of responsibilities. Use the same criteria in seeking board members.

> The more you understand about the "board family," the greater your chances of finding the right fit.

At a recent board-connector meeting (for more on such meetings, see "Looking for the Perfect Board Member?" on page 16), representatives from a medical-training institute arrived with the request to find "someone wealthy/important" for their board. After a discussion with an advisor, they realized that their real need was to add board members with expertise in finance and strategic planning to help develop financial plans. This, of course, didn't preclude their also being wealthy and important.

Six Key Things You Need To Know

Introducing a candidate to a board is like bringing an outsider into the family circle; the more you understand about the "board family," the greater your chances of finding the right fit. Take the time to create an organizational profile–an overall portrait of what the organization and its board look like. Here are six categories of information to include in your profile:

1. Mission: What Is This Organization All About?

Nonprofits address an amazing variety of needs and goals. Even nonprofits in the same general field can have very different goals. Within the field of music, for instance, the spectrum is vast — from a barbershop quartet to a chamber orchestra renowned for its interpretation of 18th century compositions. Dance organizations run the gamut from tap troupes to classical ballet companies.

Because board members make a personal commitment, it's important that the organization's mission interest the candidate. While some people will be glad to help "any organization that serves kids," others have more targeted concerns.

Example: One prospective trustee expressed a preference for environmental issues. He had declined a nature-preserve board, but when he was approached by an organization concerned with developing

green spaces within the city, he said, "That's for me. I'm really concerned that kids who grow up in the city have a chance to play and learn where there are trees and grass, and not just concrete."

2. Size & Stage of Life Cycle

How big is the organization, and what is its stage of growth? Is it a toddler just emerging from its founding stage? An organization going through a difficult adolescence? Or a *grande dame* too fragile to handle abrupt change? Organizations that reach a mature stage may require people with the skill to function in a well-defined structure — and the patience to wait for the right moment to have an impact on organizational direction and policy.

Example: The board of a major health organization was populated by the descendants (and two original members) of prominent, wealthy founding families. They knew they needed to bring in new blood from the corporate world, but there was a feeling of unease about these newcomers fitting into a "blue blood" environment. A board recruiter was able to identify a senior corporate executive whose human resources experience gave her the diplomatic skills to fit in gracefully.

3. History & Demographics

History plays an important role in shaping an organization's culture. The factors that led to its founding — a battle to save a playground, a response to an emergency, sorrow over a child's death to a rare disease — shape institutional memory and create the atmosphere that will confront a new board member.

Other things affecting recruitment strategy are demographics: an organization's location, ethnic background of people served, and board members' ages. Many boards are composed solely of one profession, such as social workers in senior care, college admissions officers, or artists. Many seek to broaden their boards, but care is needed to find the right person to fit into an environment where the others "speak a different language" — the jargon of the field.

> Choose board members with the same attention to their roles as when hiring staff.

4. Current Board & Staff Leadership

What is the board's skill profile? Are all board members active? Only a few? Mostly deadwood? Are they founders? Been there forever? Mostly newcomers? Is the chair weak? Overly dominant? A good leader? Do board members also serve as volunteers involved with day-to-day operations — or is the chair frustrated because board members rarely show up?

Perhaps the most crucial dynamics are the CEO's personality and management style. Some see their board as a cheering squad; others regard their trustees as banks; some are intimidated by their boards. Those who view their board members as valued partners reap the richest rewards.

5. Governance Practices

Pinpoint your expectations for board members by answering questions such as the following:

When and where does the board meet? The pattern can vary from monthly, 90-minute meetings to semi-annual get-togethers lasting days. Meetings can take place in the organization's basement offices or (for a national organization) in hotel meeting rooms at sites throughout the country. Most people prefer to serve on boards that are conveniently located, but you may be surprised. A prominent banker was very ready to travel an hour to attend meetings of a community-service agency in a remote neighborhood; an insurance executive didn't blink an eye when asked to come to a committee meeting at 7:30 in the morning — a 75-minute trip from his home.

What board committees exist? What are their work agendas? Are these committees active? When, where, and how often do they meet? Committees offer an important channel for board-member participation, and you need to have a realistic assessment of how they're functioning — or not functioning. Examining each committee's mandate provides an understanding of the "brains" that would be valuable for the committee's agenda. This becomes the basis for the ideal roster of board skills.

How long are the terms of board service, and how often do people rotate on and off the board? Answers to these questions not only define the length of the candidate's potential commitment; they also affect how long everyone else has been on the board — and this can have a strong impact on the board's personality. Is there a rotation provision in the bylaws, and is it used? Or is everyone automatically re-elected? A board with little turnover can become a closed group with strong resistance to newcomers.

6. Financial Contributions

Most organizations look to their boards for financial support and fundraising assistance. It's important to get fundraising expectations on the table from the beginning:

- **Is a personal cash contribution expected,** and if so, in what amount?
- **Is a gift from a board member's company** expected?
- **Will the board member's assistance in "getting" funds from others** be credited toward their "giving" requirement?
- **Do *pro bono* services** (such as in-kind resources or volunteer labor) count as a respected alternative to a cash donation?

Sometimes a board wants to specify a financial requirement for new members. Too often this is wishful thinking. Expectations for new members should be in line with the current board's giving practices.

Example 1: A classic case was a board that was reaching out for

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Looking for the Perfect Board Member?

If so, boardnetUSA is the place for you. The Volunteer Consulting Group — a 501(c)(3) nonprofit organization in New York City with over 30 years' experience strengthening nonprofits — created boardnetUSA to help nonprofit boards reach beyond their existing networks to find people interested in serving as board members.

There's no fee for a board or individual to use the boardnetUSA system. This unique system is a network of communities working locally to enhance nonprofit board governance. Each local community partner develops its own services tailored to its community.

In Ann Arbor, Michigan, for example, Nonprofit Enterprise at Work (NEW) is boardnetUSA's community partner. NEW has developed a program it calls BoardConnect, which provides board matching, on-site training, and other board development services. Nonprofits seeking new board members can send representatives to board-connector meetings, where board-matching experts will help them decide exactly what sort of candidate they most need on their board. Then boardnetUSA's online database system will match the organization with the ideal person. In addition, BoardConnect offers skills-training workshops, Web site training, a reference library, and office and meeting space for nonprofits.

In New York City, Bernard "Bernie" Adams learned about boardnet USA when he told a friend he was interested in doing some public service. His friend suggested boardnet, "because I could post all my credentials and interests online, and boards looking for members did the screening," Adams explains. "It really reduced the time and cost of the search for me. I was approached by a number of organizations by e-mail and was able to follow up and learn about their missions and then proceed by telephone before going further. It's a very efficient way to do what I guess a dating service does."

Adams ended up on the board of Harlem Link Charter School and is "incredibly happy" there. "My profile was helpful to them, because they were looking for someone with my background in administration and finance. I've been involved in helping businesses grow for most of my career both as a consultant and manager, so I was looking for a start-up organization that could benefit from my skill set," says Adams, who is founding partner of New York's ARX Investment Management, LP. Harlem Link was a great fit for him.

"Significantly, we continue to use boardnet's services at Harlem Link," adds Adams. "We're looking for additional directors, so we keep our posting active as a way of finding people who might be outside our universe. Clearly, boardnet provides a unique service, and I can't say enough about it in terms of its quality and benefits to the nonprofit world."

In the words of another boardnet user, "I found the perfect match for my interest. After attending two board meetings as an observer and their initial strategic planning meeting, I was elected to the board. I found boardnetUSA to be a great help for several reasons, but it was the profile that made me focus on what I wanted."

Over 12,000 candidates and nonprofit boards are currently using boardnetUSA. Over 85% of users feel boardnetUSA connected them with a board or candidate they wouldn't have otherwise encountered, and 88% would use boardnetUSA again.

To find the ideal person for your board, visit www.boardnetusa.org. If you don't find any candidates listed in your geographic vicinity, it's probably because no community partner has yet been identified in your area. Perhaps you can help develop such a partnership in your region.

its first member in the business community. The present board members didn't make any financial contributions, but they thought it would be "nice" if the new member, since he was a businessman, would give $50,000 a year.

Example 2: A fledgling drama group set a minimum giving requirement of $5,000 per year for each board member after the executive director attended a meeting and heard that board members of another theater group were contributing at that level. The difference was that the latter group was a well-known theatrical company with a distinguished performance record. It had "grown up" to a giving level that was unrealistic for this new company.

Many boards do require a donation from every member because it can be important in fundraising proposals to say that there's 100% support from the board. Again, knowing what's expected is the key to success. As one thoughtful trustee said when he turned down one board and accepted another, "I am always striving in my job; in my volunteer work I want to be with an organization at my comfort level, where my efforts and contributions are welcome and appreciated. I don't want to feel that I'm not 'keeping up' with the rest."■

To Learn More

For more on recruiting board members, see these resources at www.snpo.org:

- How to Develop a High-Impact Board (Vol. 24, No. 4)
- Bring a List of Names to the Next Meeting (Vol. 24, No. 5)
- Is There a Role for Your Board in Raising Funds? (Vol. 23, No. 3)
- Building Your Nonprofit Dream Team (Vol. 14, No. 5)
- Improving Board Meetings: Three Steps to Success (Vol. 24, No. 6)
- Learning Institute Board Governance online program.

The Nonprofit Branding Exercise

Here's a concrete way to put branding to work for your organization.

By Joel S. Zimmerman

When you hear an organization's name, see its logo, or read its tag line, you instantly make a host of associations. For most people, "The Walt Disney Company" raises memories of Mickey Mouse ears, cartoon characters, simpler times, and family entertainment. The name might be enough to generate happy emotions and bring a smile to your face. In the marketing world, we call this stereotypical reaction the organization's "brand."

In the world of nonprofits, a strong brand is key to successful fundraising. In the United States alone, over a million nonprofit organizations are competing for the attention and support of individuals, companies, foundations, and government grants. Nearly every nonprofit competes with others whose mission is similar. For many, it's their brand that makes their appeal for attention and funds successful.

You've probably read many articles explaining why a brand is so important. Few articles, however, explain how to engineer a brand into what you want it to be. That's the purpose of this article.

Every Organization Has a Brand

When people hear your name or see your logo, they react to it. They might react positively ("Wow, they're a terrific charity!"), negatively ("They're a bunch of crooks"), or with a total lack of recognition ("Gee, never heard of them"). It's human nature to squeeze organizations into convenient pigeonholes and make snap judgments. Your brand is the container that packages those assumptions for people.

How did your organization get the brand you have? Many organizations are branded in a *passive* way. That is, the public forms opinions about them almost by accident. People learn about a nonprofit in stories they hear from those who have volunteered for the organization or received its services. TV and newspaper stories give information that reporters think will interest their audience, which, by the nature of news, is frequently disparaging. If media are the main source of information, your branding may be just what your nonprofit does *not* want.

Rather than being branded passively, you should *actively* engineer your brand. To do so, you must define what you want your brand to be, ensure that your activities support that brand, and implement an active branding process.

It's easy to agree with this as an abstract idea. But how do you do it?

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FIGURE 1

BRAND DEVELOPMENT TEMPLATE

Copy this template, and fill out a separate one for each branding concept (you will likely have two to six different concepts).

1. Branding concept: _____

_____

2. The audience that values this: _____

_____

3. The need being fulfilled: _____

_____

4. What your organization does (produces) to deserve this brand:

_____

5. The evidence for this response:

Facts: _____

Anecdotes: _____

Processes: _____

6. The organization's main message about this branding concept:

_____

7. Secondary messages: _____

_____

8. The organization's positioning statement (where we are relative to those we compete with; what makes us special; how we want to be characterized and identified): _____

_____

9. Collateral materials (Where should this message be? Proposals, brochures, logo, byline, ads, banners, Web pages, vision statement, stationery, etc.): _____

_____

10. The media for delivering this messaging (broadcast, word of mouth, conferences, customer reports, brochures, journal ads, etc.): _____

_____

11. Strategies for strengthening this brand: _____

_____

If your brand and contributions don't jibe, your brand will take on unwanted attributes such as phony, unbelievable, unrealiable, and overblown.

The 11 Branding Items

Figure 1 is a template to use for a branding exercise. Let's take a quick tour through the 11 items on the template.

1. The branding concept. An organization has a core of two to six branding concepts that define what it does and how it distinguishes itself from others. Some examples:

- the most influential disaster-recovery agency in the world
- an important contributor to the national debate on social-security reform
- America's watchdog for minority civil rights.

Make copies of the template page in Figure 1, and fill out a separate one for each branding concept related to your organization.

2. The audience that values this. Just like commercial enterprises, nonprofits exist within a marketplace — an environment in which parties trade commodities that have value. Volunteers give their time; donors give money. In return, they expect nonprofits to give something of value to society: meals for the hungry, shelter to the homeless, opportunities for education, or other such goods and services. To work successfully in a marketplace, you need to know what types of people see value in your core branding concepts. Knowing this, you'll understand how to reach those who are motivated to "trade" with you in your marketplace.

3. The need being fulfilled. Nonprofit marketing is complicated because the *recipients* of the group's services often aren't the service's *purchasers*. If you feed the poor, then it's hungry poor people who value this service, and their need is straightforward – nourishment. The people who support your nonprofit with donations of time and money, however, probably aren't hungry. They value your service because you fill such needs as conscience, altruism, personal involvement, and religious conviction. If your branding concept is important in attracting hungry people to your organization, the answer for item 3 is one set of needs. But if your branding concept is important for bringing in donors and volunteers, item 3's answer will likely be very different. Thus, you'll want a different branding concept to appeal to each of these groups.

4. What your organization does to deserve this brand. Ultimately, a brand must be based on the reality of what you contribute to the world. Your credibility depends on achievements people can see, hear, read about, and experience. If your brand and contributions don't jibe, your brand will take on unwanted attributes such as phony, unbelievable, unreliable, and overblown.

5. Evidence for this response. Your answers for item 5 support your answer to item 4. For example, if your response to item 4 is "We have the largest feed-the-poor program in the United States," item 5 should give proof to support that claim.

Item 5 calls for three types of evidence. The first is facts and figures – verifiable statistics about your organization. The second has to do with stories told about your organization. These can be at the level of lore – well-known anecdotes about your organization's role during a disaster, in getting a bill through Congress, or as a catalyst to a medical breakthrough. Finally, evidence can be in the form of organizational processes. For example, if your branding concept is facilitating veterans' benefits, do you have accessible application forms, 800 numbers, counseling hours, and other such mechanisms in place for veterans to use?

6 and 7. The organization's main and secondary messages about this branding concept. Your organization communicates various messages to reinforce each branding concept. If your concept is "the most effective animal protection organization in the world," how will you show that you're effective – through the number of animals protected, animals helped per dollar donated, number of bills passed because of your influence? To deliver this concept, you need a primary message and several secondary messages, all crafted to convince people that this brand is really you.

8. The organization's positioning statement. Your positioning statement expresses how you want your nonprofit placed in the public's consciousness relative to the rest of the world, especially in relation to organizations directly competing with you. This statement provides the answer you should give if someone asks, "Why should I donate time or money to you instead of to some other organization?"

Test to see whether the messages received were the same as the messages sent.

9. Collateral materials. All your messages must be delivered in some physical format — brochures, annual reports, Web pages, video disks, scrapbooks, billboards, product samples, documentaries, news clips, op-ed articles, white papers, scholarly publications, catalogs, and so on. The messages in all these materials should be consistent with each other and support your organization's core branding concepts.

10. Media to deliver this messaging. Your messages need to reach the audiences they're intended to influence. How do you get brochures to people who will benefit from reading them? How

will scholarly papers get to the scholars? In which periodicals will your op-ed pieces appear? Other media for delivering messages include public service announcements, professional conferences, public events, giveaways at public places, posters on subway trains, and 10-second appearances in motion pictures.

11. Strategies for strengthening this brand. Now, how do you use all this information to engineer the result you want? Do you need to reinvent your Web site? Should you advertise and, if so, with what media? Should you train staff and volunteers how to answer questions from constituents and the public? Do you need to make your programs fit your brand more closely?

FIGURE 2

Three Ways You Can Use the Branding Exercise

Use the branding exercise to…	It answers the question…
Brand a new organization.	What should we do in the future?
Audit the organization's brand.	Are we doing what we should be doing?
Modify the organization's brand.	What should we be doing differently?

Ways the Exercise Can Be Used

Now that you've reviewed the tool, let's consider the different ways it can be used. As Figure 2 shows, a branding exercise can help your organization in three ways:

Brand a new organization. If your organization is relatively new, your purpose in the exercise will be to figure out the brand you wish to create. The exercise will be oriented toward the future.

You'll probably need a half day or so to identify the branding concepts for item 1 on the template. After generating a list of possible concepts, prioritize them, and limit them to no more than six.

For a new organization, answers to items 4 and 5 (evidence about what your organization does) will be more prescriptive than descriptive. These will become suggestions for activities you can undertake to support your desired brand.

Items 6 through 11 should be considered tentative best guesses for a new organization. Messages need to be worded and delivered, and people's reactions must be tested to see whether the messages received were the same as the messages sent. Strategies for brand development need to be monitored to see whether they have the desired effects.

Audit the brand for an existing organization. It's often useful to evaluate how well an organization is doing what it intended to do. The branding exercise can help you check whether your perception of your brand matches the image your organization is, in fact, creating. In this case, you can use your existing materials (Web site pages, brochures, publications, operational records, program evaluations, articles about your nonprofit, transcripts of comments made on the air or at conferences, results from focus-group research, and other such data) to provide the wording of branding concepts for item 1 in the template. While it may take time to agree on which branding elements are most important, relatively little effort should be needed on "wordsmithing" to express these concepts.

Items 2 and 3, identifying the audience and its needs, should also be straightforward. Because this is an audit of an existing brand, you should be highly aware of the audiences to which your branding concepts are directed and the needs you fulfill.

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Branding must be a verb, not just a noun.

Items 4 and 5 require you to list the programs, services, and products that relate to your branding concept. For example, if your organization is branding itself as the "leading voice for women's rights in the United States," you need to show what the organization is doing to live up to this branding position. Can you show that your organization is indeed a voice for women's rights, that it somehow "leads" in this role, and that its domain is truly country-wide in scope?

In an audit, you should similarly cast items 6 through 11 in terms of what you're doing, rather than what you might wish for the future. Look at the materials you uncovered in items 4 and 5 to summarize what messages you send, the materials and media through which you send them, and what strategies you use to promote your brand.

Modify a brand. The third use for the branding exercise is a mixture of the first two. You may decide to modify your brand if you feel the current brand is obsolete or ineffective. In this situation, your answers need to separate what is currently the case from what you believe should be the case. The exercise is harder because of the need to distinguish between substance and process. In other words, if a brand isn't successful, is it because the branding concept is inherently flawed or because the concept is weakly defined and poorly communicated? This is a critical distinction to make before deciding what modifications are needed.

How You Do the Branding Exercise

Collect information. Before going into the branding exercise, do research to understand the environment in which your nonprofit operates. What other organizations are in your work space? What are their brands? What media are they using? Only with this information

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can you decide how to position your organization in relation to others with which you'll be competing. If your purpose is to audit or modify your brand, you'll also need to gather materials (publications, Web pages, and so on) that explain what your brand is.

Assemble the right people. Recruit two groups to participate. The first group will work through the template questions. This grouping should include the CEO, key board members, and other senior leaders. The second group will act as reviewers. These people should be stakeholders in the organization: board members, volunteers, staff, clients, concerned members of the public, and perhaps a few representatives from your most important funding sources. Choose people who are smart, outspoken, and dedicated to your cause. When you finish the exercise, you'll send the results to them for review. Based on their reactions, you'll make changes to sharpen and improve your thinking.

Get a facilitator. Your chances of being successful are much higher if you have an experienced facilitator guiding you through this exercise. You need a facilitator for several reasons. First, someone must move the exercise along, keeping people from slowing your progress or taking you off topic. Generally, an insider can't do this effectively – especially if the insider is participating in the exercise. Second, someone needs to draw out participants who are quiet. A good facilitator knows how to spot these people, encourage their participation, and integrate their ideas into the group's deliberation. Finally, you need someone who is more concerned about the process of developing the brand than in the brand itself. This usually requires someone from outside the organization.

Do the exercise. The exercise calls for filling out "answers" in the brand development template. Figuring out the brand concepts (item 1 on the template) is probably most crucial. This step can also be the most difficult. Once you've completed item 1, you can expect the rest of the exercise to go quite smoothly. To save time, you can divide people into teams, with each team filling out items 2 to 11 for a different branding concept. Another possibility is for the group to work on all the branding concepts together, covering items 2 to 5. Then individual teams can break out to work on items 6 to 11.

Edit, review, and edit again. Type up the template results, and distribute them to everyone who participated in the exercise. These people should review the results and send their comments to a person designated as the authority for each branding concept. Each concept authority should then make final edits and send the resulting template to a single person whose job is to integrate all the pieces into one packet.

This packet should then be sent to the review group (the group of people who didn't participate in the exercise). Their comments should be returned to the integrator and then routed to the designated branding-concept authorities.

What's left to do depends on the reviewers' remarks. If their comments are generally positive, a final edit is all that's needed. If reviewers raise serious issues, it may be worthwhile to bring the exercise group together to make modifications.

What to Do with the Results

Apply the strategies. The last item on each of your templates asks for strategies to strengthen this aspect of your brand. Turn these strategies into plans, and activate them.

Orient your board, leaders, staff, and volunteers. Branding won't work unless all the significant people working for your organization support it. Use meetings to explain the branding concepts and your strategies for bringing them to life. Distribute handouts that summarize major message statements. Help people understand how the new branding will affect what they do in their organizational roles.

Institutionalize your branding messages. To succeed with your brand, you must use it consistently. Start with the basics. Is your brand consistent with your mission, vision, and values? Is it compatible with the way you spend your resources and devote your staff's time? Does it fit with your logo and all the information you disseminate?

Communicate your brand assertively. The most important point to remember is that you must actively promote your brand. You can't wait for others to find information about you, pick what they want, and distribute that to the rest of the world. Branding must be a verb, not just a noun. Do your brand. Make your branding concepts come alive in the marketplace, in exactly the ways you want them to. ■

Get in the Marketing Mode

For background on marketing and branding, read these articles from earlier issues of *Nonprofit World*, available at www.snpo.org/members:

- **Brands: They Need to Work Just as Hard as You Do** (Vol. 20, No. 1)
- **Are You Following the 4 Cs of Branding?** (Vol. 25, No. 3)
- **Where Can you Find the Marketing Resources You Need?** (Vol. 23, No. 2)
- **How to Choose and Work with a Consultant** (Vol. 10, No. 2)
- **How to Use a Total Marketing Approach to Renew Your Organization and Make an Impact** (Vol. 13, No. 3)
- **Defining Your Leader Brand** (Vol. 25, No. 2)

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Too Much to Do: Four Keys to Effective Delegating

It's one of the most important skills a leader can have

By Paul Lemberg

It's not that you have too many important things to do. The problem is either (1) you're trying to do them all yourself, or (2) all of them simply aren't that important.

So one solution is to shrink the things you classify as important, and that should certainly be your first step. But, for most people, the leftovers still leave too much to do.

Enter delegation.

Successful delegation is a critical success factor for anyone who wants to be an effective leader. The definition of leadership is getting things done through the medium of other people. If you want to do big things, you have to extend your reach beyond your ability to do everything at once. So you must lead and you must delegate. It's axiomatic.

The harder you try to hold on to things, the faster they'll get away from you. And the more important your project, the faster it will spin out of control. Lack of good delegating skills can be a real show stopper.

Why is delegation so difficult, even frightening? First of all, you may enjoy doing the thing you have to delegate, and it's hard to give up something you genuinely like. You may think you do it better than anyone else. You imagine it won't get done as well as if you did it. How could it, if you're the best?

If you want to do big things, you have to extend your reach beyond your ability to do everything at once.

You may even believe if you don't do that thing, you won't have enough to do. This last is laughable, considering that the title of this article is "Too Much to Do." Yet, in your gut, part of you feels this way.

Know this: Whatever things you should give away and don't will get shorter shrift and less attention than they deserve. If they're important at all, these things will become bottlenecks blocking your organization's growth and success.

So here they are — the four keys to successful and effective delegation.

1. Give the job to someone who can get it done.

Don't just hand things over to the next warm body. Get buy-in from delegates first. Do they have the time? The resources? The energy? Are they enrolled, or is this just more work for someone who's already overburdened? Find someone who has (1) the skills, knowledge, and resources needed, and (2) the time to do it. If you dump your projects onto people without the wherewithal or availability, you're setting them up to fail.

2. Communicate your "conditions of satisfaction."

Have a clear picture of what success looks like. Did you ever ask someone to do something that came back quite different from what you expected? Be sure you have mutual agreement on critical requirements. How do you want it to look? What are the parameters? What format must it take? Are there any special processes that need to be used? Particular people you want engaged? And — often most important — by when?

Use SMART (specific, measurable, actionable, relevant, time-based)

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goals to clarify the desired outcome. Create a timeline. Also, if necessary, set up a measurement system that will help you and your delegate know whether things are on or off track. You can abbreviate this step if the task is simple, but make sure to have your bases covered.

3. Work out a plan.

How will the project get done? This doesn't mean you should micro-manage; that's the very opposite of what you need. But one key to delegating is knowing the project can get done and will get done. Depending on the degree of difficulty, you may ask that the first step of the plan is to work out the plan. In other cases, your request may be simple and a plan not necessary. But think this through: Decide whether a plan is needed; if so, make sure there is one.

4. Establish a feedback loop.

How are you going to get updates and give feedback or advice? When are you going to speak or meet? How frequently? Will your delegate send you an e-mail or a formal progress report? Create some pre-defined mechanism to keep you informed and to give your delegate a way to seek guidance.

> Use SMART (specific, measurable, actionable, relevant, time-based) goals to clarify the desired outcome.

Delegating isn't abdicating. There's a big difference between the two. When you abdicate, you're saying, "I'm neither responsible nor accountable for the results." When you delegate, you're still accountable for the results. You're asking someone else to do the work, but it's ultimately your work. To paraphrase Harry Truman, the buck stops with you. ■

Resources

"Build a Powerful Staff Team," *Nonprofit World*, Vol. 18, No. 4.

DeVos, Karen, "Purpose, Results, Key Indicators, Feedback," *Nonprofit World,* Vol. 3, No. 5.

Lemberg, Paul, "What Not to Do, and How Not to Do It," *Nonprofit World,* Vol. 19, No. 6.

Articles from Volumes 14 to the present are available free on-line at www.snpo.org/members, and articles prior to Volume 14 are available on CD-ROM at http://www.snpo.org/resources/productcatalog.php.

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How to Measure Online Fundraising Success

Use these three objectives and key metrics to rate your fundraising proficiency.

By Gene Austin

Before launching a fundraising campaign, you must first determine your objectives and set criteria you can use to decide if the initiative was successful. Following are three objectives with corresponding key metrics and best practices to consider when planning online fundraising campaigns and assessing success:

1. Improve Outreach

An essential step in your plan should be to build a base of online supporters. Key metrics include:

- **Web site traffic growth.** Increasing the number of people visiting your site ensures that you're gaining more exposure to potential donors.
- **Percentage of Web site visitors who register,** also known as conversion rate. It's crucial to capture visitors' e-mail addresses so that you can develop online relationships with them.
- **E-mail address file growth.** You need to keep adding names to your organization's e-mail address file since the pool of prospective donors must expand for online fundraising to grow.

> Offer people something of value before asking them to take action.

To maximize results for these metrics, try these techniques:

- **Gain new Web site visitors** by promoting the site at offline events.
- **Convert Web site visitors** into registered constituents by using a prominently displayed registration field and clearly stated benefits for registering.
- **Use urgent appeals and incentives** that motivate constituents to forward Web pages and messages to family and friends (also known as viral marketing).

2. Build Bonds

Get to know donors by creating profiles of their interests and encouraging them to interact with your organization online. These interactions help develop loyal connections that will drive ongoing support. Consider these measures when tracking relationship-building results:

- **Percentage of the e-mail file providing a personal profile.** Detailed profiles about constituent interests, geography, and other demographics allow you to segment your list and offer constituents relevant information.
- **E-mail open rate.** This figure shows what percentage of all e-mail recipients actually opened the message, indicating how well you're engaging and getting through to your constituency.
- **E-mail click-through rate.** This metric is the percentage of e-mail recipients who clicked on a link — such as a donation form, petition, or survey — within the message. These results show how effective the e-mail is at stimulating people to take action.
- **E-mail forwarding rate.** This value tells you how important your messages are to each constituent

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based on how often the constituent forwards them to friends and family.

• **Response rates to surveys and polls.** Surveys and polls give people a chance to provide feedback and additional information about themselves. Measuring the percentage of recipients who fill out surveys tells you how many are open to developing a deeper relationship with your organization.

• **Opt-out rates on e-mail newsletters.** These statistics indicate the number of people who unsubscribe to your organization's e-mails. It's important to minimize the opt-out rate to maintain a list of engaged constituents and avoid being labeled a spammer.

The following approaches can help optimize results for these metrics:

• **Ask constituents to indicate their interests** and then offer personalized e-mail and Web site content.

• **Build detailed profiles** of constituents over time using surveys and polls rather than asking for a lot of information up front.

• **Engage constituents online** with stories, photos, and online communities to keep them interested in your organization.

> Use micro-campaigns rather than a single online request for donations.

3. Drive Action

The key objective for most online fundraising campaigns is to motivate constituents to respond by making a donation, becoming a member, or purchasing a ticket for an event. In addition to overall funds raised online, the following measures are important:

• **Response rates to e-mail solicitations** for donations. Look at the percentage of people who responded — versus the total number who received the e-mail — to determine the effectiveness of each individual e-mail message as well as overall campaign success.

> Offer premiums, such as a certificate or bumper sticker, in exchange for online gifts.

• **Average online versus offline donation.** This yardstick gauges how effective your online channel is at soliciting larger gifts and moving individual donors to increasingly higher levels.

• **Overall offline plus online funds raised.** This information reveals whether your organization's campaigns are meeting or exceeding your goals. This metric is especially important for campaigns that include direct mail, telemarketing, and Web communications because it provides insight into the overall effectiveness of the combined communication methods.

• **Percentage of the e-mail file that donates.** This measurement helps predict the total value of your e-mail file as well as the incremental value of adding an online constituent. Use this percentage to determine the proportion of people in your e-mail file who became donors for each period.

• **Percentage of respondents who are new donors** from each online campaign. This metric will help you determine how many new donors you're gaining with each online campaign, and how that number is changing over time.

• **Number of Web donors.** For every online fundraising campaign, look at how many site visitors turn into donors by measuring the number of people who donate online. This number will show how effective your Web site content is for motivating donations.

Try these techniques to improve results for these metrics:

• **Use urgent, timely calls to action** with clear deadlines and purposes.

• **Offer people something of value** before asking them to take action.

• **Give constituents many ways to respond** to match a variety of preferences.

• **Use micro-campaigns**, each with a specific purpose, rather than a single, broad online request for donations.

• **Offer premiums,** such as a certificate or bumper sticker, in exchange for online gifts.

> Give constituents many ways to respond to match a variety of preferences.

Use New Tools

Tracking key metrics during a fundraising campaign will help you later determine the campaign's success. Take advantage of new online tools that make it possible to measure and manage vital objectives — such as improving outreach, building constituent relationships, and driving action — in a powerful, integrated way. ■

Resources

Atlas, Leonard, "Charity Begins on the Web: Tips to Enhance Online Fundraising," *Nonprofit World,* Vol. 23, No. 4.

Austin, Gene, "Ten Ways to Raise More Funds Over the Internet," *Nonprofit World,* Vol. 24, No. 4.

Frenza, JP & Leslie Hoffman, "Fundraising on the Internet: Three Easy Strategies," *Nonprofit World,* Vol. 17, No. 4.

These resources are available at www.snpo.org/members.

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Risk Management: How to Protect Your Assets

Your organization's assets include far more than property. Don't put them at risk.

By Nora Kathryn Duncan

What is risk management and why should you be concerned with it? Risk management is simply doing all you reasonably can to protect your organization from financial loss due to natural disasters and people's actions. Every organization needs to have a risk management plan in place and review it periodically to make sure that, no matter what happens, the organization's mission will be carried out. Here are the steps to take.

Assess Your Assets

The first step in risk management is to analyze your organization's assets and think through possible events that might put them at risk. The Nonprofit Risk Management Resource Center (www.nonprofitrisk.org/advice) categorizes nonprofits' assets as follows:

- **people:** board members, volunteers, employees, clients, donors, and the public
- **property:** buildings, facilities, equipment, materials, copyrights, and trademarks
- **income:** sales, grants, and contributions
- **goodwill:** reputation, stature in the community, and the ability to raise funds and appeal to prospective volunteers.

> If you operate in a building that doesn't belong to you, be sure your insurance covers ***your*** property, not that of the building's owner.

Consider Your Risks

Keeping your assets in mind, you can begin constructing your risk management plan by asking questions like these:

- **Would your organization close down** if a bird flu epidemic infected half the staff?
- **How would your organization survive** if a fire or storm destroyed the building in which you keep records or provide services?
- **What would a general downturn of the economy** do to your organization?
- **What if someone associated with your organization** made a false statement to the press, destroying years of goodwill? Would the organization be able to stay in business and reestablish its good reputation?

These are a sample of possible risks you need to anticipate. It won't take you long to brainstorm many others. If your organization's work concerns children or health care, for example, you'll need to be aware of many state and federal laws, including safety laws, employment laws, and laws governing the service your organization provides.

Create a Risk Management Plan

Nonprofits are private organizations that operate for public purposes with public support and thus should strive to accomplish their missions ethically, openly, and with good stewardship of resources. A good risk management plan will include these considerations.

One of the first things people have to learn when they work with or for a nonprofit is that good inten-

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tions and charitable feelings don't always prevent lawsuits, public outrage, and liability if something goes wrong — even if the problem is the result of an accident or natural disaster. The nonprofit organization, although it may be working for the public good and doing a public service, probably has no charitable immunity from lawsuits.[1] The federal Volunteer Protection Act may keep individual volunteers from being sued,[2] but neither the organization nor its employees are covered. Furthermore, there are some important limitations on what the Volunteer Protection Act does cover.[3] Therefore, it's crucial for nonprofit boards to take a proactive, preventative approach to risk management and do everything possible to avoid problems due to inadvertence, inattention, and carelessness.

Everyone is familiar with strategies of risk management: You buy insurance to help with costs in case of accident, injury, or natural disasters. You teach your children not to play with fire, not to talk to strangers, and how to call 911. You maintain your vehicles to keep from having problems due to parts wearing out. Maybe you fence your yard to keep your dog from hurting anyone. These strategies can be classified as: insurance, training, maintenance, and prevention. They are all proactive actions to avoid potential legal problems.

When managing risks for your nonprofit, you can apply the same approaches, along with a few others. Here are the eight areas you should focus on when devising your risk management plan:

1. Legal structure: Whatever your organization's legal structure (corporation, trust, association, foundation), it is a creature of state or federal law, and there are certain legal criteria you must meet to maintain that status. The powers, rights, and duties of every officer and board member are set forth in your charter documents and bylaws. They are your organization's rules of procedure. If they're not followed exactly, your organization's acts are invalid. Moreover, individuals acting outside the requirements in these documents may subject themselves to personal liability for their actions.

2. Policies and procedures: Your policies and procedures — as well as whether everyone working with the organization uses them — can make or break your nonprofit. Policies and procedures set forth the rules of conduct for every aspect of your organization. They show your organization's character and the methodology you'll use to achieve your mission. If staff, clients, and donors don't understand and follow these policies, they and the organization may be liable.

> Bad press from a fundraising event can do more to damage community goodwill and future fundraising than almost anything else.

3. Training: Training at all levels is of utmost importance. Board training familiarizes board members with their legal obligations to the organization and the public. Employee training involves employees in the mission; defines their legal rights and responsibilities toward clients and one another; reviews local, state, and national laws affecting the organization's work; and covers any specialized education they may need. Volunteer training instructs volunteers in what they can and cannot do, how their activities impact the organization's mission, and what rights and responsibilities they have. Without proper training, a nonprofit with the best policies and procedures in the world can be destroyed because the people act without knowledge.

4. Maintenance: In planning for proper maintenance, consider not only your furnishings, buildings, and equipment but also intangibles such as goodwill, donor base, trademarks, and copyrights. In the same way that you must plan for supplies, repair, and replacement of equipment, you must plan to keep lines of communication open with your donors, community, clients, other organizations, and government agencies to maintain your niche as a service provider.

5. Legal restrictions: Your organization's legal restrictions involve activities you undertake to attain your mission. There may be laws governing:

- ***the client population,*** such as children, the elderly, or the disabled
- ***activities*** such as food handling
- ***issues of safety,*** such as motor vehicle regulations, special equipment needed, or background checks for volunteers.

You must comply with all laws governing such activities. In addition, there may be fees to pay and permits you must receive before beginning the activity.

6. Insurance: Some nonprofit managers think that having insurance *is* risk management. Insurance is only *part* of risk management, but it's an important part.

Insurance is a way to share the cost of a misfortune with the insurance company so that your organization doesn't have to pay the whole cost if sued. The insurance policy is a contract between your organization and an insurance carrier and must be carefully negotiated and understood. The contract states *who* is covered (the organization, volunteers, employees, general public), *what events* are covered (unintentional mistakes, fire, accident), *how much the company* will pay for a covered incident (limit of policy), and *how much the organization* must pay before the insurance company pays (deductible).

Examine your contract to be sure the insurance you need is included. Most policies include a duty-to-defend claim that obligates the insurance company to find and hire legal counsel. Defense costs can be either "inside" or "outside"

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> Without proper training, a nonprofit with the best policies and procedures in the world can be destroyed because the people act without knowledge.

the policy limits. Many times, the most expensive parts of the claim are litigation costs and legal fees. If there's a $1,000,000 policy limit and the costs are inside the policy limits, the real amount of the coverage is reduced. If it cost $500,000 to defend the suit and the settlement or judgment was $600,000, the organization would still be required to pay $100,000 because the policy limit had been reached.

When seeking insurance, look for an agent who's familiar with nonprofits. Nonprofits have some characteristics that other businesses don't, and special clauses must be added to accommodate these anomalies. For instance, nonprofits typically use volunteers; a nonprofit may conduct activities in buildings owned by someone else; and volunteers or paid staff may need to go to clients' homes to provide services. These and other considerations should be allowed for in the contract and may take special underwriting by the insurance company. The best way to find out what insurance products are available is to go through a state- or area-wide nonprofit group or trade organization specifically servicing the nonprofit sector.

At a minimum, your organization should have the following types of insurance:

Directors' and officers' (D & O) liability insurance protects board members and managers from paying damages due to unintentional harm caused by a negligent management decision. There may be some personal immunity if the person was acting within the scope of assigned duties and wasn't malicious, negligent, or reckless. To protect the organization, "entity coverage" must be included in the policy. The D & O policy can be worded so that volunteers who aren't directors are covered as well. If your organization has D & O coverage, it will be easier for you to recruit directors and volunteers.

D & O insurance covers a broad scope of activity. D & O claims may include employment claims; age discrimination; sexual harassment; misappropriation of funds; and discrimination grounded on race, sex, national origin, disability, or religion, to name a few.

Property insurance covers your organization's physical assets. If your nonprofit owns land, buildings, supplies, or any kind of equipment (computers, copy machines, and the like), you have property you need to insure. If you have intangible property rights like copyrights and trademarks, you need to protect those rights too. If you operate in a building that doesn't belong to you, be sure your insurance covers *your* property, not that of the building's owner. Even if your assets include only used furniture and donated equipment, you'll still need to replace them in case of fire, flood, tornado, hurricane, or theft. So be sure your property insurance covers replacement costs.

Commercial general liability insurance is the third major category of insurance every nonprofit should carry. It comes into play when a customer, client, or member of the public is injured at your organization's office or the location where you deliver services. It differs from D & O insurance in that it covers "slip and fall"-type claims where someone is injured due to a negligent act. Sometimes both D & O and general liability policies may cover the same incident, but the scopes of the two types of policies are different.

Other types of necessary insurance are workers' compensation insurance and vehicle insurance if your organization owns vehicles. Both kinds of insurance are required by law. You may need other special types of insurance depending on your organization's work.

There are exclusions in every insurance policy. Exclusions are people, acts, or events that the insurance company eliminates from coverage so that it has no liability in that area. Regularly excluded from coverage are: criminal acts; intentionally harmful, rash, or grossly negligent acts; and acts that are outside the scope of an employee's duties.

7. Fundraising: Many nonprofits don't consider the risks of fundraising. Here are some of the regulations

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you need to keep in mind:

- ***Tax regulations*** require you to list on your income tax form the names of donors who give over a certain amount.
- ***When holding a fundraising event,*** you must obtain permits and adhere to security requirements.
- ***Sales tax liability*** may be incurred when selling anything for your organization.
- ***Public health regulations*** may affect an event.

Any event or solicitation has to be thought through and analyzed to make sure it's lawful. Some fundraising events may be too costly to host when all the legal requirements are considered. Bad press from a fundraising event can do more to damage community goodwill and future fundraising than almost anything else.

8. Partnering with other organizations: Partnering can help your organization share risks. If one partner has vans for transporting clients, for instance, all transportation can be done by that organization, thus eliminating that risk for the other partners. Programs may be conducted in municipal buildings and thus covered by the municipality's liability insurance, reducing the risk to other partners. Whatever the arrangement, be sure the partnering contract spells out the responsibilities and liabilities of each entity.

Don't Court Disaster

Using this outline, you can develop a useful risk management plan. No matter the size of your organization, you need such a plan to avoid financial loss. Without it, your organization is headed for trouble.

Partnering can help your organization share risks.

A risk management plan won't keep bad things from happening. But it will help your organization continue to function and carry out your mission if something does happen.■

Footnotes

[1] The legal term "charitable immunity" deals with whether or to what extent a nonprofit organization enjoys immunity from liability for damages merely because it is organized for charitable purposes. Most jurisdictions have abolished or severely limited the concept of immunity for nonprofit organizations. The annotation in 25 *American Law Reports*, 4th 517 ("tort immunity of nongovernmental charities — modern status") discusses the relevance of the doctrine on a state by state basis.

[2] 42 *United States Code Annotated*, 14501. For guidance on how this Act affects your organization, see these *Nonprofit World* articles at www.snpo.org: "What Are We Doing to Protect Our Volunteers from Lawsuits?" (Vol. 9, No. 4), "Don't Let Volunteers Put Your Organization at Risk"(Vol. 10, No. 1), "Volunteers: Resource or Risk?" (Vol. 15, No. 5), and "Volunteer Protection Act: What Does It Mean for You?" (Vol. 16, No. 2).

[3] Employment claims are excluded; legal expenses in defending against a claim are excluded even if the act itself is covered; actions outside the scope of the volunteer activity are excluded, as is harm caused as a result of gross negligence, an intentional act, or reckless misconduct. In cases in which licenses are required, volunteers may not be protected if they weren't properly licensed.

Your Planning Kit

For more help in preparing your risk management plan, see these *Nonprofit World* articles at www.snpo.org:

- **Six Steps to Good-Reputation Insurance** (Vol. 15, No. 1)
- **How Risky Is Your Special Event?** (Vol. 20, No. 1)
- **Does Your Board Need Liability Insurance?** (Vol. 12, No. 6)
- **The Most Likely Lawsuits — and How to Protect Yourself** (Vol. 19, No. 1)
- **A Perfect Safety Record Slip Slides Away** (Vol. 19, No. 5)
- **Foreseeable Harm** (Vol. 20, No. 4)
- **When It's Time to Say Goodby: How to Discharge Workers without Legal Hassles** (Vol. 23, No. 2)
- **Why You Should Consider Trademark Protection** (Vol. 23, No. 4)

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Can You Influence Laws to Benefit Your Organization?

The answer is a resounding yes if you take a page from the advocacy of one Denver hospital. Here's how a grassroots network fuels the hospital's influence with the state legislature.

By Amy Showalter

Booster seats are required for kids in Colorado who have outgrown their child safety seats. Newly licensed teenage drivers may not drive with friends in their cars until they've had their license for six months. And Colorado health officials are spending more money than ever to make sure kids get immunized.

Those are some examples of how the Children's Hospital in Denver, a top-ranked pediatric healthcare network and research hospital, uses grassroots advocacy to get things done in its state capitol.

Key Ingredient

Viewed by its peers as one of the most effective grassroots advocacy organizations in the country, the Children's Hospital is a textbook example of how nonprofit organizations establish themselves as legislative powerhouses. A key ingredient in the hospital's success is its 4,000-member Children's Hospital Grassroots Advocacy Network, a six-year-old coalition of health professionals, community leaders, educators, parents, and hospital employees whose members have relationships with legislators across Colorado.

> Increasingly, many nonprofit organizations rely on networks of volunteer advocates.

In only six years the hospital created a sophisticated web of volunteer advocates who can mobilize on the turn of a dime. That's something you typically see only among powerful groups like the AARP and National Association of Realtors.

Other Steps

Increasingly, many nonprofit organizations rely on such volunteer networks because — unlike private organizations — nonprofits can't use political action committees to influence the political process.

In Denver, the hospital's network is most intensive during legislative sessions but stays busy all year. Network members speak to community groups, volunteer at advocacy events, write letters to the editor, give interviews to the media, and take other steps to raise awareness about issues affecting children.

Since 2004, the hospital has used Web-based grassroots advocacy software that enables volunteers to send personalized letters to lawmakers with a few computer clicks. The software also makes it easy to measure the impact of the call to action.

The Bottom Line

The network wouldn't exist without the support of the hospital's leaders, who recognize the value of a strong advocacy program. Three full-time staffers keep the network organized and motivated with newsletters, creative events, and other tools.

Staff members decide which issues to target, says Debbie Federspiel, the hospital's public-affairs manager. "We monitor about 50 issues each session, but we activate the network for only five to 10 issues with the potential to have a broader impact on the health and safety of kids."

There's no doubt that the hospital's position as a leader among children's advocates helps the bottom line. "As a nonprofit organization, we rely on community support," Federspiel says. "Our community needs to know we are looking out for their kids and their families."

Remarkable Results

The hospital hit its stride in 2004 with the passage of a law requiring children who were too big for their car seats to use booster seats. And early in 2005, the state legislature passed a law limiting the number of teens in a car with a new driver for the first six months.

But the hospital's coup de grace was pushing state officials to address Colorado's terrible record for vaccinating its children. The hospital helped publicize the state's ranking as the country's worst in overall childhood vaccination rates, according to the National Immunization Survey. The network made the ranking real by showing that Colorado's kids came down with whooping cough far more often than kids anywhere else in the country. They also drove home a compelling statistic: More than 60% of children in Colorado with preventable diseases were two years old or younger.

The state legislature responded with a double whammy. First, it increased funding for child immunization by $1 million by expanding the capacity of community clinics and authorizing a childhood immunization public awareness campaign. Then it spent another $1.25 million, this time for more outreach and to beef up a centralized registry that wasn't getting much participation from healthcare providers. Participation is growing, and officials are shooting for a 95% participation rate among healthcare providers.

Nonprofits across the country have a lot to learn from the folks in Denver. ■

Amy Showalter owns the Showalter Group, Inc. (www.showaltergroup.com), a Cincinnati-based firm that advises nonprofit organizations on how to increase their grassroots effectiveness.

What to Expect and How to Get Ready

Two landmark books offer insights into the changes to come.

By Terrence Fernsler

Generations: The Challenge of a Lifetime for Your Nonprofit

By Peter C. Brinckerhoff. 227 pages. Softcover. Published by Fieldstone Alliance (www.fieldstonealliance.org). Available for a discounted price at www.snpo.org.

Baby boomers are beginning to retire, the greatest generation's numbers are dwindling, generation Xers are maturing, and gen@ers are coming of age. How do these generational shifts affect nonprofits?

Speculation abounds. For example, less than 10 years ago we were hearing that as baby boomers inherited their parents' wealth, much of it would be passed on to nonprofits. However, we now see that a large part of that wealth may actually go to medical care, assisted living, and pharmaceutical companies as boomers retire early and live longer.

> Planning for generational change is critical if nonprofit organizations are to continue to provide high-quality services.

Now that generational shifts have begun, Peter Brinckerhoff can give a thoughtful examination to how these changes are affecting nonprofit organizations. He looks at the impact each generation has on different aspects of nonprofit work, including staffing, fundraising, marketing, volunteering, and dealing with technology. Baby boomers actually have two impacts: As they retire, employees will be leaving organizations, but many retirees will need to become clients or want to become volunteers, and many in the other sectors will look to the nonprofit sector for part-time income.

One key question is: When exactly will baby boomer employees retire? If boomers feel they can't afford to retire, which isn't uncommon in nonprofits that have no or weak retirement packages, they will stay longer. Nonprofits should look at how this will affect their organizations and the genXers and gen@ers. Are there opportunity costs at play?

Brinckerhoff recognizes five current generations, but deals primarily with the three youngest ones: baby boomers (or boomers), generation X (or genX), and gen@ (or genY, generation me, or millenials). He explains the values important to each, and what nonprofits should consider when working with each generation. For example, boomers tend to have a high sense of entitlement, so when dealing with them, focus on what they receive from your organization. Gen@ers value communicating with their peers — a lot — and do it through technology, so explain the good they, along with their peers, can accomplish through your organization, and know how to communicate with them.

> Most gen@ers demand a work-life balance.

Of course, some individuals will diverge from the norm in each generation, but Brinckerhoff is dealing with how organizations can respond to trends. So, for example, if you want gen@ers to work at your organization, be sure you're flexible with schedules, because most demand a work-life balance.

Planning for generational change is critical if nonprofit organizations are to continue to provide high-quality services. This book will help you identify trends, incorporate generational issues into your planning, and make the best of change as you strategize for your organization.

Meeting Generational Needs

What generation are most of the people you serve? What changes do you need to make in your Web site, marketing kit, and other materials to meet the needs of that generation?

If you're weighted down with boomers and older, do you need more white space, bigger typeface? If your service recipients are younger, can you meet their techspectations by giving them downloadable podcasts and educational material they can use on their iPods?

If you're not sure what people want, ask them! Remember, most service innovations that people really, really like are little improvements around the edges, not wholesale change.

–adapted from *Generations* by Peter Brinckerhoff

Emerging Areas of Volunteering

Edited by Jeffrey L. Brudney. 121 pages. Softcover. Published by Association for Research on Nonprofit Organizations and Voluntary Action, www.arnova.org.

How people volunteer is changing as communication methods change.

Volunteering is dynamic. How people volunteer is evolving as communication methods change, as society embraces personal autonomy and choice, and as global awareness increases. This incisive book explores areas of volunteerism that are increasing in importance, including:

Employee volunteer programs. Citing numerous studies, the book describes the many benefits of employee volunteer programs. It also discusses practices that support employee volunteering, such as the use of volunteer teams, ceremonies, fairs, paid time off to volunteer, and other incentives.

Virtual volunteering. To determine how virtual volunteers (those who use the Internet and Web-based technology to volunteer) can best help an organization, the authors examine differences between virtual and traditional volunteers, as well as what is different about organizations that do use virtual volunteers.

Episodic volunteering. A growing number of people prefer to volunteer sporadically or as a one-time event. Organizations that don't address this change will most likely be left behind. The book explores ways to smooth the transition toward a mix of long-term and episodic volunteering.

Cross-national volunteering. There's a movement toward volunteering across national borders, as well as a growth in short-term "vacation" or "tourism" volunteering, centered primarily on the volunteer.

Board members as volunteers. While board members and volunteers are usually treated differently, many volunteer-management practices apply to board members. The book details how nonprofits can apply nine recommended volunteer-management practices to their boards: (1) regular communication with volunteers; (2) liability coverage; (3) regular collection of information on volunteer hours; (4) screening procedures to identify suitable volunteers; (5) written policies and job descriptions; (6) recognition activities; (7) annual measurement of the impact of volunteers; (8) training and development opportunities for volunteers; and (9) training for paid staff in working with volunteers.

Each of these discussions offers a way to broaden civic engagement but also challenges volunteer coordinators to change the way they approach their jobs. Those prepared to meet volunteer needs will be able to recruit and motivate people to further their organizations' missions. *Emerging Areas of Volunteering* provides enlightening perspectives on important volunteer trends and ways to respond to them. ■

Terrence Fernsler is the executive director of the Washington Wilderness Coalition in Seattle.

The Other Side of Diversity

In the short run, ethnic diversity tends to reduce cooperation, trust, and generosity, says Robert D. Putnam in a new study. The results, published in *Scandinavian Political Studies* (www.blackwell-synergy.com), show that in the most diverse communities, trust (even of one's own race) is about half what it is in homogeneous environments.

On the plus side, however, this feeling of unease can lead to the most innovative solutions. And, given time, diverse groups can use collaboration to forge an extremely strong solidarity.

For Evaluation Success, Try This Optimistic Approach

Something magical happens when you blend evaluation with appreciative inquiry, as Hallie Preskill and Tessie Tzavaras Catsambas suggest in *Reframing Evaluation through Appreciative Inquiry* (Sage Publications, www.sagepub.com). Appreciative inquiry is optimistic, focusing on an organization's strengths rather than its deficits. It is a way to look at what an organization does well, create a vision for the future, and develop steps to achieve that vision. Its holistic, affirmative approach tends to be energizing, promoting creativity. It has a good chance of succeeding, since it is easier to build on resources you have than obtain those you haven't had success in getting. Using appreciative inquiry in your evaluations will encourage new outcomes, facilitate participation, and assure that evaluation will be a learning exercise, not a negative occurrence.

—reviewed by Terrence Fernsler

Merger Will Help Spread Nonprofit Data Globally

Two UK-based charities, GuideStar UK and Civil Society Systems, have merged to become GuideStar International (www.guidestarinternational.org), a technologically-advanced information platform with a worldwide library of nonprofit data. The merger will help respond to the growing interest in the GuideStar model around the world, providing a searchable database on nonprofits' finances and activities.

Ethical Principles for Nonprofits Created

The Panel on the Nonprofit Sector has released *Principles for Good Governance and Ethical Practice: A Guide for Charities and Foundations*, a collection of 33 principles designed to help nonprofits promote transparency, accountability, and good governance.

The Panel is encouraging nonprofits to sign on to the report to show their commitment to the highest standards of ethical operation. Visit www.nonprofitpanel.org.

Don't Let Meetings Steal Your Time

It's hard enough trying to squeeze all your work into a day. Add meetings to your daily calendar, and you can kiss good-bye the chance to get home at a reasonable hour. Take heart. Productive meetings needn't be so elusive. Here are four tips to keep meetings from stealing your precious time:

- **Decide if you really need to be there.** Ask yourself, "Will I get anything out of the meeting?" and "Will I contribute anything crucial to the meeting?" If your answers are "no," let meeting organizers know you won't be attending.
- **Decide if you can attend only part of the meeting.** If the first part of a meeting is relevant to you, but the other half isn't, find a way to skip the second half.
- **Read the agenda.** To make the above call, you need to look at the agenda. The agenda also helps you prepare ahead so that your contributions are pointed and time is used well.
- **Arrive on time — leave on time.** Let meeting organizers know that you'll be happy to attend the meeting but will stay only until the time stated. Then get there on time, and leave on time.

— adapted from the *Small Business Journal*

Wealthy Population Grows

High-net-worth Americans (those with at least $1 million in investible assets, not counting their primary residence) donated $285 billion last year, while their numbers rose 9.4% to 2.92 million, a new report reveals. Worldwide, the number of high-net-worth individuals rose 8.3% to 9.5 million. Their assets climbed to $37.2 trillion, the first double-digit growth in seven years.

The 11th annual World Wealth Report, produced by Merrill Lynch (www.ml.com) and Capgemini Group (www.capgemini.com) notes that future increases in wealth won't likely be as great. With many central banks tightening monetary policy, the period of high liquidity that has fueled recent growth may soon come to an end.

Laughing in the Face of Tough Times

A simple, effective way to keep people motivated? Laughter. It's possible to make work fun, even in hard times, if you keep these principles of humor in mind:

- **People are more accepting of humor than you may think.** Sure, some people will roll their eyes or cast a cynical eye at your attempts to organize a "fun" activity. But more will welcome the levity, especially when it's a sanctioned part of your organization's culture.
- **There's room for humor during tough times.** Humor can help people ride out difficult times, especially if they see that you can laugh at yourself.
- **Fun can be part of the routine.** If there are required routines that few people enjoy — like cleaning up workspaces — there's no reason not to inject a little fun into the drudgery. Promise pizza afterward.
- **Fun can be spontaneous.** If there's an opening to inject some humor, do it.
- **Fun needs to come from the bosses.** You have to set the tone. Laugh at yourself, and people will understand that having a good time is OK. They'll also find you more approachable, and you'll open up important lines of communication.

— adapted from *Harvard Business Review*

GrantStation *Your Fast Track to Funding*

SNPO Members:
Are you using your GrantStation Membership?

Organizational members of the Society for Nonprofit Organizations receive free membership in GrantStation - a $599 value. Why?

Securing grant dollars is an integral part of a healthy funding strategy for any nonprofit. Although there are thousands of grant opportunities and billions of grant dollars, finding the right grant maker can be a difficult and time-consuming process. The Society for Nonprofit Organizations wants to help with this process, so we have partnered with GrantStation to provide our Organizational members with all of the tools and resources you need to be a successful grant seeker, including:

- **Find-a-Funder** – A comprehensive, searchable database of over 5,500 grant makers who are actively accepting requests from a variety of organizations.
- **GrantStation Insider** - A weekly e-newsletter provides you with grant seeking opportunities delivered right to your desktop.
- **Tracks to Success** – A weekly primer on proposal development and grants management.
- **Federal Deadlines** - Updated twice a week. Produced exclusively for Members and sorted by deadline date, these listings are easily word searchable.
- **State Grants** – Links to funding opportunities at state agencies in each state.
- **International Grants** – A word-searchable listing of grant makers throughout the world.
- **Grantmaker Updates** – Weekly announcements about national and regional awards and requests for proposals.
- **GrantsMentor** – Step-by-step tutorials on how to write letters of inquiry and grant requests, how to develop an aggressive grant seeking program and how to manage grants effectively.

Not sure if you're an Organizational member? Want to join/upgrade?
Visit **www.snpo.org/gsstatus**

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