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The Society for Nonprofit Organizations
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



Your vision is what defines the future for your organization. But is yours too narrow? Are you envisioning the future from only one perspective? If so, you may be limiting your success. See how to shape a multidimensional vision in “Double Vision: Two Views of Success” on page 8.

 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.**

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Can You Hear Me Now?



“Change your language, and you’ll change your life.”

What problems are you struggling with right now? Chances are, their roots are tangled deep in some sort of miscommunication.

Assuring that your message makes sense to others is such an integral part of leading that anything you can do to improve your language skills will be of benefit. As “Key Words for Leaders” (page 26) shows, a few small changes can make a big difference in how your language affects others.

Consider the power of reframing board members’ role for them, viewing them not as volunteer helpers but

as owners of your organization. Conveying the concept of ownership can transform your board, as “Turn Your Board Members into Strong Owners” (page 18) points out.

In *Verbal Judo*, George Thompson explains that one of the greatest communication arts is that of translation—choosing the right words for the right person at the right time (turn to “Leap to a New Level of Communication” on page 28). Doing so requires empathy, which Thompson calls “the most powerful word in the English language.”

“Empathy” springs from Latin and Greek words meaning “to see through the eye of the other.” In “Be a Better Leader by Becoming a Better Listener” (page 26), Randy Siegel describes how empathetic listening helps others feel understood and creates a safe place for people to tell the truth.

Metaphors are crucial to good communication. They translate abstract concepts into concrete images and add power to your message. To know the metaphors of

another culture is to understand its people and their philosophies. Think of the Latino saying “mi casa es su casa,” which implies “What I have is yours,” or the Mosquito Indians’ “cupian kumi” (“We are one heart”) or the Sioux Indians’ compelling counsel, “To understand another, walk a mile in that person’s moccasins.”

You can build rapport with people of different cultures by using their metaphors and seeking the meanings in their figures of speech. A dialogue on people’s perspectives is an excellent way to create open communication and learn from one another, as “Eight Steps to Becoming a Multicultural Leader” (page 25) makes plain.

Connecting with people’s values leads to the most meaningful conversations and solutions. “Helping Donors Choose Your Organization” (page 6) explains how to align your organization with people’s best images of themselves. “Double Vision: Two Views of Success” (page 8) shows ways to sculpt a vision that speaks to everyone your organization touches.

In *Salsa, Soul, and Spirit*, Juana Bordas offers guidelines for dialogue with people of other traditions (take a look at “Leading in a Diverse Society” on page 24). As she puts it, using an especially apt metaphor, “To accomplish things together, people must be singing from the same hymnal.”

Learning the idioms of other people’s cultures is a good step toward a journey in their sneakers. Familiar figures of speech paint vivid pictures in people’s minds and forge bridges from soul to soul.

Change your language, and you’ll change your life, as Louise Bogan once observed. Do what you can to enrich your conversation, and watch as you and your organization are transformed.

Jill Muehrcke

Jill Muehrcke, jill@snpo.org



FIVE THINGS TO DO NEXT MONDAY

Here are a few concrete things you can do right now to begin transforming your organization.

- 1. Perform the exercises** on page 25 to strengthen your multicultural skills.
- 2. Make sure your board has useful standing committees.** Begin by having board members read and discuss the article on page 18 and the resources listed on page 19.
- 3. Take a step toward new funding** by listing the values you surmise potential donors have (see pages 6-7).
- 4. Practice active, empathic listening** using the tips in “Be a Better Leader by Becoming a Better Listener” on page 26.
- 5. Ask yourself** if you’re creating a fruitful web of relationships (see “Building Your Network” and “Tips for Successful Networking” on page 28).



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Optimism Appreciated!

I've recently come across a wonderful article entitled "How Power Leaders Achieve the Impossible" that appeared in *Nonprofit World* (Vol. 27, No. 4). I found the article helpful in a number of ways.

Many articles I've read in nonprofit publications of late seem to be doom and gloom.

First of all, the article is written with an optimistic eye. Many articles I've read in nonprofit publications of late seem to be doom and gloom. This article gives a positive outlook on how to build and achieve rather than just how to react and survive the current economic climate.

The article is also very well-written (well-edited) and can be easily digested for busy executives who are already inundated with information, data, and never-ending news.

As the managing partner of a national executive search firm working with nonprofit boards to recruit CEOs, I often share with them articles I find particularly helpful in the areas of nonprofit leadership. I look to better inform them about trends and news they should be aware of in the course of their work in the nonprofit sector. As you know, many in the nonprofit sector are anxious about how the current economic situation will begin to impact their private and public funding. This article, with its positive, productive approach, will be of great help to them.

David Hinsley Cheng, Managing Partner
DRG, Inc., www.drgnyc.com

Your essay "Thinking Makes It So" (Vol. 28, No. 1) was a real treat for the brain!

You did a superb job of pulling together research on the chemistry of the brain and how we can alter brain structure through purposeful thought and activity. Your evidence offers strong proof that what people often dismiss as "new age" nonsense—practices such as meditation, yoga, and the like—are scientifically based disciplines that can change our lives.

I've been practicing the brain exercises you recommended (at www.positscience.com), and I can tell a real difference in the focus and energy I have in my work. I've been doing the exercises, which require me to identify sounds and answer questions about stories, for an hour or so several times a week, and I've noticed I'm much more alert, words come to me more quickly, and I don't have as many "senior moments" as I did in the past (I'm in my early 60s). I'm also practicing some of the stress reducing exercises you suggested, and I think they're adding to the fact that I feel much more clear-minded and better about everything.

The new perspectives I've gained are helping me break out of old patterns.

I found it fascinating to learn from your essay and other pieces in your magazine that our brains are much more plastic and flexible than we realize. Your whole issue gave me much to think about. The new perspectives I've gained are helping me break out of old patterns of thinking and improve my mental abilities in ways I never imagined were possible.

Mick Minhas
Calgary, Alberta, Canada

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!

Also, we hope you'll join the discussion on the *Nonprofit World* Discussion Forum. Just go to www.snpo.org, sign in as a member, and click on the Nonprofit Forum link.



Do You Need to Pay for a Feasibility Study?

Is it worth paying for a feasibility study, or can you perform one on your own?

Q: We're talking about launching a capital campaign for a new facility for our nonprofit organization. We need about \$2 million. We got bids for a feasibility study that range from \$15,000 to \$23,000. Our board members think that's a stupid waste of money. They want me to perform the feasibility study. Can I do it myself? Is there a template I can use?

A: Can you do it yourself? Sure. Will it be useful? Probably not.

Is there a template? Probably. Somewhere. But like templates for grants or solicitation letters or strategic plans, using such a template would be a waste of time. Why would you want something so generic that anyone could use it? To be valuable, it must be tailored to your organization, mission, and community.

The feasibility study should be designed to tell you some very important things:

- **Who are your likely major donors?**
- **What do your donors think** of your organization? Of your plans?
- **What does the broader community think** of your organization and your plans?
- **Will they give you money?**
- **Will they help you reach out** to other potential donors?

Even if all you gain is an honest appraisal of your organization, you'll get your money's worth.

- **Can your current donors** be motivated to give at higher levels?
- **Is your goal** too high? Too low?

Why can't you get this information yourself? Partly because you are way too busy to devote several hundred hours of time to this task. But mostly because you want an independent and honest assessment, which you can't possibly get without some outside help.

If you hire an experienced consultant to conduct your study, your donors' comments will be anonymous. Donors and prospects will tell your consultant things they're too polite to tell you. You need to hear that information. Even if all you gain is an honest appraisal of your organization, you'll get your money's worth. The bonus is the rest of the information that will help your project succeed. ■

Jeane Vogel

Fund Raising Innovations

www.nonprofit-innovations.com

When Can You Use Restricted Funds for Other Purposes?

Q: Can our nonprofit organization borrow from "designated funds" to pay other bills, and then replace the funds later?

A: You run a serious risk if you use donor-restricted funds for a purpose other than that designated by the donor. In Pennsylvania, the CEO of the Allegheny Health Education and Research Foundation learned that lesson the hard way after he used funds designated

for scholarships and research for the general purposes of various hospitals. He was convicted of misappropriating entrusted property and sentenced to up to two years in a minimum-security prison (*Commonwealth v. Abelhak, Allegheny Co. Crim. Div., Misc. Docket No. 406*).

At the very least, you run the risk of civil liability for breach of fiduciary duty, especially if you can't pay the money back to the designated fund. It may come out of your own pocket. ■

Don Kramer

Nonprofit Issues

www.nonprofitissues.com

The money may come out of your own pocket.

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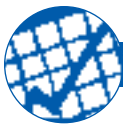
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Helping Donors Choose YOUR Organization: Using Image Theory to Change People's Minds

Jumpstart your fundraising efforts with this new model for understanding donor behavior.

By Kurt Schimmel, Darlene Motley, & Michele Cole

There is a growing body of literature on why people give. People give because they trust an organization, because they believe in a cause, because the organization's appeal hits just the right note.

Donors base their decisions on three ideas about themselves.

But less is said about how people make the choices they do when deciding to donate to one organization versus another, to support one cause and not a related one, to respond to one appeal instead of others. Clearly, such information would be invaluable in gaining new supporters for your organization. Is there a way to glean such knowledge and, in effect, predict donors' behavior? The answer is yes, and the tool is image theory.

What Can Image Theory Tell You?

Image theory¹ posits that donors base their decisions on three ideas about themselves:

1. **value image:** the donor's values
2. **trajectory image:** the donor's ideal self
3. **strategic image:** the actions the donor takes to become the ideal self.

In deciding where to give, donors choose organizations that harmonize with these three images. What they're looking for is a place to give that will advance their trajectory toward their ideal selves.

Once they've found a good fit, people will usually continue giving to the same organization. Humans are "cognitive misers" who prefer the status quo. They have little need to evaluate their donor behavior unless it's clear that they can attain their trajectory image better with a new giving pattern. Only then will they search for new organizations.²

You *can* predict donors' behavior, and the tool is image theory.

The argument can be made that this is what occurred when the United Way scandal broke. Eventually, Mr. Aramony was tried and sentenced for his misdeeds. In the meantime, however, contributions to United Ways across the country fell as long-time donors reevaluated their giving patterns and looked elsewhere for organizations more compatible with their values and self-image.

To gain new donors, then, you need to convince people that an alternative giving pattern will better support their trajectory image. And you must show them that your

Connecting with people's core values has a better measure of success than using focus groups.

organization is a good match for that image.

How Can You Turn this Information into Fundraising Results?

Here are ways to use your understanding of image theory to garner more funds for your organization:

1. **Gather information** about potential donors' giving choices. What organizations and causes do they support? What can you surmise about their values, self-images, and their paths to become their ideal selves? Peruse such sources as *Who's Who*, other organizations' published donor lists, shared mailing lists, and board rosters of like organizations.

2. **Use this information to check** how well your organization and your solicitation fit with each donor's giving pattern. Look for the degree of match between your organization and the donor's three images.

3. **If no candidates pass the screening**, repeat the process with a new set of potential donors. For candidates who do pass the screening, evaluate the best way to approach them to advance their trajectory image.

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4. **Fine-tune your marketing materials** to appeal to donors' desire to become their ideal selves. The more you can connect with people's trajectory images, the more effective your marketing will be. Such an approach has a better measure of success than using focus groups to test marketing materials.

5. **Seek media coverage** that will overturn potential donors' status quo in favor of switching to your organization. Coordinate this coverage with marketing material focused on people's core values and self-images.

6. **When creating solicitation materials**, tap into people's decision-making processes as much as you can. Customize your appeals to donors' needs to fulfill their journey toward their ideal selves.

These techniques for gaining new donors also work for recapturing lost donors and upgrading donors to higher giving levels. In each case, your aim is to produce image congruence—a match between your organization and people's three images of themselves. Focusing on values and self-image will help you communicate a compelling argument to give—or to give more—to your organization. ■

Kurt Schimmel, D.B.A. (schimmel@rmu.edu) is associate dean of the School of Business and associate professor of marketing at Robert Morris University in Pittsburgh. Dr. Schimmel has worked on a number of marketing campaigns in the for-profit sector and written several articles on image theory. Darlene Y. Motley, Ph.D. (motley@rmu.edu) is an assistant professor and director of the Master of Science in Human Resource Management Program at Robert Morris University. Dr. Motley has served in academic and corporate settings both internationally and domestically. Her research interests include cross-cultural and human resource impact of multiple generations in corporate and nonprofit organizations. Michele Cole, J.D., Ph.D. (cole@rmu.edu) is an assistant professor of nonprofit management and director of the M.S. in Nonprofit Management at Robert Morris University. Her background includes 22 years of fundraising for a nonprofit legal services program.

FOOTNOTES

¹Image theory was developed by Lee Roy Beach and Terence R. Mitchell in 1987 ("Image Theory: Principles, Goals, and Plans in Decision Making," *Acta Psychologica*, 66) and tested by Richard Potter and Lee Roy Beach in 1994 ("Decision Making when the Acceptable Options Become Unavailable," *Organizational Behavior and Human Decision Processes*, 57), among others.

²See, for example, Sandra Richmond's "Image Theory's Compatibility Test and Evaluations of the Status Quo," *Organizational Behavior and Human Decision Processes*, 73.

OTHER REFERENCES

Dunegan, Kenneth, "Image Theory: Testing the Role of Image Compatibility in Progress Decisions," *Organizational Behavior and Human Decision Processes*, 62.

Seidl, Christian, & Stefan Traub, "A New Test of Image Theory," *Organizational Behavior and Human Decision Processes*, 75.

Donors are looking for a place to give that will advance their trajectory toward their ideal selves.

Creative Fundraising Ideas

Highlight Your Services with a Giving Tree

A giving tree raised \$2,600 at the World Tour Gala for Chicago House (www.chicagohouse.org). Organizers of the event attached leaf-shaped envelopes to an artificial tree in the middle of the ballroom. On the front of each envelope was written the name of one of the organization's products or services, along with a value between \$10 and \$500. Guests could donate by picking an envelope from the tree, putting a check inside, and giving it to a volunteer. Such an idea makes an organization's services more tangible and lets people know exactly how their donations are being used.

Hold Year-Long Parties

Ask each of your board members and other supporters to commit to holding a party one day during the year and to ask a friend to do the same. The host decides what kind of party it will be—a birthday bash, fish fry, coffee and dessert, wine and cheese tasting, church supper, luncheon, potluck, costume party, the ideas are endless—and supplies the location, date, food, and refreshments. The host then invites guests to come to the party and make a donation to your organization. This idea has generated tens of thousands of dollars for Children's Hospital of the King's Daughters (Norfolk, Virginia). The organization's Web site (www.chkd.org) explains the concept and invites anyone visiting the site to host a party.

Team Up with Artists

Artists love a challenge, as the director of the Fulton Street Gallery in Troy, New York, discovered when she asked local artists to create clothing made from trash (everything from garbage bags to old CDs). The artists then modeled their creations at the organization's fundraising auction. Consider other innovative ways you might encourage artists in your area to create and donate art that guests to your event can bid on or buy. Also see "Special Events Galore!," published monthly for \$79 per year by Stevenson, Inc., www.stevensoninc.com.



Double Vision: TWO VIEWS OF SUCCESS

If you view your vision in only one dimension, your planning is destined to fail. Use this strategy for success.

By Joel Zimmerman

If you've ever been part of a strategic planning process or done any reading about strategic planning, you've probably come across words like these:

When you begin the process of strategic planning, visioning comes first. When visioning the change, ask yourself, "What is our preferred future?"

—Web site of the National School Boards Association, www.nsba.org

It seems like an easy enough concept. Your organization's vision is its sense of what success will look like. It's the answer to the question: "How will we know when we've become successful?"

In this day of over-simplified sound bites, many organizations believe a vision needs to be short and simple. They look for a single metric for success. Some of these vision-less visions might sound like this: Success means that we:

- are the biggest [insert category name] organization in the world, OR
- increase our profitability by 300%, OR
- eliminate the disease of [insert name] within our city.

All these wonderful aspirations belie the complexity of today's organizations. None of them is big enough to guarantee organizational

success. Having reached any one of these visionary goals, no sensible organization would declare itself a total success.

To get a sense of why such vision statements aren't enough, think about yourself. What would you need to accomplish to consider yourself a success?

Most of us fill many roles. We're children to our parents and parents to our children. We're both managers and employees. We're friends, lovers, church members, citizens, and consumers. No wonder success is so hard to find. Our visions for success are as broad as our lives, and we kid ourselves if we think, for example, "I'll be a success when I have a million dollars in the bank." The first misconception in creating a vision statement is thinking that any single outcome is enough to spell success.

Leaders must understand that

Many organizations believe a vision needs to be short and simple.

a vision of success encompasses many aspects of organizational activity. Organizations must succeed financially, operationally, as working environments for their employees, as service providers for their customers, and in other ways as well.

Vision is important because it drives planning. Once you describe

a vision, your organization's staff can begin making plans. If you create a vision that's too narrow, you condemn your organization to a life of underachievement.

The Ins and Outs of Success

Visions aren't just multifaceted. Each part of a vision exists in two-dimensional space. We can refer to these two dimensions as the "in-out" vision and the "out-in" vision.

If you don't get this, your strategic planning may fail miserably. Let's see why.

Consider a geographic metaphor. If you live on the east coast, you can't get to Los Angeles simply by going west; you also need to move along a north-south dimension. One dimensional travel isn't likely to get you where you need to go.

In most strategic planning efforts, the staff creates an *in-out vision*, the first dimension of success. This is a vision created from inside the organization. It's an image of what people in the organization would like people on the outside to see, if the organization were a great success.

In-out vision statements might include elements like these (stated from the insider's point of view). Success means that **we**:

- are recognized as the preeminent organization in the field of disaster relief.
- spend at least 70 cents of every fundraising dollar on programs.
- maintain an elite board of di-



rectors, which is actively involved in fundraising over \$5,000,000 per year.

- retain a staff of 60 full-time professionals and 150 part-time volunteers.

The second dimension to consider is the *out-in vision*. This is a vision of the organization's success that would be created by people outside the organization, namely the organization's public, its customers and constituents, and other supporting individuals (board, donors, sponsors). It's an image that outsiders would like to communicate to the organization's insiders about what success would look like from their (outside) point of view.

Here are examples of what an out-in vision statement might include (stated from the outsider's point of view). Success means that **you**:

- have offices conveniently located where people who need them can access them easily.
- operate a flexible service delivery program that doesn't waste resources yet keeps up with services in periods of heavy demand.
- provide services to the most needy recipients.
- are totally open to communications with the public and demonstrate unquestioned integrity in responding to them.
- work cooperatively with other organizations so services can be provided most efficiently.

In short, the in-out vision ex-

presses what we want of ourselves. The out-in vision expresses what others want of us.

Anyone taking an airplane flight these days understands the difference. Consider the strategy of reducing the number of pretzels in the airline snack. From the in-out dimension, this strategy serves the vision of operating at a profit. From the out-in dimension, this strategy works *against* the vision of making flights an enjoyable passenger experience. If an airline doesn't value the out-in vision as strongly as its in-out vision, it shouldn't be surprised when it loses customers.

Creating the Vision

Again, consider yourself. Your in-out vision for success as an employee might include coming to work on time each day, putting in eight hours, following organizational rules, and so on. Your boss might have an out-in vision for you that includes providing innovative

A too-narrow vision
condemns your
organization to a life of
underachievement.

solutions to problems, willingly working extra hours when needed, supporting the team rather than pursuing personal goals, and more. Your clients might have yet another set of out-in vision criteria, such as going an extra mile to support their needs.

The in-out vision is more likely to be operational—to focus on what we do as individuals or as an organization. The out-in vision is more likely to be results oriented—what we accomplish on behalf of our customers and others with whom we interact, and what real-world results we bring about.

While both views are important, they're not equally easy to obtain. In strategic planning sessions, most organizations readily figure out their in-out criteria. Immersed in operations, the staff has deep insights into what's needed for the organization's success, but their

vision is constrained because they see the organization only from the inside. Generally, staff who are highest in the organization, and those who have been there the longest, wear the most restrictive blinders.

For most organizations, the out-in view is hard to get unless they involve outsiders in planning. Outsiders might be newcomers to the organization, who haven't fully assimilated the organization's culture. Or outsiders might be customers, clients, news media consultants, volunteers, donors, or members of a board of advisors.

Many organizations are loathe to include people like these in their planning and visioning processes because "they don't really understand how we do things." Sometimes, however, that naivety empowers outsiders to express a vision that eludes insiders, who are held captive to traditional thinking.

If you're going through strategic planning, you'll probably start by creating a vision statement. Whether your vision will lead you to a successful outcome depends on how well that visionary statement is constructed. A vision statement needs to be multifaceted, and it needs to include both ends of the dimension: in-out and out-in. Your vision needs to look like success both to those within the organization and to those with whom you work and provide services outside the organization. ■

Dr. Joel Zimmerman (jzimmerman@cdrfg.com) is director of consulting services for CDR Fundraising Group in Bowie, Maryland. He helps nonprofit organizations create vision statements, strategic goals, and performance scorecards.

HELPFUL RESOURCES

(available at www.snpo.org/members)

Putting Vision to Powerful Use in Your Organization (Vol. 13, No. 4)

Sharing the Vision: Every Leader's Obligation (Vol. 8, No. 5)

Using a Balanced Scorecard in a Nonprofit Organization (Vol. 27, No. 3)

Service Learning: Informing the Science & Art of Leadership



Groundbreaking research highlights ways to partner with students to strengthen nonprofit leadership.

By Mark Jordan & Bob Orwig

What do graduating business students and nonprofit leaders have in common? In many cases, each lacks something the other could provide. Business students have academic and theoretical leadership training but lack real-world experiences that inform the theory. Leaders of nonprofit organizations live the experiences on a daily basis but lack the cutting-edge leadership theory that could give them better tools to answer day-to-day issues.

In a recent article, Shari Lifland highlights the deficit of skills that college graduates bring to the workplace. Most employers (63%) confirm that college graduates lack essential skills such as good communication and analytical thinking.¹

At the same time, leadership is one of the top areas in which nonprofits need more training.² To cre-

ate an organizational culture in which people are eager to learn, grow, and change, leadership skills are imperative.³

What if students and nonprofit leaders could team up to fill the gaps in each other's knowledge? As it happens, there is a way to do so, and it's called service learning.

What Is Service Learning?

Service learning is an educational strategy that gives students hands-on experience working as volunteers for nonprofit organizations. A service-learning project gives nonprofits access to a highly motivated group of volunteers while teaching civic responsibility and strengthening the community. A growing number of university courses are using service learning to translate academic concepts into real-life application.

Service learning is the perfect medium to show how students and nonprofits can enrich each other's leadership skills. Our premise is that leadership is both science and

art. The *science* of leadership focuses on studying the theoretical conclusions of scholars and researchers. The *art* of leadership occurs in the trenches, through the daily experience of leading.

Thus, we created a service-learning project to address deficiencies in students' experience (lack of art) while giving nonprofit leaders theoretical tools (science) to expand their leadership capacities. Our university partnered with nonprofit organizations in three surrounding counties to conduct the research.

What Skills Do Nonprofit Leaders Need Most?

College students in a leadership course conducted a needs analysis with over 100 nonprofit organizations (see Table 1). The results: Nonprofit leaders said they needed the most help in the areas of:

- organizational change
- teambuilding
- emotional intelligence
- creative problem-solving.

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Table 1. Leadership Needs Analysis Results (N = 56)

Leadership Area	# Votes	Leadership Area	# Votes
1. Organizational Change	32	6. Organizational Culture	21
2. Teams/Teambuilding	31	7. Transformational Leadership	21
3. Emotional Intelligence	29	8. Verbal Communication	14
4. Creative Problem-Solving	26	9. Mentoring	12
5. Motivation	24		

Table 2. Creative Problem-Solving Team Module

Time	Activity
12:00 – 12:15	Theoretical Presentation on Creative Problem-Solving <ul style="list-style-type: none"> • What is creativity? • Creativity video • Who is creative? • Four phases of creativity • Creativity deterrents • Improving creativity • Managing creativity • Brainstorming as a creative tool
12:15 – 12:25	Table discussions on creativity (led by student table facilitators)
12:25 – 12:40	Experiential exercise <ul style="list-style-type: none"> • Team chief leads (with guitar) two verses of Johnny Cash song (Folsom Prison Blues) • Each table creatively develops third verse tying in all leadership concepts covered in workshop • A representative from each table sings their verse
12:40-12:55	Table discussions on experiential exercise
12:55 – 1:00	Wrap-up and Q & A

How Did the Sharing Take Place?

The students (upper-level business students) split into four main teams, based on nonprofit leaders’ most pressing needs (creative problem-solving, teambuilding, emotional intelligence, and organizational change) and two supporting teams, logistics and technology. Students in the four main teams developed one-hour modules on their leadership areas, which were

What if students and nonprofit leaders could team up to fill the gaps in each other’s knowledge?

then put together for a five-hour leadership development workshop. Those on the logistics team were in charge of setting up the workshop tables and coordinating the lunch and coffee breaks, while technology students created a Web site for the project, recruited workshop participants online, and videotaped the workshop.

With guidance from their instructor, the students invited leaders of nonprofit organizations in the community to attend the training session. Nonprofit leaders interested in the workshop were di-

rected to the project’s Web site to register online.

The training was limited to 32 participants, and over 40 nonprofits expressed interest, so the leaders on the waiting list were invited to attend a “dry run” conducted a week before the actual workshop.⁴

On the day of the training, six nonprofit leaders and two student facilitators sat at each table. The students guided the discussion for each of the four topics, sharing the theory behind the topic and encouraging the nonprofit leaders to relate real-life experiences.

Each module included 15-20 minutes of academic presentation on the leadership topic, 5-10 minutes of table discussion using scenarios or discussion questions, a 15-minute experiential exercise, 10 minutes to process the exercise, at least one video clip of 3 minutes or less, and a 5-minute wrap-up. Table 2 shows how the training progressed for one of the modules (creative problem-solving).

How Did Students and Nonprofit Leaders Benefit?

Hearing about real-life experiences from nonprofit leaders was enlightening for the students. Developing and conducting the workshop helped them understand the connection of science and art in

leadership. Some representative comments: “I have learned so much more doing this project than I would have ever learned in just a class lecture environment” and “After this class, I feel much better about stepping out into the real world!”

An additional benefit was networking. Several students gained valuable contacts through the workshop. One has graduated and now works for a nonprofit organization represented at the training. Another was selected for an internship at the Chamber of Commerce because of relationships made at the workshop.

Leadership is one of the top areas in which nonprofits need more training.

Nonprofit leaders indicated on their assessments that the workshop will help them handle day-to-day situations in different ways. Comments included: “Best workshop I’ve been to in the last four years”; “Learned a lot by interacting with students”; and “Loved the interactive environment!” They

continued on page 12

rated the workshop's usefulness at 4.86 on a 5-point scale.

What Have We Learned?

Our experience suggests that students and nonprofit leaders can benefit from projects that bridge the gap between art and science in many fields. This research found that practical experience, effective teamwork, interpersonal and communication skills, increased leadership development, and networking opportunities are all benefits of service learning projects.

Consider teaming up with a college or university near you. You can help prepare students for the workforce while harnessing their energy, knowledge, and insights. You're sure to learn a great deal in the process. ■

Mark Jordan and Bob Orwig are associate professors of management in the Mike Cottrell School of Business at North Georgia College & State University (www.ngcsu.edu). Dr. Jordan holds a doctoral degree in management from Auburn University. Dr. Orwig (RAOrwig@ngcsu.edu) is a 1975 graduate of the Air Force Academy and holds a master's and doctorate in business administration from Mississippi State University. The authors would like to thank Christine Helton, a student worker at North Georgia, for her contributions to this work.

One student has graduated and now works for a nonprofit organization that was represented in the workshop.

FOOTNOTES

¹Lifland, Shari, "New Grad Hires: Ready and Willing, But Are They Able?," American Management Association, www.amanet.org/movingahead/, e-Newsletters, Vol. 3, No. 6.

²Morris, Michael, Susan Coombes, Minet Schindehutte, and Jeffrey Allen, "Antecedents and Outcomes of Entrepreneurial and Market Orientations in a Non-Profit Context: Theoretical and Empirical Insights," *Journal of Leadership & Organizational Studies*, Vol. 13, No. 4.

³Matsumura, Naohiro and Yoshihiro Sasaki, "Human Influence Network for Understanding Leadership Behavior," *International Journal of Knowledge-based and Intelligent Engineering Systems*, Vol. 11.

⁴Nonprofits involved included the March of Dimes, United Way, Public Library, Lanier Technical College, American Cancer Society, Girls Scouts of Historic Georgia, Literacy Coalition, Mentor Me, and Chamber of Commerce.

The Next Step: Learn More & Put these Concepts to Use

Websites to Visit:

- National Service Learning Clearinghouse, www.servicelearning.org
- Charity Guide, www.charityguide.org
- Campus Compact, www.compact.org
- National Service Learning Partnership, www.servicelearningpartnership.org
- Roots & Shoots, www.rootsandshoots.org

Articles to Read

(www.snpo.org/members):

- Volunteering 101: Service Finds a Home in the Classroom (Vol. 16, No. 6)
- Universities Offer Marketing Research Key (Vol. 4, No. 1)
- Looking for a Win-Win Partnership? Look to the University! (Vol. 18, No. 4)
- Not Taught in Business Schools: How to Cultivate Creative Leading (Vol. 24, No. 5)
- 12 Heuristics that Will Raise Your EQ (Vol. 26, No. 4)
- Adapt to Change to Survive (Vol. 24, No. 2)
- Highly Motivated Employees at No Cost? It's Not an Impossible Dream (Vol. 19, No. 6)
- The Key to Building Productive Teams (Vol. 21, No. 4)

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Need a CPA at Little or No Cost?

Five Ways to Find Help

Here's how to find the right accounting professional to volunteer for your organization.



By Carol Topp

Certified Public Accountants (CPAs) offer valuable experience, but how do you find the best CPA for your organization? You want someone who's knowledgeable, passionate about your mission, has time to spare, and is willing to volunteer for you or work at a reasonable fee. Try these proven methods to find the professional assistance you need at a cost you can afford:

Start with Your Current Supporters

The first place to look for professional accounting help is in your own circle of support. Survey your member and donor lists for accountants. Ask your staff (paid and volunteer) and board members to look to their friends and neighbors.

It was through a volunteer contact that one organization found me when I was starting out as a CPA. My daughters were active in an nonprofit scouting organization. Their troop leader knew I had just passed the CPA exam but that I was intending to be a stay-at-home mom. She also knew the scouting organization was looking for a volunteer to do their bookkeeping. The troop leader connected me to the organization's director. I met with the director and explained that I was a brand new accountant needing experience but willing to help. They let me learn on the job while I volunteered my time.

Use Your Newsletter

By reading a newsletter, I learned that a local charity was looking for a volunteer treasurer. I had sup-

ported the organization financially for several years and admired their mission. When I called the director about the treasurer position, she was enthusiastic and grateful to hear from me. I visited the office that week and attended a board meeting to see if I wanted the responsibility. It turned out to be a perfect fit.

Peruse the Net

Don't bypass the Internet. Start with your state CPA Society Web site. State societies maintain a database of CPAs with nonprofit experience. You should be able to request a few referrals in your local area. TaxSites.com lists all state CPA societies at www.taxsites.com/cpa-societies.html.

Network on the Web

Online social networking sites, such as LinkedIn.com, can be very useful. Through such sites, you can join a nonprofit group or a group specific to your industry or city, find CPAs compatible with your organization, and get your questions answered. If you post a request, be specific in stating your need, such as, "We need a review, not a full audit, of our nonprofit organization's finances for the past two years. Our annual gross revenues are under \$500,000." Avoid vague requests such as "What does an audit cost?"

Get Matched with a Volunteer

Some nonprofits, unable to pay

for a CPA, are being matched with volunteer accountants on the Web. Accountants for the Public Interest offers a matching service to nonprofits at http://www.geocities.com/api_woods/api/apihome.html.

Carol Topp, CPA (caroltoppepa@zoomtown.com, www.CarolToppCPA.com) is the author of Homeschool Co-ops: How to Start Them, Run Them and Not Burn Out.

Top Tips for Finding a CPA

- Ask your state CPA Society for leads.
- Create a profile and join groups on LinkedIn.com.
- Check out BoardNet USA at boardnetusa.org. It's an excellent resource.
- Post your needs on a Web site for volunteer accountants.
- Consider doing some of the accounting work on your own to keep fees low.

FINANCIAL EMPOWERMENT: A SAMPLING OF RESOURCES

Check out these *Nonprofit World* articles at www.snpo.org/ members for tips on using good accounting practices for organizational success:

How to Find the Perfect Auditor (Vol. 22, No. 3)

Analyze Your Finances to Ensure Your Mission (Vol. 19, No. 5)

Create a Budget that Works for You (Vol. 15, No. 4)

How to Have an Audit without Breaking the Bank (Vol. 20, No. 4)

Are You Financially Empowered? A Quiz (Vol. 15, No. 1)

How to Reach Agreement in Your Organization

Here's how to streamline consensus-building to increase productivity and propel your organization to greatness.

By Monica Enand

With the pace of work accelerating, organizations are finding it harder to work efficiently. One way to cut wasted effort is by using an efficient process to reach agreement with staff, board members, committees, and partners of all types.

Problems with Current Consensus-Building Processes

To come to agreements and reach consensus, most organizations use meetings or e-mail. Both are imperfect tools.

Most organizations use meetings or e-mail. Both are imperfect tools.

Only about 10% of meeting time is productive, according to numerous studies. And e-mail has its own problems. Technology blogger Robert Scoble has suggested that the number of e-mails required to get something done is equal to the number of participants squared (that is, eight people will send 64 e-mails). This may not be a precise measure, but Scoble's premise is sound.

Not only does e-mail result in wasted time, it's hard to maintain a record. A long e-mail string in an inbox folder is tough to track and reference.

Even worse, the lag time between e-mails lets personalities and politics sneak into the process, adding friction, confusion, and lack of clarity. At the end of the process, it's common for a group to begin all over again because people aren't sure what they agreed to.

Build a Process that Works

What you need is a handy system that lets you minimize the number of meetings and e-mails you need to reach agreement on an issue. The solution is to turn to the Web.

There are many affordable Web-based tools that can help, or you can create a system using a combination of e-mail and online collaboration. One tool called Zapproved (www.zapproved.com) was created by the author to solve organizational problems encountered when using e-mail.

With this method, you write a description of the agreement under consideration, and enter e-mail addresses. Recipients receive e-mails with simple buttons to click for "approve," or "deny."

Only about 10% of meeting time is productive.

Web systems like this help people respond swiftly and eliminate the long e-mail back-and-forth that does little more than fill up inboxes. Such approaches also create an audit trail so that you have a com-

plete record of who agreed to what, and when.

Whether you use this tool or others like it, make sure your system for handling decisions is:

- **intuitive to use;** piggybacking a process on e-mail makes sense because it's comfortable, but you can use other online resources to accomplish similar results.
- **collaborative;** share the same information with all participants so everyone feels equally included.
- **instantaneous;** streamline the time it takes to respond and people are more likely to get back to you.
- **archivable;** e-mail is a poor place to store information, as e-mails get deleted and e-mail threads may not show the complete picture.

Seven Keys to Successful Agreements

Use these tips to help you reach agreement faster and easier:

- **Focus on one decision at a time.** Don't lump several issues into one. Break them apart so that people can address them individually. This will narrow the focus of any objections raised and keep discussion manageable.
- **Be transparent.** Hold discussions in the open, either in person or virtually. Successful organizations put decisions in the sunlight. Closed-door agreements fuel speculation and inhibit buy-in by the whole group.
- **Give the facts.** Be proactive about gathering the required information in advance. Data-driven

decisions go smoothly and avoid muddling the process with emotion. People need data—research, budgets, timelines. Provide it so they don't have to come back and request it later.

- **Minimize participants.** Include only the people required to reach agreement. If others have an interest, keep them informed, but don't invite them into the decision-making process.

The number of e-mails required to get something done is equal to the number of participants squared.

- **Subtract words.** Use the fewest words necessary to convey the essence of what the group is to decide. Extraneous details will dilute the message and distract from the main objective.

- **Be clear what “yes” means.** Don't say “Let me know what you think” or “Give me your feedback” when you mean “Do you approve this project?” Even if someone answers “no,” the wording of your question will compel them to explain their reasoning. Such an explanation is invaluable, because otherwise their objections may remain masked. Getting a “no” isn't always a bad thing, plus it gives you something concrete to react to rather than letting dissenters hide behind passive techniques like stalling.

- **Record the decision.** People will take the decision seriously and abide by it if they know it's saved in a place that's public. Think about a document or folder on an intranet or on the Web. Even if it's not referenced, the simple fact of knowing it exists will create peer pressure and accountability that's powerful. ■

Monica Enand (monica@zapproved.com) developed a passion for decision management after experiences with the inefficiency of organizational decisions. She speaks on the issue and has created an online decision management system called Zapproved (www.zapproved.com) to help overcome this challenge. She has worked for more than 16 years in large corporations and startups.

Resources that Can Help

Web Sites & Tools

- **ApprovalTrack** (www.approvaltrack.com)
- **Snapflow** (www.snapflow.com)
- **Zapproved** (www.zapproved.com)
- **eUnify Approval Management** (www.eunify.net)
- **Integrify iApprove** (www.integrify.com/iapprove/)

Nonprofit World Articles (www.snpo/members)

- **Eight Steps to Managing Conflict** (Vol. 20, No. 4)
- **Is It Time to Consider New Ways to Communicate?** (Vol. 25, No. 4)
- **How Jargon Undermines Communication** (Vol. 27, No. 2)
- **Collaboration and Leadership: Secrets of Success** (Vol. 24, No. 1)



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(free Yahoo login required)

or send a blank e-mail to:

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If you have any questions, contact Jason Chmura at jchmura@snpo.org.



New IRS Employment Tax Initiative: What Does It Mean for Nonprofits?

Be sure you're adhering to the law when it comes to paying employment taxes.

By Jessica R. Lubar

The IRS has just begun a three-year project focusing on employment tax compliance issues. As part of this project (known as the National Research Program, or NRP), the IRS will conduct employment tax audits of at least 6,000 employers, including nonprofit organizations.

What Auditors Will Be Scrutinizing

Although nonprofits may be exempt from income tax, they're not exempt from employment taxes, such as FICA and income tax withholding requirements. If you fail to comply with the employment tax rules, the IRS could charge you interest and penalties on under-reported amounts. And under excess benefit rules, the IRS may penalize both your management team and the employee who receives excess benefits.

IRS examiners will focus on three employment tax areas:

I. Compensation

The IRS can impose excise taxes if it decides that "insiders" (executive officers, board members, or anyone else with major influence in the organization) of a 501(c)(3) or 501(c)(4) are receiving excessive compensation. These excise taxes can be up to 200% of the excess compensation.

These rules are referred to as the intermediate sanctions rules because they let the IRS provide

Because classifying workers can be tricky, Congress has provided relief from liability in certain cases.

penalties that are less severe than revoking an organization's tax-exempt status. The IRS has recently begun vigorously enforcing these rules, more so than at any time in the past.

II. Fringe Benefits

Many nonprofits overlook the area of fringe benefits. It often comes as a surprise to them that some of the "perks" they provide should be included in an employee's income as taxable compensation, even if no cash is paid.

Perks may be either taxable or tax-free. If you incorrectly treat a fringe benefit as tax-free, the IRS will respond as if you didn't report the full amount of compensation paid. Such an error can have major consequences. The IRS could consider the value of that perk as an excess benefit in addition to imposing employment-tax-related penalties. Excess benefits may result in penalties not only to the recipient but to your organization's managers and board members as well. Even if the value of a perk is relatively small, if you provide it to many people, interest and penalties could be large.

In the past, the IRS has found

nonprofits failing to report a variety of taxable perks. These fringe benefits have included holiday gifts, the use of a car, the use of an apartment, educational expenses, relocation expenses, and the personal components of business travel.

The IRS will also review employment reimbursements. Whenever you reimburse expenses, you must do so in accordance with a written reimbursement plan. The plan must require employees to account for their expenses and to pay back any excess payments received.

Any reimbursements that aren't paid in accordance with such a plan are treated as additional compensation, just like taxable perks.

In past audits, the IRS has identified the following reimbursements that sometimes fall through the cracks: expense reimbursements outside organizational policies, spouse travel expenses, non-accountable expense allowances, and reimbursement for club memberships.

III. Worker Classification

The IRS wants to be sure you aren't improperly classifying work-

The IRS has identified club memberships and spouse travel expenses as reimbursements that sometimes fall through the cracks.

ers as independent contractors (rather than employees). While you're not responsible for employment taxes for independent contractors, you do need to pay such taxes for payments made to employees.

The IRS considers workers to be "employees" if conditions such as the following exist: (1) The organization has control over how and where the workers perform their jobs. (2) The organization sets the hours the workers must work and pays them by the hour, week, or month. (3) The workers and the person who hired them have a continuing relationship, implying that an employee-employer relationship exists.

Because classifying workers can be tricky, Congress has provided relief from liability in certain cases, so you may not be subject to penalties or need to reclassify your workers. To be entitled to this relief, you must meet three requirements:

1. **The Substantive Consistency Requirement:** You can't ever have treated the worker as an employee for federal tax purposes. The worker must always have been identified as an independent contractor.

2. **The Reporting Consistency Requirement:** You must have filed all required federal-tax paperwork as if the worker were an independent contractor.

3. **The Reasonable Basis Requirement:** You must have had a reasonable basis for not treating the worker as an employee. A reasonable basis exists if it's supported by judicial precedent, IRS rulings, a past IRS audit, or a long-standing practice of a significant segment of your industry.

It's critical that you review your relationship with your independent contractors to be sure you've classified them correctly. At the very least, be sure you satisfy the

Even if the value of a perk is relatively small, interest and penalties could be large.

requirements for relief so that, if the IRS finds that you've misclassified workers, you can avoid harsh penalties.

Other Issues

IRS examiners will also be looking at whether an organization is filing the required tax returns and whether it has performed "backup withholding" on payments to independent contractors, if necessary. Backup withholding (withholding 30% from payments to independent contractors) is required if the independent contractors don't provide their taxpayer identification numbers. Any Form 1099 that is submitted without a taxpayer identification number should have had backup withholding done on the payment.

The IRS is also concerned with loans made by a nonprofit to organizational insiders. Such loans could be considered excess benefits subject to penalties.

What Can Nonprofits Do?

It's clear that the IRS will be focusing on employment taxes for some time, not only as part of this new initiative but in all its nonprofit audits. Here are steps for you to take now:

1. Review your relationships with workers.

- Are independent contractors classified correctly? Are any corrections necessary?

- If a worker is being treated as an independent contractor, is the documentation consistent?

2. Review your fringe benefits.

- Have you accounted for all benefits and perks?

- Review your benefit plans to ensure that they exclude people that you, as the plan sponsor, classify as independent contractors (so that any retroactive reclassification of such people as "employees" won't result in unintended plan coverage).

- Be sure you have a written reimbursement plan.

3. Examine any loans your organization has made.

- Have you loaned money to any of your organization's insiders (those who have a substantial influence on your organization's operations, such as board members and managers)? Are these loans properly documented and consistent with the excess benefit rules?

- Have you made any loans to any of your employees? Look especially at employment-related below-market-loan rules.

4. Be sure Form 1099s include payees' tax identification numbers.

If they don't, ensure that backup withholding was performed.

5. Confirm that compensation and benefits are reasonable.

- Can you document that any taxable fringe benefits that weren't included in income were provided as compensation?

- If any portion of compensation, including taxable fringe benefits, would be an excess benefit, determine what steps are necessary to correct the excess benefit. ■

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This article is not intended to provide legal advice or opinion and should not be relied on as such. Legal advice can only be provided in response to specific fact situations.

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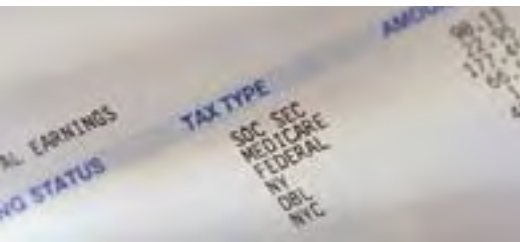
- **IRS Clarifies Intermediate Sanctions Law** (Vol. 19, No. 3)

- **How to Be Sure Compensation Is Reasonable** (Vol. 17, No. 1)

- **Employee or Independent Contractor? Don't Let the IRS Reclassify Your Workers** (Vol. 10, No. 4)

- **Retirement Plan Changes** (Vol. 26, No. 6)

- **New Regs Unravel Intermediate Sanctions Snares** (Vol. 19, No. 4)





Turn Your Board Members into Strong Owners

Bring your strategic plan to life by involving your board.

By Doug Eadie

A few years ago, a nonprofit executive told me about a serious error of judgment during his first 18 months on the job. “It was immediately obvious,” he told me, “that one of the most pressing CEO challenges I’d have to address was the need for an updated strategic plan.” He knew he had to get going on the strategic planning front, and that’s what he did.

Ownership and commitment are natural partners.

First, he sent requests for proposals to eight consulting firms to help spearhead the strategic planning effort. Several weeks later, a firm was under contract, and the strategic planning show was on the road.

The consulting team reviewed a mountain of documentation, interviewed board members and staff, and met with the staff steering com-

mittee to review sections of the strategic plan as they were drafted. The CEO briefed the board on progress at its regular meetings, but that was the extent of board involvement. The board, by the way, didn’t have a planning committee, which would have been a natural candidate for more detailed involvement.

The finished strategic plan was beautifully crafted, and the board unanimously adopted it. Armed with agreement at the top, the CEO could move forward, launching new initiatives.

And everyone worked happily ever after, right? If you’ve spent much time working with boards, you know that wasn’t the case. Over the next several months, the initiatives that were submitted to the board for approval were debated endlessly. Clearly, the delibera-

tions weren’t being guided by the strategic plan.

So this admirable plan didn’t have much impact. A year after it was adopted, it was gathering dust and never consulted.

Why this sad ending? Not because the plan was technically deficient but because the process of producing the plan treated board members as an audience for finished consultant work, rather than turning them into real owners.

TWO KEYS TO BOARD OWNERSHIP

Board-savvy CEOs pay close attention to transforming board members into strong owners of their work. Such work includes the decisions they make and the “products” they generate (for example, an updated vision statement, the annual budget, a set of strategic goals). Experience has taught these CEOs that board members who feel like owners make more reliable partners who can be depended on not to fade away when the going gets tough.

So how can you turn your board members into real owners of their governing work and products?

Why this sad ending?
Because board members were treated as an audience for finished consultant work.

You must ensure that your board members are involved in doing the following:

- **Map out the processes** (for example, strategic planning, budgeting, performance monitoring) for involving board members in making the judgments that constitute their governing work. What board work sessions, for instance, will be held as the annual budget document is being developed? What will board members do in these sessions? Who will run them?

- **Ensure board members are involved** in shaping the governing products. Get them involved early enough to shape outcomes, and make full use of their intelligence, experience, and diverse perspectives.

FOUR CRITICAL STEPS

Board-savvy CEOs follow four concrete steps to turn their board members into owners of their governing work:

- **Create standing committees** that correspond to the actual flows

of governing decisions. These committees should include, for example, planning, board self-assessment, and external relations.

- **Use these standing committees as vehicles** to involve board members in governing and to continuously update the processes for board-member involvement.

- **Develop operating guidelines for board committees** that promote board member ownership.

- **Ensure that committee chairs visibly succeed** in leading their committees. ■

Doug Eadie is president and CEO of Doug Eadie & Company (www.DougEadie.com, Doug@DougEadie.com), specializing in building high-impact board-CEO partnerships. SPECIAL OFFER FOR NONPROFIT WORLD READERS: Receive a 25% discount on Doug Eadie's books Meeting the Governing Challenge, Building a Rock-Solid Partnership with Your Board, and his latest book The Blind Visionary at www.snpo.org.

More Resources for High-Impact Boards

For more on turning board members into owners of their work, see these *Nonprofit World* articles at www.snpo.org/members:

Can Standing Committees Contribute to High-Impact Governing? (Vol. 25, No. 2)

How to Talk to Your Board (Vol. 23, No. 1)

Eight Questions Every Board Needs to Answer (Vol. 22, No. 3)

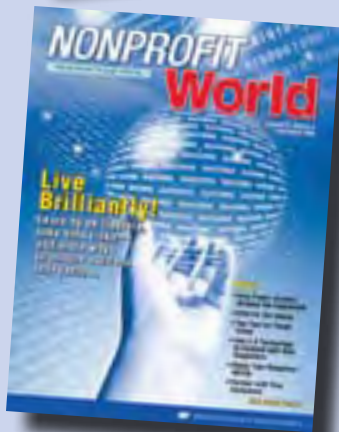
Leading and Managing Governance Change (Vol. 26, No. 3)

Rethinking the Nonprofit Board (Vol. 27, No. 6)

How to Assess and Improve Your Board's Performance (Vol. 24, No. 1)

35 Questions that Will Transform Your Board (Vol. 24, No. 3)

Also see Learning Institute programs on-line: Board Governance (www.snpo.org/lino).



Enjoy Reading *NONPROFIT WORLD*?

Here are more benefits of membership in the Society for Nonprofit Organizations

- **12 issues of *Nonprofit World Funding Alert***, providing monthly updates on grant and funding opportunities
- **Membership in GrantStation**, with instant access to over 5,500 grantmakers via the Find-a-Funder searchable database
- **Complete access to over 700 printer-ready management articles**, searchable by author, key word, or subject
- **Discounts on products and services**, including books, audiotapes, videotapes and Webinars presented by experts in the field
- **Reduced enrollment fees** from the Learning Institute for the Society's **Certificate of Excellence in Nonprofit Leadership and Management**
- **Free job postings** on our NonprofitCareers.org job site

For more information, visit:

www.snpo.org



How to Manage Unemployment Claims

Cut costs and reduce liability with these steps.

By Fan Zhang & Brian H. Kleiner

According to recent U.S. Department of Labor statistics, 8.6% of all unemployment benefits paid are inaccurate (www.adp.com). Thousands of nonprofit organizations pay claims in error or without justification, wasting millions of dollars. Don't let it happen to your organization!

To avoid paying unwarranted claims, you need to develop an effective process.

Deal with complex unemployment law by following these simple rules:

Recognize that unemployment compensation isn't a tax but a form of insurance. The unemployment-insurance program is funded by taxes paid by employers (www.wa.gov). Therefore, efficient management of unemployment claims can control costs, minimize liability, prevent unwarranted claims, and establish accountability while ensuring compliance with regulations.

Review each claim in terms of eligibility requirements. To avoid paying unwarranted claims, you need to develop an effective process. Be ready to review former employees' claims quickly to make sure they're eligible for benefits. Retrieve and verify their wage data

from your human-resource or payroll database.

To be eligible, employees must meet state requirements for wages earned or time worked during a one-year period before the claim. They must have a certain amount of wages in this base period, or they won't have a claim. They must have become unemployed through no fault of their own. They must be able to work, available to work, and actively seeking work.

Everyone the person worked for during this 12-month period is potentially chargeable for a portion of the benefits. But if you can prove that the person is ineligible or that their termination was due to their own actions, you won't be charged for their benefits.

Decide whether the termination was a discharge or voluntary quit. If the employee was ready, able, and willing to continue to work for you, but you acted to end the relationship, the termination is a discharge. If the employee acted to end the relationship, it is a voluntary quit. The distinction is crucial, because the party that initiated the separation is responsible for proving the case.

Two elements must be present for employees to be discharged for misconduct.

If the termination was a discharge, decide whether it qualifies for unemployment benefits. Section 1256 of the unemployment-in-

surance code states that employees are disqualified for unemployment compensation if discharged for misconduct connected with their most recent work. Two elements must be present for employees to be discharged for misconduct:

- Employees must substantially breach their duty to the employer under the employment contract.
- That breach must be a willful or wanton disregard of the employer's interest, which would tend to injure the employer financially.

If you disagree with a claim, you must move quickly to challenge it.

Examples of discharges for misconduct include:

- being absent for noncompelling reasons after being warned.
- failing to report an intended absence.
- falsifying work applications of other employment records and reports.
- showing disloyalty.
- undermining trust in the organization.
- damaging equipment or other property in ways that could have been avoided.
- violating known rules of the organization.
- stealing from the organization or failing to report known theft.
- mishandling money.

If the termination was a voluntary quit, check to see if the employee is qualified for unemployment compensation. To qualify,

If you decide to appeal,
you must do so within
20 days.

employees must prove that they would suffer some injury if they continued working. For example, they would become ill, suffer financial losses or marital discord, or have their civil rights violated. Even if they would suffer such injury, they may not be qualified for unemployment benefits if:

- They failed to seek a remedy to their problem, if one was available, before they quit.
- They failed to tell the employer about their problem and give the employer a chance to correct it.
- They failed to seek or accept a leave of absence.

Examples of quits without good cause include:

- looking for other work.
- becoming self-employed.
- failing to return from work after a leave of absence without requesting an extension.
- failing to request or accept a transfer to other suitable work.

Protest questionable claims. If you disagree with a claim, you must move quickly to challenge it. You need to protest in writing, clearly and concisely, with enough detail to make your point. Use such evidence as notes from termination interviews, written warnings, employee evaluations, and relevant pages from your organization's rulebook.

Be prepared to appeal. When you receive the Notice of Determination, review the file to be sure the Employment Development Department has all the correct information and that there's a chance to win an appeal. If you decide to appeal, you must do so within 20 days from the mailing date of the Notice. In your appeal, include the facts you want the Employment Development Department to consider.

You need to protest
in writing, clearly and
concisely, with enough
detail to make your point.

When you receive the Notice of Hearing, you should do the following:

- Note the location, date, and time of the hearing and the issues that will be heard.
- Notify people you want to appear as witnesses, and obtain declarations or affidavits from witnesses unable to attend.
- Review the claimant's personnel file for evidence.
- Research the law, and be ready to ask and answer questions.

On the day of the hearing, be ready to do the following:

- Make sure that your witnesses are at the hearing.
- Have the employee's personnel file and other documentation on hand.
- In the case of a discharge, be prepared to describe the very last incident that caused the discharge. Explain how the employee knew of the rule that was violated. Discuss prior infractions that led up to the

Selected References

Doyle, Tanya & Brian Kleiner, "The Most Likely Lawsuits—and How to Protect Yourself," *Nonprofit World*, Vol. 19, No. 1.

Taratanavat, Ratapol & Brian Kleiner, "When It's Time to Say Good-bye: How to Discharge Workers without Legal Hassles," *Nonprofit World*, Vol. 23, No. 2.

Van Vlaenderen, Heidi & Brian Kleiner, "Your Duty to Investigate Workplace Complaints," *Nonprofit World*, Vol. 19, No. 3.

These articles are available free at www.snpo.org/members.

final incident.

- In the case of a quit, be prepared to dispute the employee's allegations of abuse or poor working conditions. Describe remedies the organization had available to make the quit unnecessary.

- When your former employee asks you questions, keep responses brief and to the point. Don't argue with the former employee; just answer the questions.

Take the initiative. It's your responsibility to monitor unemployment-insurance payments and protest erroneous charges. Being alert and having a program to deal with claims will save you a great deal of money in the long run. ■

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It's your responsibility to
monitor unemployment-
insurance payments
and protest erroneous
charges.



Stop & Think Before You Click OK

Be wary—very wary—whenever you agree to anything online.

By Nick Levinson

Zip past pages of gray text on a Web site, click OK, and you may have promised to pay lots of money with no record of what you just agreed to.

Signing a contract no longer requires pen and ink. Two parties to a contract needn't be on the same continent, never mind in the same room. Pressing an OK button may be your entire signature.

Signing a contract no longer requires pen and ink.

Some places, like eBay, distribute their terms across multiple documents. A list of links isn't enough to protect your rights. Be sure to click every link so you see what you're agreeing to.

Before you hit OK, read and copy every page. Don't expect a later step to preserve a copy; few processes ever do. Your only sure chance to make a copy is the first time you see what you're about to agree to. Copy it to a word processor or a text file and save. When that's not possible, most computers have commands such as Print

Don't expect a later step to preserve a copy.

Screen that'll do. All this is time-consuming, but if problems arise later, you'll be glad you made the effort.

Keep your copies as carefully as you keep other contracts. Organize and preserve them in a way that protects them against damage. Magnetic media fade, so refresh them every few years or transfer them to paper or CDs.

Knowing the exact wording of contracts is critical to resolving disputes. To take full advantage of your rights, you'll need to have all your old clickthrough agreements handy.

Terms often provide for unilateral amendment by the contract's authors. They may not need to do anything except post the new language on a Web site at some later date. The only way you can keep abreast of changes in the terms is to revisit the Web site often.

Contracts can be called agreements, terms, or nothing at all. Whatever the case, you need to absorb and preserve every line. It takes legal skill to know which provisions are unenforceable. Consider everything enforceable against you unless your attorney tells you

differently.

If the worst occurs and you end up in a lawsuit, you may need to travel to a different state or even a different country to defend yourself or to sue, with you paying for travel, an attorney, and all the rest. That's what you may be agreeing to when you click that button. So, before you click, make sure you've done all you can to protect yourself. ■

Nick Levinson (P.O. Box 8386, New York, N.Y. 10150) has volunteered for a dozen nonprofit organizations and 24 political campaigns. He is not a lawyer.

More on Controlling Computer Risks

The speed and ease of the Internet have their dark sides. To guard against risks, see these earlier *Nonprofit World* articles, available at www.snpo.org/members:

How to Prevent an Information Disaster (Vol. 23, No. 1)

Do You Need a Record-Saving Policy? (Vol. 19, No. 6)

Are You Exposing Your Online Donors to Credit-Card Thieves? (Vol. 25, No. 2)

Contingency Planning: Facing Disaster and Surviving (Vol. 11, No. 3).



I've Been Thinking about... Maximizing Volunteer Participation

**Are you making the best use of volunteers?
Is it worth it to accommodate those who can participate only in a limited way?**

By Martha Golensky

In this difficult period of tight budgets, when volunteers are more essential than ever, it's important to be flexible enough to accommodate the many ways people want to volunteer. Some organizations may have volunteers who participate on a regular schedule, but many more are finding the norm to be episodic volunteering. Individuals may offer their help for just a few hours, as for a neighborhood cleanup effort. Others may show up at a site whenever their schedules permit; sorting goods at a food bank is a good example. Still others may take part in a project for a short period, perhaps to assist victims of a natural disaster.

Episodic volunteers present a different set of challenges.

The key point is that episodic volunteers present a different set of challenges. For example, what do you do with people who show up unexpectedly, wanting to volunteer for a few hours? If you aren't prepared to put them to work on the spot, you may lose both their volunteer and financial support. You need to have a broad range of assignments on hand at all times to fit volunteers' varying needs. That requires flexibility on the part of staff at all levels.

Lack of time is the most common reason people don't volunteer.

What do you do with people who show up unexpectedly, wanting to volunteer for a few hours?

One option to widen the pool of prospects is online or virtual volunteering. Here volunteers use the Internet to help you with activities such as mentoring, doing research, providing technical assistance, and giving professional advice. This type of involvement is often a first step toward a more personal commitment: You can introduce on-site tasks to complement or expand the online work.

Many people today are interested in volunteering in groups rather than alone. A family, company, or congregation may volunteer as a team—say, to enter a charity-sponsored race or to serve dinner together at a shelter. You need to be creative in designing team assignments—and prepared to involve whole groups of people in meaningful ways.

All these kinds of volunteering require new ways of thinking about rewarding volunteers. Neither episodic nor virtual volunteers are apt to be comfortable receiving the same recognition as those who devote countless hours to weekly assignments. To solve this problem, you could award points based on frequency of volunteering. Then, considering the number of points, you could acknowledge volunteers along a continuum from a thank-

you letter to an annual recognition event.

Volunteering, in some form, has been part of the American tradition since colonial days and continues to be a vital resource for nonprofits. As an interactive process between the individual and the organization, there are costs and benefits on both sides of this exchange. For the most part, the pluses clearly outweigh the minuses. ■

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Volunteering Ideas Start Here

Find out more about managing the new volunteers with these *Nonprofit World* articles at www.snpo.org/members:

- **Can You Save Money by Using Volunteers Rather than Paid Staff?** (Vol. 28, No. 5)
- **Why Be Boring when You Can Celebrate in So Many Ways?** (Vol. 26, No. 5)
- **Managing Your Volunteers: 19 Ways to Work Wonders** (Vol. 25, No. 6)
- **Volunteerism Vectors** (Vol. 25, No. 3)

Also see Learning Institute programs on-line: Volunteer Management (www.snpo.org/lino).



Leading in a Diverse Society

Put the contributions of other cultures to work in your organization.

By Terrence Fernsler

Salsa, Soul, and Spirit: Leadership for a Multicultural Age

By Juana Bordas. 244 pages. Softcover. Berrett-Koehler Publishers (www.berrettkoehler.com).

As our society (and the world) becomes increasingly multicultural, it's crucial to understand how leadership works in different cultures so we know what motivates everyone in a diverse team. Each culture has distinct ways of leading, but Juana Bordas, with many years of leadership study and training, finds commonalities in the American Indian, Latino, and African American communities.

All these cultures integrate some form of spirituality into everyday life. Rather than dissecting matters to understand them, they consider ideas holistically, focusing on the relationship between humans and the larger world.

In our society's dominant culture, personal ambition is usually the aim of leadership. In multicultural leadership, the aim is service to the community. The community gives authority to the leader.

Culture is learned, so leaders can acquire multicultural competencies.

Rather than an individualistic orientation toward leadership (that is, improving oneself to be a better leader), leaders of color practice collective advancement, laying the foundation that places the welfare of all above individual gain. Isn't this the underlying premise of most of our nonprofit organizations? Isn't this, then, the type of leadership we want to encourage in our organizations?

The ability to work with and within a variety of cultures has become an essential skill for today's leaders. Multicultural leadership incorporates the influences,



The community gives authority to the leader.

practices, and values of different groups respectfully and productively. Multicultural leaders tap the potential of all group members, encouraging everyone to contribute.

Culture is learned, so leaders can acquire multicultural competencies in order to work constructively with many different groups. The most effective nonprofits are those that build alliances, serve their communities, and continually forge new partnerships—all of which are core activities of multicultural leadership. This book can help you build those skills in your organization.

Terrence Fernsler has been a nonprofit professional for nearly 30 years.



Eight Steps to Becoming a Multicultural Leader

These rungs on the leadership ladder highlight the core values that are keystones of other cultures:

1. **Learn from the past.** Dig into history to understand the contributions of communities of color.
2. **Focus on the advancement of the group** rather than the individual.
3. **Be generous in sharing** and collaborating with others.
4. **Practice shared leadership**, in which the leader is not above others but part of the group.
5. **Act as an advocate** for justice and equal opportunity.
6. **Work for the common good** of the group, community, and society.
7. **Recognize your kinship with others**, who are all part of one human family.
8. **Integrate spiritual values**, such as compassion, forgiveness, gratitude, and hope, into your leadership.

Next Steps: Exercises in Multicultural Leadership

What changes should you make to create an environment of inclusive leadership? Ask yourself these questions, and use your answers to apply the principles of leading in a diverse society:

- How has spirituality helped communities of color survive adversity? How can you use such spirituality to anchor your leadership?
- What might you learn by asking people their perspectives on history in general and their own heritage? How could you arrange such a dialogue?
- The Jemez Pueblo people believe “spiritually we are all related.” What are the implications for multicultural leadership?
- What adjustments do you need to make so that sharing and partnering with others are high priorities?
- How can practices from collective leadership, shared leadership, and servant leadership increase your effectiveness?
- What specific things could you do to exemplify a spirit of generosity, sharing, and reciprocity?
- How could you learn about your organization’s beginnings and founding vision, and how might you use this information to inspire a sense of purpose and belonging?
- What can you do to ensure that leadership is rotated and distributed?
- How can values like honesty, humility, fairness, and generosity enhance performance in your group?
- What is the greater purpose that you serve?

—adapted from *Salsa, Soul, and Spirit*

Name that Facility!

Naming rights—giving donors the right to name property or events in exchange for contributions—bring an estimated \$4 billion a year to nonprofits. A cutting-edge trend with nonprofits is selling naming rights to boost brand name recognition in fundraising campaigns.

And it’s not just large institutions like hospitals and universities that grant donors the right to name facilities. Even small nonprofits can find something donors can name. A few possibilities: a garden, lobby, atrium, rooftop, exhibit, gallery, elevator, artwork collection, lecture or series of lectures, endowments, legacy gifts, unique events or get-togethers, conferences, and corporate support in the form of named sponsorships, including online sponsorships. To learn more, see *Naming Rights* by Terry Burton (Wiley, www.wiley.com).




Management Methods that Don’t Work

In *Oops* (Performance Management Publications, www.pmanagementpubs.com), Aubrey Daniels describes management practices that waste time and money—and what to do instead. Examples:

Performance appraisals. Instead of annual appraisals, aim to give people immediate feedback. Ensure that employees know how well they’ve done at the end of every workday.

Stretch goals—huge goals set to challenge people to stretch themselves and make great leaps in performance. Rather than one big goal, set many mini-goals. Make progress visible.

Recognition of a top employee’s performance. Instead of rewarding one person for being the “best,” award employees all at the same time for their work as part of a team.

Downsizing. The negative consequences of laying people off are so great that nearly anything is preferable. If you’re in a bad economic situation, involve employees in how to solve the problem. They may be willing to take on tasks done by contractors, for instance, or give up some compensation in return for other incentives. 

continued on page 26





Key Words for Leaders

All successful leaders have one thing in common: They use words as their primary tools. Whether through speeches, vision statements, or annual reports, a leader has to find the words to engage people. Here, says Joanne G. Sujansky, executive director of KEYGroup® (keygroupconsulting.com), are the right words to use:

• **Words of inclusion.** To infuse employees with a sense of loyalty, use terms like “team” and “partner.” Talk about “our” goals. Refer to employees as “associates,” “colleagues,” and “teammates.”

• **Words of empowerment.** Do you express confidence in people (“I know you can do it” and “you’re the best person for the task”) or undermine them with expressions of doubt (“I’ll give you a chance” or “nobody else wanted to do it”)? Do you give employees “deadlines” and “due dates” or “goals” and “targets”?

• **Words of success.** Thriving organizations have a vocabulary of success. They tend to use terms like “victory,” “achievement,” “result,” “outcome,” “performance” and “payoff.” In struggling organizations you’re more likely to hear people talking about “coming up short,” “botching a job,” or “dropping the ball.” The language of success is energizing, while the language of failure is demoralizing.

Do you give employees “deadlines” and “due dates” or “goals” and “targets”?

In these demanding times, the best way to ensure a dynamic, adaptable workplace is to encourage positive communication patterns. But building a productive environment requires more than words alone. What you do must match what you say. Be sure all your words and deeds set a positive, inspiring tone. As Goethe said, “Correction does much, but encouragement does more!”

Be a Better Leader by Becoming a Better Listener

For conversations that matter, such as those between managers and employees, it’s imperative to recognize the importance of listening. Keep these two keys in mind:

KEY #1: Be Active. Make a commitment to listen, and engage the speaker with these tips:

• **Strive to understand.** Instead of mentally framing your response, focus on what the speaker is saying, not only the words but the feelings behind them. Pay attention to body language. Place any agendas aside, reserve judgment, and don’t interrupt.

• **React to the message.** In addition to maintaining eye contact, offer positive cues like smiling, nodding, and leaning toward the speaker. Don’t react with negative signals, such as shaking your head or frowning, even if you disagree with the speaker. Reserve your objections for when it’s your turn to speak.

• **Confirm what you’ve heard.** Paraphrase but don’t parrot. Say, “Okay, as I understand it, you’re saying that...” or “Let me make sure I understand you...” Summarizing and waiting for confirmation avoid misunderstandings.

KEY #2: Be Empathetic. Make sure others feel seen, heard, and understood with these suggestions:

• **Focus on feelings more than facts.** Pay attention to the speaker’s tone and facial expressions to understand what *isn’t* being said.

• **Nudge the speaker to a solution.** Add a new perspective by sharing a similar experience you’ve had.

• **Mirror the speaker physically.** You can often convey empathy more effectively in silence—with a look or pause—than with words. Physically, you become more empathetic by mirroring the other person’s breathing rate, voice speed and volume, gestures, and posture.

—adapted from an article by Randy Siegel. Subscribe to his complimentary monthly e-newsletter “Stand in Your Power!” at <http://www.powerhousecommunications.com>

Nonprofit Job Growth Defies Recession

Despite the recession, nonprofit employment in Maryland increased by 2.7% in 2008, according to a new report (“Nonprofits & Recessions,” <http://cess.jhu.edu/>) from the Johns Hopkins Center for Civil Society Studies. By contrast, for-profit employment in Maryland decreased by 3.3% during the same period.


The new data seem to confirm an earlier finding by Johns Hopkins researchers about national nonprofit performance in previous recessions: that nonprofit organizations are a counter-cyclical force in the economy, actually adding workers in times of economic downturn. In two previous U.S. recessions (1990-1991 and 2001-2002), nonprofit employment nationally increased by an average of 2.4% while for-profit employment declined by 2.2%.

Post Your Wish List On Line

Nonprofits have always relied on donations of merchandise as well as money. Cash-strapped people who want to support a cause often have items to contribute. Now, a barter site, www.wassetfair.com, has added a fundraising section where nonprofits can post their wish lists. The nonprofit can use the donated items for their needs or auction them off at fundraising events.



Time and Work Stats and Facts

- 80% of employees don't want to go to work on Monday morning. By Friday, the rate drops to 60%.
- 31% of Americans don't use all the vacation time they've earned. Three out of 12 vacation days, on average, go unused.
- 25% of sick days are taken for illness, 75% for other reasons.
- The average worker gets interrupted every 8 minutes. Each interruption averages 5 minutes, totaling about 4 hours or 50% of the workday; 80% of those interruptions are rated as of little or no value.
- By taking an hour a day for independent study, one can learn at the rate of a full-time student.
- 97% of workers, if they became financially independent, wouldn't continue with their current employer or in their current occupation.
- The average reading speed is 200 words a minute. The average working person reads 2 hours per day. A speed reading course can increase the reading rate to 400 words a minute and save an hour per day.
- 80% of "crisis management" events are preventable.
- 9 out of 10 people daydream in meetings.
- 20% of the average workday is spent on "crucial" and "important" things, 80% on things that have "little value" or "no value."
- A person who works with a cluttered desk spends, on average, 1½ hours a day (7½ per workweek) looking for things or being distracted by things.
- We retain 10% of what we read, 20% of what we hear, 30% of what we see, 50% of what we hear and see, 70% of what we say, and 90% of what we do. 

—by Dr. Donald E. Wetmore,
www.balancetime.com,
ctsem@msn.com




Have You Tapped into the New Economics?

The latest financial disaster is a symptom of a much larger problem with the traditional economy: By excluding vital social components, it reveals itself as unsustainable. It's crucial for nonprofits to understand the new economic model that's emerging from the financial shambles: It's our chance to stop reacting to a framework imposed on us and, instead, help design a system that promises equality and security for all.

Human transactions are the core that holds up the money economy, although we've somehow come to believe that money itself is the goal. Social capital is what guarantees sustainability, letting us leave our descendants better off than we are—in terms of health, satisfaction, and possibilities.

The latest financial disaster is a symptom of a much larger problem.

The New Economics: A Bigger Picture by David Boyle and Andre Simms (published by Earthscan, earthscan.co.uk) explains the emerging economy that's narrowing the gap between money and the realities that money fails to measure. This economy is more than just a series of good ideas: New principles are being put into practice—primarily, for now, at local levels—that will make life thrive rather than stifling it. What cannot happen is an inexorably slow social change—our environment cannot wait.


By embracing the new economics, nonprofits choose their destiny and legacy. You can find out what that means for you in this practical yet inspiring book. 

—reviewed by Terrence Fernsler

Transforming Grantors

In the past two decades, new money has poured into foundations, compelling them to become more effective. In *Change Philanthropy: Candid Stories of Foundations Maximizing Results through Social Justice* (Center for Community Change, published by Jossey-Bass, www.josseybass.com), Alicia Epstein Korten presents the inside stories of how 10 foundations leveraged their assets to be more effective social change agents.

The stories take us behind the often-closed doors of foundation decision making. Some common themes emerge. Almost all the foundations found a clear, limited focus. Most decided to help grantees build strong organizations, then let them make their own choices by providing general operating support. Most reached for help by working within collaborations or creating affinity groups to increase support for an issue. Several of the stories explore the tensions of grantee-funder relationships.

If you're seeking a grant, this book will help you work with foundations focusing on social equity. The stories show how you can become a partner in changing systems, ensuring that more people enjoy society's opportunities, and giving everyone a chance to fully participate in the life of their communities. 

—reviewed by Terrence Fernsler



■ The Secret to Nonprofit Success

Why are some nonprofits more successful than others? In *The Nonprofit Secret* (P3Press, www.thep3press.com), Jonathan Schick argues that the key is establishing a good relationship between the board and CEO.

Boards in successful nonprofits do the following: They focus on governance (major policy decisions) and let the CEO manage day-to-day issues; they create committees to help accomplish their own governing work (not the management work of the CEO); they evaluate the CEO through a special committee; and they evaluate themselves once a year. ■

■ Think Five when Speaking to Media

In the current climate of economic uncertainty, don't ignore the value of media coverage. Becoming a media expert has never been more important to increase funds and polish your organization's image. Some foolproof tactics:

- **Five Seconds:** Give a sound bite that's no longer than five seconds. Anything longer will almost surely be edited or deleted.
- **Five Points:** Develop no more than five concise message points.
- **Five Sentences:** Answer reporters' questions using no more than five sentences.
- **Five Counts:** Just before you give an interview, breathe in to the count of five, and exhale to the count of five, five times. After preparing good content, breathing is the most important preparation for any interview. ■

—source: Richard Virgilio, PayPerClip Public Relations (RVirgilio@PayPerClip.com)

■ Leap to a New Level of Communication

Verbal Judo: The Gentle Art of Persuasion (HarperCollins in association with Alive Communications, Colorado Springs) uses the acronym LEAPS to summarize five steps to successful dialogue:

Listen. People rarely say what they mean. If you react to what they say, you make a mistake. Look beneath the words and interpret what you hear. And be sure to project a listening face.

Empathize. Don't confuse empathy with sympathy. You don't need to sympathize or agree with other people. Simply look at the matter from their perspective. One of the most empathetic statements you can make is, "Let me be sure I understand what you just said," followed by a brief replay of what you've heard and a pause to give the speaker a chance to correct any wrong assumptions.

Ask. Don't just throw out questions; be strategic in your asking. Begin with general open-ended questions, then ask how the speaker feels about the subject, and gradually move to direct, fact-finding questions. Avoid leading questions (those that make it clear how you want the other person to answer).

Paraphrase. Put the other person's meaning into your own words and deliver it back.

Summarize. Condense what's been said and put it in a brief statement, signaling that the discussion is over. ■

■ Building Your Network

Networking involves more than just widening the circle of people you know, as Michael Dulworth explains in *The Connect Effect* (published by Berrett-Koehler Publishers, www.berrett-koehler.com). To create powerful networks, you need to devise a personal brand that's vivid and positive. Rather than meeting lots of people, focus on building rich relationships with the right people, and look for ways to help them succeed. And, although electronic communications facilitate networking, you can't eliminate face-to-face interaction if networking is to be effective.

Networking can increase knowledge, guide a career, open doors, solve problems, and provide feedback. This book will help you evaluate, widen, and deepen your own network and understand the outcomes of investing in it. Learning the skills described here can bring even more benefits from networking than you already realize, and help you change the world.

—reviewed by Terrence Fernsler

TIPS FOR SUCCESSFUL NETWORKING

- **Build a PBOD** (Personal Board of Directors)—people you can turn to when you have questions or problems—to support your career and life.
- **Play "One Degree of Separation"**—digging deep to find out who your friends' friends are—to see whom you might include in your network.
- **Go for quality** over quantity when picking people to join your PBOD.
- **Add as much diversity** to your network (in terms of age, gender, kinds of jobs and industries, interests, and cultural backgrounds) as you possibly can.
- **Make connecting with people** one of your top priorities every day. ■

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