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volume 32 · number 1

Nonprofit World

Advancement Through Sharing

Implementing Lean for Nonprofits

What is “lean” and how can it help your organization?

PLUS:

- Does Your Retirement Plan Pass the Test?
- Post-Recession Donors Have Changed
- Top Tips for Improved Leadership
- How Can You Improve Your Donor Retention Rate?
- Exercising Leadership with Social Media
- Can You Raise Money by Selling Ads?
- How to Get What You Really Want
- Accomplish More with Pro Bono Services
- What’s in a Name? Benefits of the President/CEO Title

And much more!

SOCIETY *for* NONPROFITS

Advancing the nonprofit world together

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contents

volume 32 • number 1 • 2014

FEATURE STORY

The language, tools, and principles of "lean" are well-known in the for-profit sector. Many of the most successful nonprofits are also adopting the lean philosophy. Put it to use in your organization by cutting waste and boosting employee morale. See how on page 4.

ARTICLES

DEPARTMENTS

Unsolicited manuscripts and letters to the editor are welcomed. They should be addressed to:
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How to See in All Dimensions

"Look with your eyes, ears, mind, and heart."

When you think of your organization's customers, who comes to mind? If you envision your clients, you're seeing only one dimension, for your customers include your board members, employees, donors, grantors, volunteers, and suppliers — everyone who holds a stake in your organization's work.

Your customers are what make or break your organization. In today's wired world, unhappy customers can send their feelings viral and bring your organization down in a flash.

But, as the authors of *Wired and Dangerous* tell us, the same tools that make your customers "dangerous" can also turn them into your most loyal ambassadors. The key is to understand that customers are a different breed from what they used to be. The way to keep their loyalty is to treat them as partners and collaborators. "Let Your Customers Do Your Marketing" (page 19) explains how to turn your supporters into vibrant customer communities.

Partnerships are instruments of trust, rooted in a shared vision. "Moving toward a Positive Future" (page 18) clarifies ways to enfold people into an inspiring, overarching purpose. "Why and How Givers Get Ahead" (page 20) shows how collaboration and "powerless communication" enhance success.

In the best partnerships, feedback is seen as essential nurturance. Tools like surveys and focus groups are valuable ways to gain people's input. For tips on creating a survey people will actually complete, see "Building Bonds" on page 20).

Seeing everything through the lens of partnership is one example of how focusing on something can bring it into being. "Get More of What You Really Want" (page 18) describes a method that will help you zero in on what's most important.

But be careful not to narrow your view too much. Look around now and then to check what's happening in your periphery. Otherwise, in today's unpredictable world, you could be blindsided.

One tool to keep from being too selective in your view is scenario planning (take a look at "Creating Scenarios for Multiple Futures" on page 19). Asking "what if?" recognizes that unpredictability is a staple of today's environment. Instead of planning for just one future, you avoid unpleasant surprises by preparing for a variety of plausible eventualities.

By accepting the reality of uncertainty, you widen the scope of what the future may hold. A more open view of what's possible prepares you for whatever happens, as "Top Tips for Improved Leadership" (page 26) attests.

Take care to look behind you, beneath you, on all levels, and to all sides. Look with your eyes, ears, mind, and heart. Keep an eye on the far-off destination as well as the nearby target, what's happening here and now as well as what's developing just out of sight and what might be born in the future.

Since you don't have enough eyes to see all these things at once, you need allies throughout your support system — people you trust to be your eyes in the field, to tell you what's going on, even if it might not be what you want to hear. If you've created true partnerships with people, they'll be eager to share both good and bad news, knowing that you'll work together to make things right and continue to move forward toward a common goal.

Pro-bono professionals offer one way to gain this extra set of eyes (check out "Accomplish More with Pro Bono Services" on page 17). Other allies to enlist include your donors (pages 3 and 6) and board members (page 10).

"People only see what they are prepared to see," Ralph Waldo Emerson once said. Are you prepared to see in all dimensions?

Jill Muehrcke

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P.S. In response to rapid changes in the publishing world as well as to reader feedback, we're moving to a new dual delivery system for *Nonprofit World*. You'll receive print issues quarterly (March, June, September, December) and, in between, we'll provide you with up-to-the-minute articles and news alerts on our Web site and in our e-newsletter *Nonprofit Currents*. We're dedicated to bringing you the most useful management and leadership counsel possible! If there are any special articles you'd like, let me know. Thanks so much for your support of *Nonprofit World* and your invaluable feedback!

Four Things to Do Next Monday

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

1. **Prepare a survey** to learn your customers' wants and needs. See "Building Bonds" (page 20).
2. **Check to be sure your board members** are using the many types of social media to best advantage (page 10).
3. **Ask yourself if you can upgrade your fundraising plans** to give donors what they really want (page 16).
4. **Take a look at "Accomplish More with Pro Bono Services" to be sure you're receiving your share** of these valuable resources (page 17).

How Can You Increase Your Donor Retention Rate?

Be sure your donors keep on giving.

Q About 30% of our donors give more than once during the year. I'd like to improve that number to 40%. What can I do to increase the percentage of people making multi-gifts during a year?

> "Expect a first-year renewal rate of between 25 and 35%."

A One-time donors come from prospecting. You then take your best shot at persuading them to give second gifts and, thus, become multi-givers. But relatively few of them do so. You keep trying for a time, but at some point, presumably, you stop trying and cycle the one-time donors off into an archive file — or, better yet, throw them back into the prospecting program. (If you're not doing those things now, you might find that that's the answer to your question!)

The nub of your concern, though, appears to be that you're having trouble securing that second gift. If so, you're not alone. The rule of thumb these days is to expect a first-year renewal rate of between 25 and 35%. Raising that percentage is a big challenge, but there are certain tactics you can try. Here are three tested approaches:

Make sure to mail acknowledgements of first gifts within 24 to 48 hours of receiving the gifts.

Develop a new-donor welcome package based on research into what donors want from you.

Make thank-you phone calls shortly after the first gift (without asking for money).

Mal Warwick, Chairman
Mal Warwick & Associates
www.malwarwick.com

Can You Raise Money by Selling Ads?

Is advertising income permissible for a nonprofit organization?

Q Our executive director would like to supplement our publishing dollars by selling ads. Our grant writer tells me we can't do this because the income would be treated in a different manner than the grants that fund our organization.

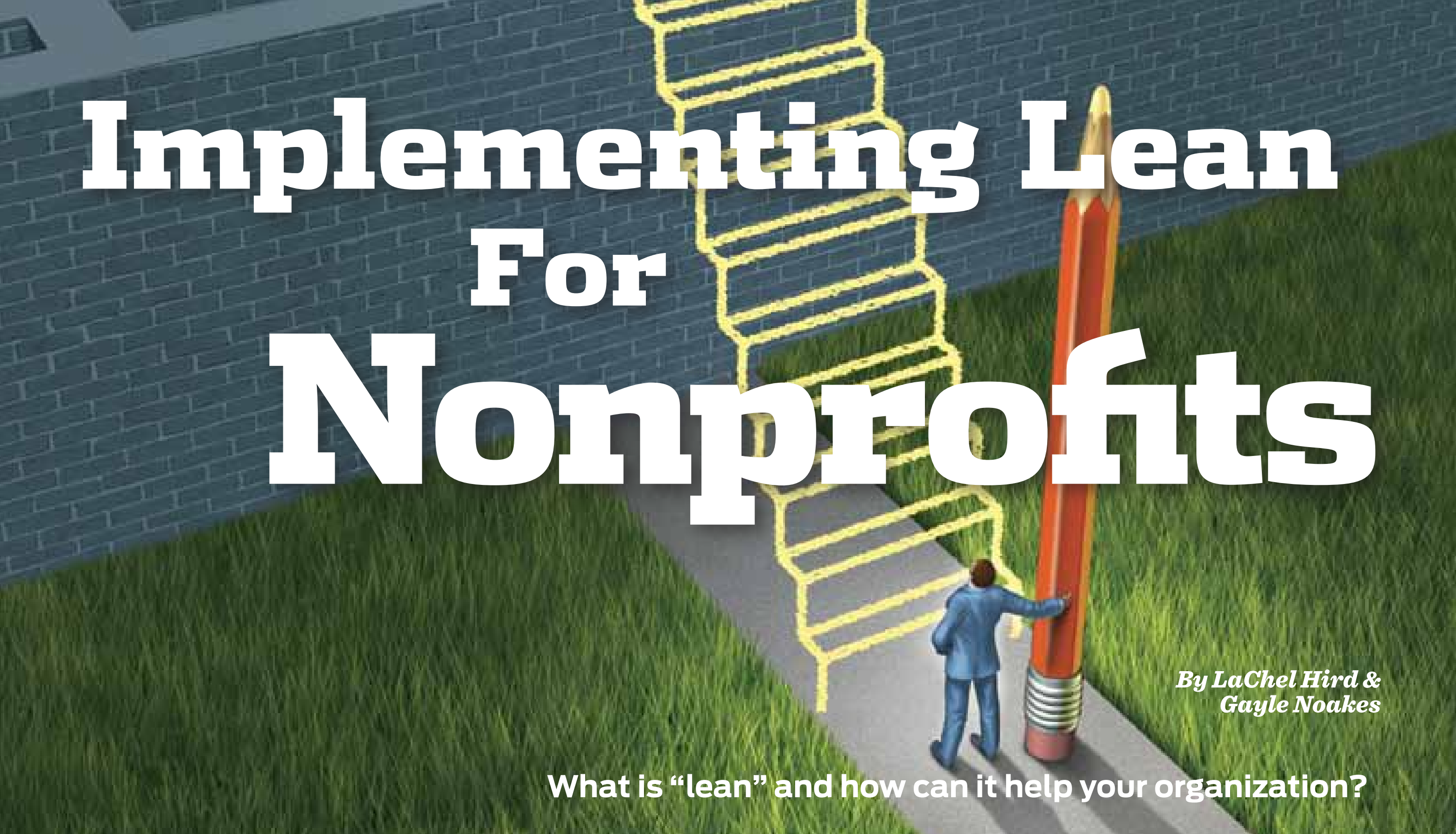
A Your grant writer is partially right, but probably not in a way that should cause you serious worry. Income from advertising will be treated differently from grant income in your financial reports and on your tax returns, but it is certainly not prohibited by general tax or corporate law. Unless you have some very weird charter provisions or prohibitions from some funding source, advertising income is permitted.

> "Income from advertising will be treated differently from grant income."

The issue with advertising income is whether it's classified as unrelated business taxable income (UBTI). In most cases, it will be UBTI if your publication is regularly carried on, and it will be subject to unrelated business income tax (UBIT) if you make a net profit of more than $1,000 from the advertising. Unless your unrelated advertising becomes a substantial portion of your activities, you can probably deal with the problem of additional resources for your activities.

Don Kramer
Nonprofit Issues
www.nonprofitissues.com

For more on UBIT, see these Nonprofit World *articles at www.NonprofitWorld.org/members: "Are Your Activities Safe from UBIT?" (Vol. 16, No. 5) and "UBIT: What It Is and How to Avoid It" (Vol. 13, No. 4).*



Implementing Lean For Nonprofits

By LaChel Hird & Gayle Noakes

What is "lean" and how can it help your organization?

In today's economy, donors, the community, and grantmakers look carefully at whether every dollar your organization receives is well spent. If your goals are to create change and serve others, wasting resources won't help achieve these goals.

> "Can you break the rules of your own past behavior?"

Paying attention to how you use resources goes hand in hand with how you treat your staff. Your organization is at its best when your employees are energized by the organization's mission, activities, and people they serve. Employee engagement is strongest when staff members believe their work is highly valued and positively impacts others.

So, how can you enhance the quality of your services while also engaging employees and managing people and financial resources effectively? One answer can be found in the principles of lean enterprise.

Lean enterprise or lean thinking — often shortened to "lean" — encompasses practices that create value for customers with the least waste. "Value" is determined by the customer and is defined as "any action or process that a customer would be willing to pay for." Through the lean philosophy, you can eliminate waste and create better workflows that ultimately enhance the quality of your products and services.

Virginia Mason Hospital, Seattle's Woodland Zoo, and Big Brothers/Big Sisters are examples of nonprofit organizations that identified and adapted lean tools to fit their environments. In doing so, they enhanced their services and resource use.

> "Culture is the fabric of an organization."

At the core of your mission are customers in need of services. Applying lean principles sets the stage for:

- **smart use of financial resources** and personnel
- **a high-quality experience** for people served
- **an engaging work environment** for employees.

Don't Forget These Two Important Keys

A lean transformation can be a powerful process to experience. But it requires dedication, commitment to change, and engagement across all levels of your organization. Two important success factors are sometimes overlooked:

1. CULTURE

Why is culture so important? Culture is the fabric of an organization. It's the set of shared attitudes, values, goals, and practices that characterizes the group. These shared attributes result from behaviors that are encouraged or discouraged in the organization.

Under the principles of lean, investing time to foster a vibrant, positive culture has immense benefits. According to Shawn Parr in his *Fast Company* article "Culture Eats Strategy for Lunch" (http://www.fastcompany.com/1810674/culture-eats-strategy-lunch), nurturing a proactive culture leads to greater:

- **Focus.** It aligns the entire organization toward achieving a unified vision, mission, and goals.
- **Motivation.** It creates higher employee motivation and loyalty.
- **Connection.** It forges team cohesiveness among departments and divisions.
- **Cohesion.** It builds consistency and encourages coordination and shared control.
- **Spirit.** It shapes employee behavior, enabling the organization to be more efficient and energetic.

According to Parr, culture is the environment in which a strategy and brand thrives or dies. Culture can't be coerced. It has to be genuinely nurtured by everyone at every level. Ignoring the health of an organization's culture can create a toxic environment.

Before deciding whether to implement lean, consider:

- **Does your organization's culture reflect** its values and mission?
- **Does the culture encourage open and honest communication** across all levels of the organization?
- **Is work done through collaboration** with others?
- **Are ideas and feedback welcomed** during problem-solving and creating new initiatives?
- **Are mistakes and learning opportunities celebrated** and encouraged?
- **Is disrespectful or inappropriate behavior addressed** throughout your organization?
- **Does your culture emphasize** that everyone adds value?

Deep and honest reflection is required when considering whether your culture will support lean principles and practices. Empowering every person in the organization to participate in creating a healthy culture is critical to a successful lean transformation.

2. LEADERSHIP

Developing and fostering culture begins with leadership. Leadership is practiced every day, often when leaders aren't even aware that people are paying attention. One of the roles of a leader is to create an environment where people can do their best work. A leader also removes obstacles and barriers that prevent people from being successful in carrying out the work of lean transformation. Most important, a leader serves people in the organization who are on the front line of service to stakeholders.

The following leadership behaviors will ensure that your organization empowers employees to participate in lean transformation:

What Are the Principles & Practices of Lean Enterprise?

Lean enterprise is used to describe management practices rooted in the Toyota Production System. "Lean" focuses on eliminating waste while enhancing the quality of service in the eyes of the customer. Lean practices have been applied in manufacturing (production, product design, and administrative functions) and a variety of service industries, including nonprofit management, health care, banking, and government.

TWO FOUNDATIONAL PRINCIPLES OF LEAN THINKING

Lean has two parts:

1. **Eliminate waste and non-value-added activity through continuous improvement.** Key "wastes" that are the target of lean enterprise are:
   - transportation
   - inventory
   - motion
   - waiting
   - overprocessing
   - correction
   - people.

The first six wastes all lead to the waste of a person. The seven wastes can contribute to an environment where employees are not engaged or energized by their work. This in turn impacts focus and quality.

2. **Practice respect for people.** Create an environment where people are empowered to grow professionally and personally. Hold them accountable for improving processes.

The lean environment allows individuals to take pride in their work. The concept of "kaizen" or continuous improvement, requires constant thinking about improvements on the part of all employees.

Much of the "people side" of lean was adapted from the teachings of the American professor and consultant W. Edwards Deming, who worked with Toyota and other Japanese companies after World War II. Lean was also adapted from Toyota's study of the early practices of Henry Ford and the Ford Motor Company. (See *The Toyota Way* by Jeffrey Liker and http://www.leanblog.org/about/what-is-lean/.)

THE MOST VITAL PRACTICES OF LEAN THINKING

Here are the most important practices to follow as you make your organization leaner:

- **View your organization as a whole that's larger than the sum of its parts.** Never make a major change without thinking about its impact on everything and everyone associated with your organization. Consider every decision in terms of increasing value for your stakeholders.
- **Organize the workplace according to the "five S's" of project management,** which increase efficiency, raise employee morale, and reduce waste:
  1. ***Sorting.*** Get rid of any unneeded tools, materials, and other items to keep the workplace tidy. Store or discard anything that doesn't need to be in a worker's space.
  2. ***Straightening.*** Arrange workers' materials so those they use the most are the closest at hand and quickest for them to find.
  3. ***Systematic cleaning.*** Keep the workspace and all equipment clean.
  4. ***Standardizing.*** Make sure all employees doing the same job have exactly the same tools, instructions, and materials. Systemize as many processes as possible. (For example, post instructions on how to use , clean, and fix the copying machine so everyone will perform these routine tasks in the same way.)
  5. ***Sustaining the practice.*** Monitor these practices to assure that people don't fall back into their old ways.
- **Get to know your employees and what's important to each one.** Only then can you provide them with the rewards that will most motivate, fulfill, and inspire them. Make full use of everyone's passion and talents.
- **Continually improve on the status quo,** using the SOCA (Standardize-Do-Check-Act) and POCA (Plan-Do-Check-Act) sequences.
- **Eliminate all unnecessary work** and barriers to efficiency.

- **Create and foster a culture of respect for others** in which everyone adds value.
- **Use every opportunity** for a coaching moment.
- **Embrace the difficulty of change** in yourself and others.
- **Meet people at their level of engagement.** Coach, direct, and mentor them when needed.
- **Teach others how to fish.** Don't solve every problem.
- **Be the change.** Model desired behavior.

To create a culture that supports lean transformation, you need to practice leadership and accountability for your actions when faced with change, adversity, and success. This is not only the CEO's role. It takes leaders across the organization to build the culture and support implementation of lean principles.

Lean transformation is a little like whitewater rafting. Leaders establish the course and guide the paddlers through the journey. They pull team members back on the raft when the ride gets choppy. They offer encouragement to keep everyone moving forward in the right direction.

Leaders are the voice of reason and encouragement when change is difficult and frustration gets in the way of the work. Encouraging team members to continue to try new things and apply what they learn from their successes and mistakes is important throughout a lean transformation journey.

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CliftonLarsonAllen (cliftonlarsonallen.com) is one of the nation's top 10 certified public accounting and consulting firms. Structured to provide clients with highly specialized industry insight, the firm delivers assurance, tax, and advisory capabilities.

Leaning Closer to "Lean"

See these articles at www.NonprofitWorld.org/members for more on lean principles and tools for nonprofits:

Collaboration and Leadership: Secrets of Success (Vol. 24, No. 1)

Organizational Culture: It's in the Walk, Not Just the Talk (Vol. 29, No. 6)

The Best Ways to Increase Efficiency (Vol. 27, No. 1)

Critical Shift: The Future of Quality in Organizational Performance (Vol. 18, No. 6)

25 Ways to Cut Costs (Vol. 26, No. 2)

Manage for Today, Mentor for Tomorrow (Vol. 23, No. 5)

The Organizational Personality and Employee Performance (Vol. 21, No. 1)

NEW DEPARTMENT

Three Tools for Personal Content Management These free apps will help you and your organization be more efficient.

By Amy Sample Ward

We've all been there: We thought we'd check Twitter for just a minute but found five different articles that look interesting. Or, in compiling materials for the next board meeting, we discovered a handful of excellent reports and white papers. Or maybe we saw something in the news and knew it would be great to share with a colleague. Whatever the content and wherever we found it, personal content management can be a struggle. Did we bookmark that Web site or print out the report? Did we e-mail the link to a staff person or completely forget?

In this article, I've highlighted three potentially valuable tools to help you and your team keep track of articles, stay on top of the latest content, and share resources easily. All three tools are free to use (though Dropbox and Evernote offer paid upgrades for multiple users and additional storage). All these tools can also be expanded from personal use to an organization-wide adoption.

Dropbox (http://dropbox.com/) is a cloud-based document storage and sharing tool. This means you can easily save a document or folder from your computer to your account on the Web, giving you access to those documents and folders from any other computer. You can also share documents individually or as folders with other people. Ever tried e-mailing a colleague your presentation file or a large document and received a message that the attachment was too large? Not anymore when you use Dropbox: You can add files big or small and simply send your colleagues a link to the file or folder, or share it with them so they have access even after you've made additional edits.

You can try it out today at dropbox.com

> "Ever received a message that your attachment is too large? Not anymore."

> "You can save and access your content from anywhere on the Web or on the go."

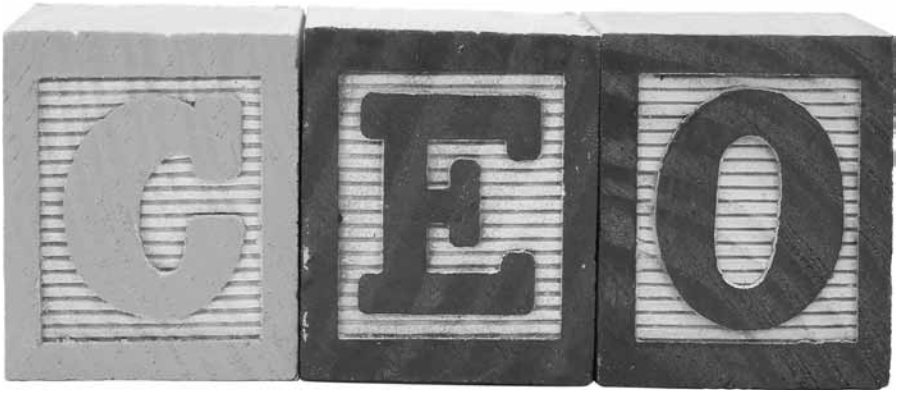
Evernote (http://evernote.com/) can be almost anything you want it to be! With Evernote, you can store documents, links, or even clips of content directly from the Web. You can also drop content into your Evernote folders simply by including your unique account e-mail address on e-mail correspondence. Like Dropbox, Evernote is a cloud-based tool. It has Web, mobile applications, and browser extensions available, allowing you to save and access your content from anywhere on the Web or on the go.

See if Evernote works for you at evernote.com

Feedly (http://feedly.com/) The first two applications assume you've found or created content that you want to save. What about when you need to find new content or stay on top of trends and hot topics? You may have heard of RSS, or Really Simply Syndication. RSS allows you to subscribe to a blog or a Web site or even track hashtags on Twitter and mentions of your organization's name. But, you need to subscribe through a reader, and that's where Feedly comes in. It is an RSS and content feed management tool. Instead of checking your favorite section of the *New York Times* as well as the blogs of partner organizations each day, you can subscribe in Feedly and see new content, as it's published, all in one place. It also makes sharing content quick and easy!

See if you can save time with Feedly at feedly.com

Amy Sample Ward (amy@nten.org) is CEO of NTEN: The Nonprofit Technology Network and author of Social Change Anytime Everywhere.



What's in a Name? Benefits of the President/CEO Title Is it time to change your organizational title?

By Eugene Fram

Over the last 100 years, senior managers of nonprofits typically have held the title of "executive director." During the past 30 years, many nonprofits have changed the title to "president/CEO," following a common business practice. Many more nonprofits need to consider the same change to obtain some subtle but useful organizational benefits.

A wide range of nonprofits use the executive director title: churches, human service agencies, trade associations, and medical facilities. An executive director can be the only manager in a church with an annual budget of $200,000, or be the head of a medical facility with a $10 million annual budget and 200 employees. These significant differences in responsibility levels can:

- **demean the contributions** of many executive directors in the eyes of some important audiences
- **minimize people's perceptions** of the organizations' contributions.

The Executive Director in Nonprofit Organizations

According to Wikipedia, nonprofit senior managers are called executive directors instead of chief executive officers "to avoid the business connotation which the latter name evokes." It also distinguishes them from "members of the (volunteer) board of directors and from non-executive directors, who are not actively involved in running the corporation."[1] (Non-executive directors are volunteers who mentor or advise an operating division within the nonprofit, such as the development office.)

Using the title of executive director made sense during the early part of the 20th century when nonprofit organizations were modest ones with a handful of employees, and volunteers regularly filled managerial or service roles. As late as the 1960s, one occasionally witnessed volunteer board members having internal operational roles. Those who advocate for the continued use of the executive director title argue that the title's use is empirical evidence of board involvement in the organization's activities. However, the negative side of the argument is that continued use of the title leads to board micromanagement of operations, which stunts organizational growth.

> "Many boards see the change as a managerial power grab."

Nonprofit organizations became larger and more complex in the latter part of the 20th century. Local professional societies became regional organizations; hospitals became regional healthcare systems; and so on. The proportion of volunteers involved in management operations and staff work declined. Consequently the trend to use the president/CEO title became more appealing to focus operational responsibility on management and staff. If properly structured, the title requires the chair and CEO to develop a more trusting professional relationship and assures stakeholders of higher levels of performance. Organization results become focused on outcomes, not process.

The President/CEO in Nonprofit Organizations

In the latter part of the 20th century, businesses began to add CEO to the title of either their president position or board chair position.[2] The objective was to clearly designate which of the two had final operational authority, except for those actions reserved by the firm's bylaws for the board (usually acquisitions, pension plans, and long-term contracts). In the business environment, as contrasted to the nonprofit environment, both the chair and the president can be corporation employees.

In the 1980s, nonprofit organizations began to mirror business organizations managerially. Many developed marketing departments and installed complex information technology. A few hired experienced business executives to head their organizations. The older philosophy of "avoiding the businesses connotation" was quickly eroded. When hiring new senior managers, nonprofit boards offered titles of president/CEO and made bylaw provisions for others in the senior management teams to become vice presidents.[3]

[1] See http://en.wikipedia.org/wiki/Executive_director.

> "It's hard to maintain a family environment as the number of employees grows."

Some president/CEOs even became voting members of their boards, if permitted by their state laws. It wasn't unusual for some incumbent executive directors to seek the new title if it was politically expedient. However, many conservative boards still look upon the change as a managerial power grab, which has slowed the change process.

Three decades have passed since early adopters made the first changes. Yet thousands of complex nonprofits are still headed by managers holding the executive director title, although they may have substantial, complex operational duties.

Changing the title of the chief staff officer to president/CEO can positively influence three things:

1. PERCEPTIONS OF THE ORGANIZATION

There's little public understanding of the robust responsibilities of executive directors. Most people holding the title can relate stories of having to describe their jobs to those unfamiliar with nonprofits. But most people recognize that the president/CEO is the head of the organization with authority to lead its employees and to direct operations.

The senior manager from time to time may have opportunities to be interviewed by the media. This can be a critical responsibility when a rapid response to a crisis is needed or an unusual public relations opportunity arises. The president/CEO title enables the senior manager to move quickly and authoritatively; there is no ambiguity related to the leader's authority.

How leaders and organizations are perceived by stakeholders are realities with which leaders must deal, whether or not the perceptions are accurate. Providing the chief staff officer with the president/CEO title can help develop more desirable internal and external perceptions of an organization's strength and the responsibilities of the person leading it.

2. ORGANIZATION CULTURE

When organizations change the title, they often do so in connection with developing a structure that brings more formality and managerial professionalism to the culture. In the past, years of volunteer involvement in operations often developed a more family culture, which is a positive force when the nonprofit is in its early stages. But it's hard to maintain a family environment as the number of employees grows. A new formality, brought about with the senior manager's title change, along with a group of former managers now titled vice presidents, may be seen by older members of the staff as making the operation "uncaring" towards staff and clients.

As time progresses, with the president/CEO being the communications nexus between the board and staff, there will be less personal contact between the two groups. This requires the CEO to be concerned that a mistrusting atmosphere may develop. Under the CEO's guidance, contact between board and staff can take place on ad hoc committees, on strategic planning projects, at various board orientations, and at organization celebrations. In these ways, the board can seek the participation and advice of all staff in establishing the major programs involved with missions, visions, and values.

> "The duties of an executive director range much more widely."

The change in top titles and the greater formality it can bring may raise some trust issues with older staff. Management needs to convey a message to the staff that the change is a result of the board placing more trust for operations in the hands of management and staff.

3. FINANCIAL GROWTH

Some nonprofits take the position that fund development is the board's responsibility, since board members have the broadest range of community and other outside contacts. With a president/CEO in the top management position, fund development becomes the joint responsibility of the president/CEO, the development person — if one is employed — and board members capable of fundraising. The new title gives the senior manager the immediate recognition necessary to credibly approach donors and, with the consent of the board, to make commitments on the organization's behalf.

> "The new title can open doors and communications."

To involve the board more directly, the president/CEO can work collaboratively with board members to develop contacts opened by the board. (As one nonprofit executive person explained the situation, "Top people readily communicate with persons in similar positions.") In seeking support funds, the new title can open doors and communications that might not be available to one holding an executive director title (which conveys such an unspecified range of responsibility). It might even raise an unarticulated question in the minds of some donors as to why the person hasn't been given the title of president/CEO.

Which Title Will Work Best for You?

Compared to the duties of a president/CEO, the duties of an executive director range much more widely on a management activity scale. Some executive directors are simply clericals while others are sophisticated senior executives. Any organization that ignores this fact can leave a psychological gap in public perceptions relating to the group's strategic posture and the senior manager as a substantial leader. Where warranted by higher responsibility levels, changing a senior manager's title to president/CEO can help present a better public posture for the senior executive and a better strategic posture for an organization.

Eugene Fram, Ed.D. (frameugene@gmail.com, blog site: http://bit.ly/yfRZpz), is professor emeritus at the Saunders College of Business, Rochester Institute of Technology. In 2008, Fram was awarded the university's Presidential Medallion for Outstanding Service. In 2012, a former student gifted Rochester Institute of Technology $3 million to establish the Eugene H. Fram Chair in Applied Critical Thinking. Fram's book Policy vs. Paper Clips *(available in new edition at http://amzn.to/eu7nQl) has been used by thousands of nonprofits to model their board structures.*

[2] In the nonprofit corporation, the board chair is usually an unpaid volunteer who also might hold the CEO title, indicating that person has final operational authority. A volunteer holding the CEO title may be subject to more personal liability than other board members.

[3] This also assumes that those directly reporting to the president/CEO are concurrently given vice president titles.

Exercising Board Leadership with Social Media

Board members can make a huge impact through social media. All it takes is a few minutes a day.

By Marion Conway

It has always been your responsibility as a board member to be an ambassador for your organization, introduce friends to the organization, and invite friends to fundraising events. That hasn't changed. But the 21st century brings some new ways of doing these things.

Whether you are 21 or 81 — the age range of 99% of board members — chances are you participate in some form of social media. Social media is a powerful tool for nonprofits today and even many small nonprofits have a staff member or volunteer toiling away to maintain a social media presence for their organization. This presence can be enhanced immeasurably — in many cases multiplying current impact by 10 to 20 times, or more — if you and the rest of the board take some very simple steps with the social media you already use. Adding to the benefit: Using social media is one way you can exercise your board leadership responsibility.

Use social media to:

- **Demonstrate passion** for the cause
- **Be an ambassador** to the community
- **Lead in spirit — passing along** the covenant with your nonprofit to others

Nonprofits engage social media today to accomplish a lot. Among the purposes, to:

- Engage existing supporters
- Find potential new friends, including donors and advocates
- Find volunteers
- Find people who are interested in attending your events
- Identify potential board members
- Build better relationships with not only all of the above groups of people, but the community as a whole
- Educate the community
- Get donations

It's important to note that getting donations — the reason of most interest to almost everyone — comes later, only after you have successfully done all the other things.

"Tagging is a modern way to show recognition."

But never fear; you and the other members of your board can help achieve some or all of these social media goals by just incorporating the promotion of your nonprofit into whatever you already do with social media.

Let me be clear. I am not talking about asking your friends to give money online. Though, if you feel comfortable doing that, by all means go ahead. What I am talking about is how you can be an ambassador online just by tweaking — a very little bit — what you already do. Here are six possibilities:

1. Become a Facebook Fan

Your nonprofit probably has a Facebook page. But it may not have a lot of activity or visitors, since very few people will go directly to its site. The real value to a nonprofit of having a Facebook page is to have the page come up in people's newsfeed. Here are a few things you as a board member can do to make that happen and increase its visibility.

"LIKE" THE ORGANIZATION'S PAGE

An organization's page is different than a friend's page, and getting people to "like" the page takes some effort. Twenty-five people must like it before the nonprofit can claim the name facebook.com/nameofnonprofitpage and promote it. Once you have this URL, the page will come up in search engines — and the Facebook page may very well get better placement in searches than your Web site.

"LIKE" COMMENTS, AND COMMENT ON THE PAGE'S POSTS

The only way most people will see what is posted on the organization's wall is if it comes up in their newsfeed. Many people see "highlighted stories" first — rather than "most recent stories."

The highlighted stories filter out lots of recent stories. A post is much more likely to be in the highlighted posts' feed if it has "likes" and comments.

If just three board members click the "like" button on a wall post, it will greatly enhance the chances of the post appearing in more people's newsfeed. Comments and "likes" also cause people to read the entry and join the conversation.

Engaging people in conversation is an important opportunity that Facebook provides, but just as at a cocktail party, someone must start the conversation. You can be that person. I routinely respond to a nonprofit's wall postings by clicking the "like" button or commenting on events I attended. It takes seconds and can help that nonprofit's visibility in newsfeeds a great deal. It also can be a conversation starter.

> "Ask people to donate rather than give you a gift for your birthday."

INITIATE POSTS ON THE ORGANIZATION'S WALL

Facebook pages are boring when only one person posts. The page needs to have different voices to make it attractive. So... initiate posts. It is so simple. Here are some examples:

- I am really looking forward to going to the ABC Nonprofit's Fall Fundraiser. They are honoring Joe Smith this year and he really deserves it. Do you know Joe? Would you like to sit at a table with me? Let me know.
- Wow! I had a great time at the Reading Festival for kids in Newark hosted by XYZ Nonprofit. I am on the board and I volunteered for the day. The kids really enjoyed the event. There were so many interactive things for them to do. It was all about literacy, the arts, and having fun. I just love being part of this organization.

INITIATE POSTS ON YOUR OWN WALL

You can take the same comments and post them on your own wall. This may cause some people who see your posts in their newsfeed to check out the organization's page and "like" the page. It is my experience that when I post about nonprofits with which I'm involved, the posts get "likes" and comments. This tells me that my friends enjoy seeing these brief updates of what I'm doing with these nonprofits.

POST PICTURES

Did you attend an event and take pictures? Post them on Facebook — on both your wall and the organization's wall. Tag them (identify the people in the picture) on the nonprofit's wall.

On your own page, click on "photos" and then on the specific picture that you want to tag someone in. Click on "tag photo" and click back on the photo. Move the cursor to the person you want to tag. A text box will pop up. As you begin to enter the person's name, a suggested list of your friends will appear and you can just click on the right person on the list. Click on "done tagging" and you're all set.

When you tag someone on your Facebook page, it will show up on the person's Facebook page as well. It is a modern way to show recognition.

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These are a few very simple ways that you can use Facebook to be an ambassador for your nonprofit. It only takes a few minutes a week. And just think, if 10 people do one of these things once a week, your nonprofit's Facebook page could become a strong relationship-building tool.

Another hidden value to board members engaging on Facebook is the morale-builder and encouragement it gives the page administrator and staff. Staff members often feel removed from the board. The board's reputation with staff can take a rewarding leap forward if board members are engaged on Facebook.

No matter how large or small your organization, if you have a Facebook page but are failing to achieve the relationships with supporters you desire, you have the ability to make a difference. Catapult this friend-raising tool to a much higher level in just minutes a day.

2. Be Active on LinkedIn

LinkedIn has become an important resource for nonprofits. You can use it to give positive exposure to you, personally, and to your nonprofit. A few ways:

UPDATE YOUR PROFILE

One profile category in LinkedIn is Volunteer Experience & Causes. You can enhance your personal profile and give some exposure to your organization by updating your profile to include your board service.

UPDATE YOUR STATUS

You can update your status to show activities you are involved with at your nonprofit. Updating your status can serve to keep both your name and your nonprofit's name in the minds of your business friends — especially when you include a link to the nonprofit's Web site. It is a win-win situation. And, if you link your LinkedIn and Twitter accounts, you can just click on the Twitter bird that pops up to automatically update in Twitter also.

PROSPECT FOR NEW DONORS, VOLUNTEERS, AND BOARD MEMBERS

Use "search" and "advanced search" to find people who have particular professions, went to your university, or work in certain industries or companies who may be a good match for your organization. For example, perhaps you would like to have someone with financial experience on your board. One way to find such a person is to search on a keyword and in, or near, a specific zip code. I tried this with the word finance and my zip code. People in my network appeared first, followed by others with finance in their profile in my general geographic area.

The rewards are great. You just might find some good prospects to invite to an event, ask for a contribution, or cultivate to serve on the board.

3. Use Twitter

I love Twitter and am active on it. I enjoy being part of a vibrant nonprofit online community and learning about incredible opportunities, great resources, and events.

Twitter is particularly wonderful for advocacy. If advocacy is one of your nonprofit's roles, board members who are on Twitter should use their 140 characters to get the word out. Make sure you use relevant hashtags (#), and you will see lots of new followers.

Hashtags are a very useful tool for getting the most out of Twitter, because they allow people to search for tweets around a topic they're interested in, for instance boards. Ever see a word or a phrase in a tweet that has a # prefix? That's a hashtag.

> "A good time to post is during a specific campaign, or at the holiday season."

To help your board members attract followers for their tweets, encourage them to pick no more than two key words or phrases to highlight with a hashtag. These may be something generic like #nonprofit, or refer to a specific event such as #relayforlife. Notice that if you want to tag a phrase, you don't use any spaces between the words. The hashtags can be used anywhere in the Twitter message. People who click on a hashtag will see other messages that have highlighted the same word or phrase. So you may want to provide your board members with a couple key hashtags to use.

Hashtags are also often used by people at learning events such as conferences and workshops. They provide a means of sharing information with other participants and those who couldn't attend. They can be used to facilitate group discussions, because everyone posting uses the same hashtag, and participants search/follow that
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hashtag. I enjoy participating in conferences by tweeting with the hashtag for the conference.

Start to notice the hashtags in tweets of people you follow. Click on them and you are sure to find whole threads of interest, and new people to follow.

4. Leave Comments on Blogs

Do you read blogs related to the work of your nonprofit, or perhaps its issues? Be sure to leave comments when you do, and include mention of your organization. People who are interested in the article and comments will see yours, and if what you wrote has a link to your organization, they may just click and visit the Web site. We call this driving traffic to the Web site. It's a good thing!

5. Add to Your Web Site

Do you have a Web site — either personal or small business? Include your board membership in your biography and have a link to the nonprofit's Web site in the bio. If appropriate, post a small "ad" for your nonprofit's events.

6. "Pin" on Pinterest

At the time of this writing, Pinterest is the fastest growing social media site. It is perfect for people who like visuals because, essentially, it is a cluster of online bulletin boards. And, it is simple and easy to use. If you don't have an account, consider getting one.

PINTEREST EXAMPLE

Check out this link to my Pinterest page where you can see several "boards" related to nonprofit topics: pinterest.com/marionconway

Once you have a Pinterest account — which you can associate with your Facebook account — you can easily "pin" visuals on a board. This is a great way to cover an event or a program. Supply a brief description of your images, and then invite people on Facebook to visit your Pinterest board. When people click on the link at your Facebook page, they are sent right to your Pinterest board, where, on a single page, are all the pictures from that event or program. It is a very user-friendly format. Since you can have multiple boards, it is best to have all the visuals on any single board about a common topic.

Are You Ready to Make the Ask with Social Media?

Once you've introduced your networks to your nonprofit, they will know that this organization is important to you. Only after you have established this fact should you consider the "get donations" phase of using social media as a board member. Here are some ways to take your social media networks to the next level.

DRAW PEOPLE TO YOUR NONPROFIT'S E-NEWSLETTER & DONATION PAGE

Post the link to your organization's e-newsletter and Web site donation page on Facebook and Twitter. Every nonprofit Web site and e-newsletter should have "donate now" capability. A good time to post is during a specific campaign, or at the holiday season. As an example, a status update might read: "Will you join me in sending kids in Newark to camp this summer? ABC Nonprofit, where I am on the board, makes this happen." Be sure the link works.

PROMOTE CELEBRATION GIVING

Set up a donation page — a good place is at RAZOO — and ask people to donate rather than give you a gift for your birthday, anniversary, or the holidays. You can post a link to your RAZOO page at Facebook and Twitter. RAZOO has an app to install a donation widget right on your Facebook page. You can have a laptop at your party available for people to donate during the celebration.

WIDGET DEFINITION

A widget is software that allows you to easily add functionality to your Web site, blog, or Facebook page. For example, your Web site designer has probably used widgets to add a navigation bar, search function, the icon to automatically "like" your Facebook page, polls, and more, on your Web site. Widgets are even used to create customizable forms that people can fill out and return to you. The best part of using widgets . . . you get a professional look without having to know any programming code.

These approaches are really a soft ask, and might or might not garner much response. But you may just introduce some new friends to your nonprofit, and you've done it very unobtrusively. I want to reiterate that you only take these asking-for-money steps after you have established that you have a personal relationship with an organization.

Start Today

These techniques for using social media are all easy to incorporate into your daily life, but they can have an outsized impact if enough people take on just a few of them. I promise it won't seem like work at all. Once you dive in, you'll enjoy it.

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Transform Your Impact: Funding that Gets Results

Ensure a steady income for your organization with this new model.

By Karen Eber Davis

Traditional government funding can actually do more harm than good. Its stop-start nature means that nonprofits must forever start and then discard even promising programs.

There is a better way. Community Based Care of Central Florida (CBC) has developed a powerful new approach to working with government funders. It's a model that can create enduring mission impact.

CBC serves children in the welfare system by developing community-based services for children and families. The organization obtains government funds in bulk, with funding commitments for up to 10 years. It can use its surpluses to keep children from entering the welfare system.

With the money, CBC accepts the responsibility, the risk, and these conditions:

- All who need services must be served.
- No waiting list is allowed.
- If children need more services than the funds provide, CBC must raise the money itself.

What does this mean in practice?

- **CBC ends up with greater control** of its income.
- **The lengthy contract** gives CBC an incentive to serve children immediately.
- **The time and expense** associated with any child being "in the system" is minimized.
- **Those who produce results** are rewarded.
- **As a result of this new model,** the number of foster children has been reduced by 35%. In the bigger picture, for years Florida languished at the bottom of state-by-state comparisons in this area. Today, according to Right for Kids, it ranks among the top five.

How It Works

Instead of government officials prescribing detailed procedure by grant application processes, governments buy results. By promising that it will produce results, the nonprofit stabilizes its income.

This new exchange provides greater value to all: the government, the nonprofit, taxpayers, and the organization's clients. Fundamentally, a tried and true but challenging value exchange is transformed into one that's far more successful.

> "Traditional government funding can actually do more harm than good."

How to Implement This New Funding Approach

You can use the strategy to obtain more value, whatever sources of income your nonprofit receives. "If you want to transform your relationship with government agencies, expect a multi-year effort to overcome inertia," advises Glen Casel, the president/CEO of CBC. "You also need a champion, such as your trade association, who has a voice and can give you a voice."

Here are five steps you can take to explore alternative funding models for your organization:

1. **Find and learn about models that work,** like the one used by the CBC.
2. **Identify changes** that will create more results.
3. **Learn about your funding sources' challenges.** What results do they want? What are their frustrations with the current process?
4. **Commit to a change.** Explore what you're willing to give to make the change.
5. **Talk to your trade associations and peers** to identify possible solutions and next steps.

Karen Eber Davis (karen@kedconsult.com) is an expert in nonprofit innovation and author of Nonprofit Income Without the Mystery. *For over 20 years, Karen has helped leaders make dramatic improvements that "move the needle" in excellence, effectiveness, and bottom lines. Sign up for her free newsletter "Added Value" at kedconsult.com.*

Does Your Retirement Plan Pass the Test?

Be sure you make these changes before the IRS appears at your door.

By Christine Sivak & Craig C. Gabel

Many nonprofits are confused about retirement-plan regulations, according to recent studies. The IRS is currently making an effort to assure that all nonprofits are complying with these rules.

Some Background

The IRS published regulations on July 26, 2007, that affected 403(b) retirement plans. A 403(b) plan, also known as a tax-sheltered annuity, is a tax-advantaged retirement savings plan available for public education organizations, 501(c)(3) organizations, cooperative hospital service organizations, and self-employed ministers in the U.S.

Estimates indicate that there are close to $600 billion in 403(b) retirement plan assets, representing about 17% of total assets of defined contribution plans. With those numbers and the impact on the retirement of so many Americans, it's important that nonprofits make the appropriate regulatory changes before the IRS appears on the doorstep.

What Are the Most Common Errors?

The IRS has been auditing 403(b) plans and found many compliance errors. Now's a good time for you to perform an internal compliance audit to identify any operational or document failures. The IRS has published a list of the issues found during its audits, which is a good starting point for your internal audit.[1]

> "The IRS has published a list of the top issues found during its audits."

> "Participants are tapping into their accounts to make ends meet."

Error Number 1: Applying an Improper ERISA Label

A common misconception is that 403(b) plans that are exempt from the Employee Retirement Income Security Act (ERISA) are also exempt from complying with IRS retirement-plan regulations. While ERISA plans are more greatly affected by the IRS regulations, non-ERISA plans are also required to take action.

A 403(b) plan is considered a non-ERISA plan if the organization acts as nothing more than a facilitator for the deposit of employee salary withholdings. The IRS has uncovered many instances where nonprofits have misapplied the ERISA, or non-ERISA, label. As a result, we suggest that you engage legal counsel to ensure that you make a proper determination.

Error Number 2: Not Following the Rules for All Employees

The most frequent error is not following 403(b)(12)(A) rules. Under these regulations, if your organization permits one employee to defer salary into a 403(b) plan, then you must extend this offer to all employees who don't meet statutory exclusions.

It's easy to incorrectly assume that employees who have a support role in the organization or who work in what some consider a part-time role aren't eligible for the plan. But you can't make this assumption merely because of someone's position in the organization.

[1] http://www.irs.gov/pub/irs-tege/pub4546.pdf

[2] http://www.dol.gov/opa/media/press/ebsa/EBSA20100056.htm

If anyone should have been given the right to contribute salary deferrals, but was improperly excluded, your organization will need to make a contribution to the plan on behalf of that employee. You can do so under the IRS's Employee Plans Compliance Resolution System (EPCRS). It's in your best interest to remedy this issue quickly because the dollar amounts keep accruing interest.

Error Number 3: Holding On to Money Too Long

It's common for organizations to fail to remit 403(b) elective deferral contributions in a timely fashion. These salary deferral contributions must be transferred to the annuity or custodial account as soon as is reasonable for the proper administration of the plan.

For example, the plan could provide for section 403(b) elective deferrals to be contributed within 15 business days following the month in which these amounts would otherwise have been paid to the participant. ERISA 403(b) plans are subject to stricter time frames and should follow the Department of Labor's guidelines.[2]

If salary deferral contributions aren't remitted in time, the IRS will give you a chance to correct the error by depositing missed earnings. Since the earnings amount compounds daily, it's important to identify and correct this failure as soon as possible.

Error Number 4: Not Keeping an Eye on Loans and Hardship Distributions

Along with dramatic swings in our economy, there's been an increase in plan loans and hardship distributions. Participants are tapping into their accounts to make ends meet during tough economic times.

Maintaining loan programs in 403(b) plans can be difficult. Some vendors may not allow loans. Those that do may not be collecting the loan payments.

It's important to understand that your organization is ultimately responsible for your plan's loan program. You shouldn't rely exclusively on the vendors to make sure the loan program is running smoothly.

It's also common to see the record keeping for hardship distributions neglected. IRS agents will validate that hardship requests are for heavy financial needs and for the proper amount. But it's up to you to make sure the record keeping for such distributions is complete.

"Your organization is ultimately responsible for your plan's loan program."

Make Compliance a Priority

Having a prudent process in place to manage your retirement plan will make it easier to comply with the IRS rules. Doing so will assure that you maintain the tax-qualified status of the plan and enhance the value of this important employee benefit.

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Moving Forward

These and other articles in the Society for Nonprofits' Library (www.NonprofitWorld.org/members) will help you comply with IRS rules:

Are You Ready for This Year's New 403(b) Regulations? (Vol. 27, No. 4)

Need a CPA at Little Or No Cost? Five Ways to Find Help (Vol. 28, No. 2)

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

Where to Find Free Legal Assistance (Vol. 26, No. 2)

Post-Recession Donors Have Changed

If you want your fundraising to be successful, you've got to make some changes.

By Gail Perry

If there's one thing you need to know about donors, it's this: They've just plain changed. Post-recession donors are different. Old strategies won't work any more. We're seeing major changes in what donors want, what they expect, and — most important — what they respond to. This goes for large and small donors alike. Here's why:

They Don't Trust You as Much as They Once Did

Donors are less trustful of everything: the government, financial institutions, the news media — and your organization. The loss of confidence in institutions is global.

People have simply lost faith. They're skeptical.

How Does Your Organization Show Up as Credible and Trustworthy?

If donors are less trusting, how do you get them to believe in you and your cause? You can rebuild donors' trust by being very explicit about where the money is going and how you're spending it.

One of the most important pieces of information you ever give your donors is a chart that says: "Your Gifts at Work." It should be a prominent part of your Web site. It should be a stand-alone page that details exactly where donors' money is going.

Here's How to Get Donors to Give More

The great Penelope Burk said it at a presentation recently: "Donors will give more if you let them restrict their gifts."

She said it's a shame that so many nonprofits are beating the drum for unrestricted gifts. The truth is: Most donors don't *want* to make unrestricted gifts.

You're saying to yourself, "But we need unrestricted funds!" Of course you do. But see if you can't shape your unrestricted funds into projects. Instead of trying to raise money to keep the lights on, try asking for funds for technology or some current program that has sizzle. If you raise funds for the sizzle program, then that frees up money for the lights and overhead, correct?

Today's donors mistrust unrestricted giving. They're thinking: Will this organization waste my money? I wonder what their fundraising costs are. Where does the unrestricted money really go? I don't want to pay for somebody's inflated salary.

> "We're seeing major changes in what donors want."

Put their minds at ease. You can raise much more from donors if you let them target their gifts for specific projects.

Try Some New Approaches

Focus on being as transparent as possible with your donors. Show them you're making an effort to use their money wisely. Keep them up to date on what you're doing. Here are some steps to take:

- **Be creative** about the purpose of your fundraising appeals.
- **Construct some "projects,"** and let donors fund these.
- **Tell donors** where the money is going and why your programs cost so much.
- **Be up-front** about your finances.

Your donors will pay attention. They'll thank you with renewed investments.

Gail Perry, MBA, CFRE, is the best-selling author of Fired-Up Fundraising: Turn Board Passion into Action. *This article is adapted from her blog at gailperry.com.*

Build Trust with Your Donors

For more on forging trusting donor relationships, see these articles in the Society for Nonprofits' Library at www.NonprofitWorld.org/members:

How to Build a Framework for Strategic Alliances: A Framework of Trust (Vol. 26, No. 6)

Five Simple Ideas for Developing Fundraising Results (Vol. 29, No. 3)

Reducing Donor Fatigue Syndrome (Vol. 24, No. 2)

33 Top Tips for Building Donor Bonds (Vol. 26, No. 1)

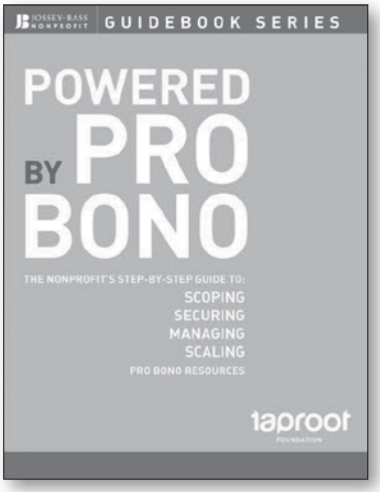
Top 10 Trends: How Major Donors are Changing & What To Do About It (Vol. 31, No. 4)

Relationship Marketing: Guaranteeing the Future (Vol. 14, No. 5)

Also see Learning Institute programs on-line: Resource Development and O for Opportunity: Exploring New Revenue Opportunities for Nonprofits (NonprofitWorld.org/Learning Institute).

Accomplish More with Pro Bono Services: Are You Making the Most of This Valuable Asset?

Every nonprofit should have this book.



By Terrence Fernsler

Powered by Pro Bono: The Nonprofit's Step-By-Step Guide to Scoping, Securing, Managing, Scaling Pro Bono Resources

By the Taproot Foundation. Softcover. 252 pages. Jossey-Bass, josseybass.com.

The economy has forced many nonprofit organizations to reconsider how to accomplish their goals. Money alone won't solve the immense social challenges of today. Nonprofits must look more closely at time and talent to supplement — or work hand-in-hand with — treasure resources. In *Powered by Pro Bono*, the Taproot Foundation shares what it has learned in its 10 years of promoting and using pro bono to help our organizations embrace this important tool for fulfilling our missions.

Nonprofits are complex. As government funding continues to decrease, nonprofits are becoming harder to manage. Professionals from many fields — law, information technology, human resources, accounting, financial planning, marketing, and organizational strategy — have skills to offer our organizations. Indeed, pro bono volunteers are often encouraged by their professional organizations to donate their talents to nonprofit organizations. We must know how to recruit and motivate them, however.

First, this means understanding what we need. Once we know this, we can align our needs with the pro bono skills available. We must then respond to pro bono work professionally, especially being realistic about timelines.

Clear communication with pro bono professionals is critical. It's important to remember that learning goes both ways: While volunteers demonstrate how we might reach our goals more efficiently, our organizations can inform professionals about our issues. This keeps them involved and makes our organizations more sustainable.

Once an organization successfully engages in pro bono, it can then begin to involve multiple departments, programs, and staff. This is what community building is about — accessing the abilities of supporters and prospective supporters as a core contribution to the civil sector. This builds a more just and inclusive society. It's why every nonprofit organization should have this book.

Terrence Fernsler has been a nonprofit professional for over 30 years and is currently a candidate for a Master's in Nonprofit Leadership degree at Seattle University.

Keys to Securing Pro Bono Resources

More than 15 billion dollars in pro bono services are donated to nonprofits every year — four times more than all corporate grantmaking. These precious resources are at your fingertips. Are you taking full advantage of their potential?

Powered by Pro Bono will help you secure these resources to get the results you need. Here are a few of the keys:

Understand the difference between volunteer and pro bono assistance. Traditional volunteers provide extra hands for direct, immediate demands. Pro bono professionals furnish skills-based support for long-term leadership needs.

Don't look for pro-bono support unless you meet these criteria:

- ***Your needs*** are important but not urgent.
- ***Your project*** has a clearly defined scope.
- ***Staff members*** are ready and willing to be part of the pro bono experience.

Engage pro bono professionals proactively. For example, you might post an ad on volunteermatch.org, craigslist.org, or idealist.org with the title "Pro Bono Copy Writer Needed" or "Lend Your Strategic Expertise to a Nonprofit that Needs You." Be specific about what you're seeking. Spell out what the professional will gain in return ("You'll meet a tremendous group of like-minded professionals. You'll deepen your connection with your community. You'll create lasting relationships.")

Write a proposal. This isn't like a grant proposal. It's a collaborative document that you create in partnership with the pro bono professional. Crafting the proposal together will serve as a pilot for working together. Your proposal should describe your needs, your organization's mission, the impact the pro bono work will have, a time line and estimate for total hours necessary, and the expectations you have of each other.

Build a pro bono culture. Turn pro bono work into systematic support that extends beyond one project by following these suggestions:

- ***Always be looking six to 12 months ahead*** to identify areas of need that you can address through pro bono. Be ready to seek resources with ample lead time.
- ***Weave pro bono*** into your strategic planning and budgeting.
- ***Form partnerships*** with organizations that are in it for the long haul.
- ***Before launching any project,*** ask: Could pro bono help us here?

Get More of What You Really Want

Use this system to attain the future of your dreams.

By Terrence Fernsler

Seeing Red Cars: Driving Yourself, Your Team, and Your Organization to a Positive Future

By Laura Goodrich. Softcover. 187 pages. Berrett-Koehler Publishers, bkconnection.com.

The title of this book is a metaphor for focusing on what you want. If you want a red car, you begin to notice all the red cars on the road. Focused thinking is necessary to get what you want, because it drives you to take the actions needed.

Too often, when thinking about our aspirations, we focus on what we don't want: We don't want politicians to act like morons; we don't want foundations to reject our proposals; we don't want people to be homeless. We're more likely to find positive solutions if we reframe our thinking: We want politicians to instate an equitable income tax; we want to collaborate with foundations to create exceptional programs; we want people to have comfortable, affordable shelter.

Laura Goodrich takes us on a journey away from negative thoughts and fears. She guides us through a process of determining our interests, passions, values, and assets; matching them with goals; and developing useful plans to reach those goals.

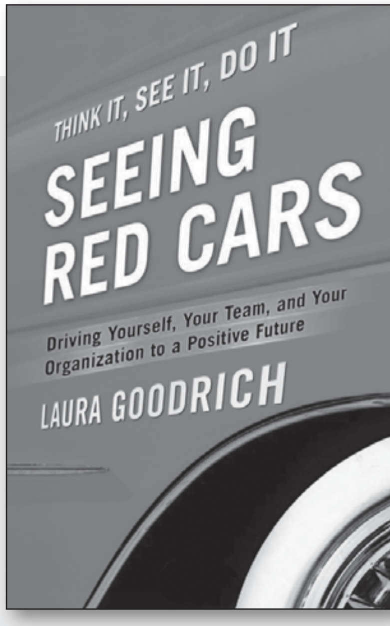
Attaining goals may take longer than planned. Setbacks do happen, but keeping a positive focus on our intentions will make it easier to redirect our efforts and find alternative paths.

The steps in the book may take much practice before a turnaround happens, but it's well worth the practice. Focusing on what organizations can do, rather than simply reacting to what's wrong, makes them more accountable

Those who clearly communicate their values and focus on the positive aspects of their organizations will attract the best people. They'll build an asset base that will create meaningful change. Goodrich, through this book, guides us toward creating such organizations.

Terrence Fernsler has been a nonprofit professional for over 30 years and is currently a candidate for a Master's in Nonprofit Leadership degree at Seattle University.

> "This book takes us on a journey away from negative thoughts and fears."



Moving toward a Positive Future

Here are steps to building an organizational culture in which people focus on what's truly important, unleash their creativity, and achieve breakthrough results.

Focus on ambassadors. When people receive new information, they react in one of three ways: 20% (Laura Goodrich calls these people the ambassadors) are excited about it; 50% (the fence-sitters) are cautious; and 30% (the detractors) are openly opposed. Goodrich advises putting your energy into the 20% who are excited and the 50% who are cautious. Don't concentrate your energies on the detractors.

Consciously break the pattern of thinking about what you don't want and, instead, shift to picturing what you want to happen. Create an "I want" statement that is specific and measurable, with a realistic timeline.

Seek information over a broad, varied horizon. Look in unusual places.

Follow your intuition. Note hunches that fly into your mind without notice.

Communicate your vision in a way that aligns people's individual "wants" with what you want for your organization.

Take it slow. Don't try to force change too quickly. Break it into small chunks, and move one step at a time. To create and sustain change, you need to take intentional, repetitive actions that will eventually achieve the outcomes you desire.

Let Your Customers Do Your Marketing

You can turn your customers into your most fruitful partners, getting them to promote your services for you, explains Bill Lee in *The Hidden Wealth of Customers* (Harvard Business Review Press). You probably already have some sort of referral program, for example, giving people a way to tell their friends about your organization. But you can take that program much further.

To see if you're making the most of your donors, volunteers, and other customers, ask yourself these questions:

Do you know who your most passionate supporters are? Have you asked them to market your organization in a variety of ways, such as blogging, tweeting, giving speeches, providing contacts and access to new sources of information, hosting events, giving interviews, testing and commenting on your new offerings, and giving feedback to improve your services or develop new ones?

Are you sure that your fundraisers have the references and testimonials they need to attract new supporters?

Do you view journalists as important customers, who can disseminate information about your organization through articles, blogs, webinars, and teleconferences?

How many of your once-enthusiastic customer references have you lost due to a poor customer reference process?

How well do you measure the impact of people's help in talking about your organization and finding new supporters? Do you have a way of thanking and rewarding them for their help?

Do you create events to provide your customers a range of opportunities to interact with each other and with prospects?

How much of your Web site talks about your customers rather than about you? Do you test for and determine the optimal mix of customer content on your site — such as testimonials, case studies, articles, aggregated customer outcomes, and results data?

Do you understand how much funding or other value is created by your online communities? What contributions have these communities made to new service development for your organization?

Creating Scenarios for Multiple Futures

In these days of instability, traditional strategic planning serves little useful purpose, as witnessed by the number of plans sitting on shelves. One way to recognize the unpredictability of the future is through scenario planning.

Scenario Planning in Organizations: How to Create, Use, and Assess Scenarios by Thomas J. Chermack (published by Berrett-Koehler Publishers, bkconnection.com) provides a theoretical foundation of scenario planning, but also much more. It offers suggestions for putting scenarios into practice and for supporting organizational change.

Thinking like a scenario planner is different from linear planning. Participants need to be coached and guided through the process. Then they can explore various scenarios and implement the most appropriate ones.

Scenario planning, used well, avoids problems caused by shifts in the organizational environment and takes advantage of opportunities not always obvious. By its nature, it heightens leaders' awareness. Planning is complex and ambiguous, but this book demonstrates a method of tackling it in an orderly way suitable for today's unpredictability.

– reviewed by Terrence Fernsler

Tailor Your Ask according to Generational Needs

Are you optimizing your outreach to connect with all generations of donors? "The Next Generation of American Giving" (www.blackbaud.com/nextgen) suggests ways to design your fundraising strategies for optimum benefit:

Collect donor birthdays. It's vital to create special messages for each age group. First you need to know when each donor and prospective donor was born. The more you know about people, especially what generational bracket they fall into, the greater your ability to appeal to the topics that drive engagement and contributions.

Ask people what they want. Consider adding a link to a survey on e-mail autoresponders or in a welcome series e-mail. (See "Tap into the Passion of New Constituents with an Online Welcome Series," Vol. 31, No. 1, www.NonprofitWorld.org/members.) Events are also an ideal venue to poll constituents about what's important to them.

Facilitate peer-to-peer fundraising. Generations X and Y are especially receptive to this way of raising money on an organization's behalf while incorporating crowdsourcing and personal networks. (Take a look at "The Peer-to-Peer Fundraising Evolution," Vol. 30, No. 6, www.NonprofitWorld.org/members.)

Take advantage of social media channels. Using social media as an engagement tool is now considered Fundaising 101. Draw on social media, such as LinkedIn, to promote your Web site and capture e-mail. Ask donors for feedback on what information they want and how well they think your organization is serving its mission. (See "Three Benefits & Two Risks for Nonprofit Leaders Using LinkedIn," Vol. 31, No. 6, www.NonprofitWorld.org/members.)

Build your sustainer program. Sustainer donation programs are gaining traction across the nonprofit space. Boomers, sandwiched between caring for aging parents and raising children, are ideal for sustainer giving programs, which are a convenient and time-saving way to support charities. Tailoring your ask to those constituents most likely to support an already growing trend will build confidence that you understand the unique needs of each audience. (Check out "Secrets of Sustaining," Vol. 21, No. 2, www.NonprofitWorld.org/members.)

Building Bonds

To create an extraordinary organization, view all your customers — everyone from clients to volunteers — as partners. *Wired and Dangerous: How Your Customers Have Changed and What to Do about It* by Chip Bell and John Patterson (Berrett-Kohler Publishers, bkconnection.com) suggests ways to create close ties with your stakeholders:

- **Create a shared vision** — a common purpose and view of the future around which people can rally, not just once in a while but on a daily basis.
- **Whenever someone talks to you, listen — not to make a point or offer advice but to learn and understand.** When you simply listen to people, they grow to trust you because they feel heard and valued.
- **Be totally honest.** When you make a mistake, own up to it quickly.
- **Conduct surveys and focus groups with diverse participants** to ferret out what people really want from you.
- **Design your Web site and telephone system to make it easy for people** to get answers to their questions and to connect with a real human being as effortlessly as possible. Make it clear that you're eager to interact with them and help with their concerns. Frustration with a complicated Web site or endless voice-mail spiral is a sure-fire way to lose someone's loyalty, respect, and trust.
- **Thank people often, from your heart.** Never take them for granted. Find creative ways to show your appreciation.
- **Hold periodic check-ins to explore what's working and what's not.** Put early warning systems in place to alert you to problems before they get out of hand.
- **Respect people's time,** and make it clear that you understand how valuable it is.
- **When things go wrong, apologize** swiftly. Be sure to repair not only the problem but the relationship. Do whatever is needed to soothe hurt feelings.
- **Take advantage of the way the Internet and social media let you connect with people** in a global yet personal around-the-clock fashion and enlist them as advocates for your cause. Don't think of technology as a substitute for personal connections, however. Meet people face to face whenever possible, and if you can't, find ways to add personal touches to your Web interactions. Elicit people's ideas, thank them for their input, and follow through on their feedback. Small touches make a world of difference.
- **Be sure to add fun,** laughter, and joy to the mix.

A large part of forging successful relationships is giving your customers what they want, and the best way to find out what they want is to ask them. Here's how to create a survey people will actually complete:

- **Alert** people that a survey is on its way, and explain its importance. Let them know why you're conducting it and why their input is crucial.
- **Make it short** — no more than 10-12 questions. Design it to sound like a conversation between you and the respondents.

"Small touches make a world of difference."

- **If you mail the survey,** use a real stamp, and make the envelope look interesting and intriguing.
- **Let people know** the results of the survey and how you plan to use that information to improve your organization.
- **As soon as possible, implement** changes based on the survey results, and keep people in the loop about your progress toward those changes.

Why and How Givers Get Ahead

Groundbreaking studies show that people's success is tied to their preferences for reciprocity. Based on these preferences, Adam Grant explains in *Give and Take: A Revolutionary Approach to Success* (Viking Press, penguingroup.com), we can divide people into three types:

Takers (who put their own interests first)

Givers (who are other-focused, paying attention to what others need from them)

Matchers (who strive for an equal balance of giving and getting).

Givers get ahead because of choices they make in four key domains:

Networking. Givers seek to help a wide range of people without worrying about getting a return, while takers and matchers network strategically, expecting returns that exceed or equal their contributions. Thus, givers not only have much larger networks, but their networks grow and spread more quickly, enhancing everyone's success.

Collaborating. Givers see collaboration as a source of strength, a way to harness the skills of many people for a greater good. Takers and matchers collaborate mainly to gain more for themselves and aren't as likely to share credit as givers are.

Evaluating. Givers evaluate other people much more positively than takers or matchers, who tend to place little trust in others. Leaders who are givers see the potential in their employees and colleagues and bring out the best in them. While givers and matchers often strive to be the smartest people in the room, givers are receptive to expertise from all those around them, thus enhancing their own success.

Influencing. Takers and matchers try to influence people by gaining dominance over them. They specialize in *powerful* communication — speaking forcefully and expressing certainty. Givers adopt a style called *powerless* communication, showing plenty of doubt, asking lots of questions, and relying heavily on advice from others. Instead of telling others what to do, they ask people what *they* want. By expressing their own vulnerability and giving power to others, givers build authentic prestige.

Three Steps to Effective Time Management

The best way to manage your time is to create rituals that you repeat every day, no matter what, according to the *HBR Guide to Getting the Right Work Done* (Harvard Business Review Press, www.hbsp.harvard.edu). This three-step ritual will keep you focused on your priorities so that you're as productive as possible:

1. **First thing every day, take five minutes to write down what you want to accomplish.** Schedule those things into time slots on your calendar, with the hardest and most important items at the beginning of the day.
2. **Set your watch, phone, timer, or computer to signal you every hour.** When the signal comes, look at your list and calendar. Ask: Are you doing what you most need to be doing right now? Recommit to how you're going to use the next hour.
3. **At the end of your work day, review your list and calendar.** Notice what worked and what didn't. Use what you learned today to be more productive tomorrow.

How to Create Win-Win Partnerships

There is an extraordinary amount of opportunity for nonprofits willing to create cross-sector partnerships, says Bruce Burtch (bruce@bruceburtch.com) in his helpful guidebook *Win-Win for the Greater Good.* Here are a few of his tips:

Hold a brainstorming session to identify potential partners. Search their Web sites looking for employee volunteer activities, community relations, mission statements, and other information. Research each prospect thoroughly.

Use LinkedIn to find profiles of executives working for organizations of interest. Find people within your networks who are connected to those executives, and have them create connections.

Search the Internet for organizations, projects, or campaigns that involve your area of interest. If you're not in competition with them, the people involved will gladly share ideas. The most important questions to ask are: Where did something go wrong, and why? What obstacles did you need to overcome? What were your main challenges? Would you collaborate with us as we begin our project?

Determine exactly what your partnership aims to accomplish. Limit your effort to a specific goal. Have a clear understanding of how others are addressing similar issues.

Identify and understand the various audiences you want to target. You must reach those who can influence, donate, or participate in your endeavor. Design your message so your audiences understand the problem, believe in your solution, and feel called to action.

How to Make Your Case for Planned Giving

Since 2008, the Stelter Company has been polling planned givers and planned giving prospects to better understand who they are and what motivates them to make a planned gift. During a recent session sponsored by the Greater Cincinnati Planned Giving Council, VP of Business Development Nathan Stelter shared some of these insights. Here are key take-aways for nonprofits:

- **Start communicating with prospects earlier.** It bucks conventional wisdom, but the time to talk to supporters about planned giving may be in their 30s and 40s, not their 60s and 70s. According to the Stelter Company's findings, the average age for a bequest donation is 48. As people begin their estate planning earlier, it's important for nonprofits to capitalize on this planning phase. Once people have made their decisions, it's difficult to change them.
- **Target donors based on their engagement, not just their giving history.** Of people surveyed who had already made a planned gift or had a specific intention to do so, nearly 20% had no giving history with the organization. And many had been on the donor rolls for only a few years. So keep an eye on affinity and engagement metrics. After all, planned gifts are a hope for the future, not necessarily an indication of current giving capacity.
- **Speak about planned giving in a way people can understand.** In a 2009 poll, 62% of donors and planned givers weren't familiar with the term "planned giving." The jargon can easily confuse and overwhelm. So keep communications simple and straightforward. Donors are looking to you more for the inspiration and motivation to give than for advice about how.
- **Alleviate fears that prevent donors from reporting their gift.** Of planned givers surveyed, only 36% had notified the nonprofit of their plans. Why? Fear that their plans might change and fear that they would receive an onslaught of communication from the nonprofit. Being open and direct in planned giving communications can help to head off such fears, which keep nonprofits in the dark.
- **Introduce donors to planned giving by mail:** 42% of donors and prospects reported a preference for receiving initial information about planned giving in the mail. They like having something tangible to include in their estate planning files or to take to a meeting with a lawyer or financial advisor.

As with all fundraising advice, don't scrap your current planned giving strategy. Do use these insights to refocus your work and identify more effective ways to secure planned gifts. For more information, visit bluecranecreative.com and stelter.com/research.

Understanding the Effects of Immigration

The United States is in the midst of an immigration wave that is altering our demographics. *Immigration, Poverty, and Socioeconomic Inequality* (published by the Russell Sage Foundation, www.russellsage.org) takes us on a journey through those changes and how they're affecting the socioeconomic status of immigrants.

About one-sixth of the poor in the United States are foreign born. There are important immigration and poverty differences between national-origin groups. There are also differences in poverty rates and economic opportunities between adult immigrants, their children who immigrated with them, and their children born and raised in the United States.

Today's common image of immigrants is of low-wage undocumented workers who are relying on government subsidies and reducing employment opportunities for the native-born by accepting jobs at much lower pay rates. However, because of very limited access to anti-poverty programs, most immigrants rely only on their earnings. Many documented immigrants are high wage earners. Studies reported in this book show that poverty overall is not explained by immigration trends. There is very little impact from immigrants on the poverty rates of the native-born. Highly educated immigrants may even help reduce native poverty rates. The book explains other important links between immigration and poverty:

Legal status has an impact on immigrant poverty, since regularized status allows immigrants, and especially their children, to participate fully in society, in particular improving educational opportunities.

Segregation of immigrants limits English-language skills and, as a result, labor market opportunities and mobility.

Much of the disenfranchisement of immigrants has to do with race. Access to anti-poverty programs has more to do with who lives in regions or states regardless of legal status.

Moves to new destinations, such as smaller cities and rural areas, decrease immigrant poverty rates, but may also decrease access to anti-poverty programs for everyone in the new destinations.

Stricter state regulations on immigrant employment, intended to improve employment for native-born workers, actually have very little effect on job opportunities.

Poverty is one of the most difficult social problems today, and affects many other social concerns. This compilation of research will help nonprofit organizations better understand the impacts of immigration on poverty and inequality, and then make better policy choices concerning poverty-related issues.

– reviewed by Terrence Fernsler

laughter alert

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Is a Cause-Related Partnership In Your Future?

By John Hester

More and more corporations are seeking partnerships with nonprofits. A cause-related partnership could amass enormous benefits for your organization.

Cause-related marketing, or CRM (also known as cause marketing, or CM), can be a valuable tool in your efforts to raise awareness for your cause, secure funding, and increase volunteerism. A simple definition from the American Cancer Society Web site: Cause marketing ties the cooperative efforts of a for-profit business and a nonprofit organization for mutual benefit.

It's important to note that cause-related marketing is different from corporate philanthropy, where corporations donate money, time, or products to a nonprofit without any expectation of a return. For the corporation, cause marketing isn't charity. There is a clear expectation for gain. Business leaders hope to receive favorable publicity, which they expect to lead to increased sales and profits.

What Are the Three Main Types?

There are three types of cause-related marketing campaigns:

1. Transaction-based promotions are centered around marketplace transactions such as the purchase of a product. Such campaigns usually run for a limited time. A well-known example is Yoplait's "Save Lids to Save Lives" campaign. For every yogurt lid mailed in, Yoplait agreed to donate 10 cents to Susan G. Komen for the Cure.[1]

2. Joint-issue promotions occur when one or more nonprofits and corporations band together to tackle a social problem through such tactics as advertising or distributing products. Money may or may not pass from the corporation to the nonprofit. An example is the "Hand in Hand" campaign that brought together Glamour magazine, Hanes, the National Cancer Institute, the American College of Obstetricians and Gynecologists, and the American Health Foundation in an effort to encourage women to have regular breast exams.

Joint issue promotions include specific events to boost support for the cause. A local example is the "Here + Now" event to benefit Self Enhancement Inc. (SEI), a nonprofit in Portland, Oregon. Self Enhancement Inc. partnered with 12 local restaurants, wineries, and brewers to host the event and raised $83,000 for its cause. The corporate partners contributed no money to SEI but provided food, drinks, and marketing for the event.[2]

3. Licensing takes place when a company uses an aspect of a nonprofit brand in exchange for a fee. The Arthritis Foundation, for example, let Advil use part of its brand when it marketed an "Easy Open Arthritis Cap" on Advil bottles. Generally, only the biggest causes license their brands to corporations. Licensing is usually not an option for small, regional nonprofits.

What Are the Benefits?

Advantages of cause-related marketing for your organization include:

- **You can receive monetary and volunteer support.** There's a clear increase in funding and volunteerism when a nonprofit partners with a company in cause-related marketing.
- **You can raise awareness** and educate the public about your cause.
- **You may receive greater visibility,** access to new audiences, and valuable connections to people in the corporation's network.
- **The corporation may provide you with expertise** in marketing, strategy development, and other fields.

One survey found that nonprofit managers' satisfaction with cause-related partnership was high. Respondents said that the partnership

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[1] Yoplait, "Save Lids to Save Lives," http://www.yoplait.com/Slsl.

[2] *Portland Monthly Magazine,* "SEI Here + Now," http://www.portlandmonthlymag.com.

met or exceeded their expectations for five of 12 surveyed goals (public awareness of their organization, a long-term relationship with the corporate partner, cause awareness, event support, and networking contacts). For the seven goals that didn't meet or exceed expectations (short-term funding, public donations, long-term funding, improving how the nonprofit meets its mandate, finding new volunteers, gaining expertise, and improving internal procedures in the nonprofit organization), the highest differential was only .46 on a 10-point scale.[3]

Another research report shows that consumers want more companies to support nonprofit causes. Opportunities for innovation and deeper engagement are immense, according to the report. People are incredibly attuned to cause branding, but they aren't yet satisfied; 83% of Americans "wish more of the products, services and retailers they use would support causes" and 78% believe "a partnership between a nonprofit and a company they trust makes a cause stand out." Between 41% and 56% of Americans will actively support, donate to, or volunteer for a nonprofit as a result of a cause-related marketing partnership.[4]

What Are the Risks?

You need to be aware of potential problems so that you can adopt a strategy to avoid them. The main drawbacks are:

Extra effort and wasted resources. You must be sure that the effort and expense to manage the cause-related marketing campaign is worth it. Ask yourself whether you might put your resources to better use.

Reduced donations. Cause marketing may actually reduce contributions to your organization. Some donors, seeing that you're generating donations through the campaign, may decide that they no longer need to contribute to your organization directly. Others may stop donating because they feel alienated by your partnership with the for-profit world.[5]

Tainted partners. A tainted corporate partner may have a detrimental impact on your organization's reputation. Perform due diligence to ensure that a corporation's unsavory image won't rub off on you and spoil your own repute.

Structural atrophy. If your campaign is a huge success, you may be tempted to become complacent and stop looking to other avenues of income. Don't let that happen. Money generated by cause-related marketing should encompass only a small portion of your overall funding.

How Do You Find the Right Partner?

Before you start looking for a corporate partner, take a good look at your organization. Ask yourself:

- **What's your primary** mission?
- **What are the organization's** core competencies and expertise?
- **Who** are you serving?
- **What assets** do you bring to the table, including such intangibles as your reputation and community good will?
- **What compelling stories** can you tell about people you've served and how you've changed the world for the better?
- **What types of partners** would benefit most from what you have to offer?
- **How will your board and staff members feel** about partnering with a corporation? Do you have their full support? Do you need to educate them about the benefits of partnering before you move forward? Without their complete endorsement, you'll have trouble supplying the amount of time and energy that's needed.

Next, put together a list of potential partners. For each one, carefully review:

- **the company's** annual reports
- **speeches** by corporate leaders
- **news reports** related to the company.

Inquire deeply to find answers to the following questions about the corporation and its leaders:

- **What's their record** on human rights and other issues of importance to you?
- **Do they share** your organization's values? Does their mission align with yours?
- **What other areas of fit** can you find? Do they have a geographic reach similar to yours? Is there already an existing relationship between someone in your organization and someone who works for them?
- **How do employees of the company** feel about your organization's cause?
- **Does the company have a collaborative** mindset? Have they partnered with other groups? If so, how successful were those alliances?
- **How do your donors feel** about the potential partner?
- **What is the public's perception** of the corporation? Does it have a solid reputation?

What Are the Steps to Recruiting a Partner?

1. **Find a connection to the corporation you've chosen as your ideal partner.** Any introduction from an employee or board member of the corporation is better than a cold call. Keep networking till you find that golden connection.

2. **Set up a meeting.** Prepare for it by developing a presentation that shows you understand their business and the value partnering with your nonprofit will provide.

3. **At the meeting, spend time asking questions and gathering information about the corporation.** Show that you've done your homework, and explain the benefits of a partnership with your organization. For example, you can help the company boost its image and reinforce its positive views on social, environmental, and other issues the public cares about.

4. **Submit a proposal to the corporation.** Describe the benefit of a partnership with your organization to the company and the community. Spell out the time commitment needed by both partners.

5. **Be clear about the following:**
   - ***How much money*** will the company guarantee to provide your organization? Will this amount be a percentage of profits, a percentage of revenues, or a set amount? If there is a minimum or maximum amount guaranteed by the company, what are those amounts?
   - ***What marketing efforts will the corporation undertake*** to promote the cause-related marketing campaign?
   - ***What customer base*** will the campaign be targeting?

[3] *"The Impact of Cause-Related Marketing on Nonprofit Organizations," Proceedings from International Nonprofit and Social Marketing Conference: Partnerships, Proof and Practice,* New South Wales, Australia: Centre for Health Initiatives, http://ro.uow.edu.au/insm08/2.

[4] *Cone Nonprofit Marketing Trend Tracker,* http://www.coneinc.com/2010-cone-nonprofit-marketing-trend-tracker.

[5] "Profits for Nonprofits," *Harvard Business Review,* 74(6).

Many experts believe the nonprofit should receive some or all of the money at the beginning of the partnership, since the corporate partner gets the benefit of using the nonprofit's name as soon as the campaign starts. They also suggest that the nonprofit shouldn't bear any costs for the campaign.[6]

Continue to talk with leaders from the corporation until both sides are happy with the arrangement. If you can't reach an agreement that meets your needs, be prepared to walk away from the deal.

How Can You Assure a Successful Partnership?

To maintain a positive relationship, put time and effort into coordinating the campaign. Here are some important steps to take:

- **Meet on a regular basis** with representatives from the corporation to track progress toward the campaign's goals.
- **Be sure you have final approval** over all parts of the marketing campaign. You want to be sure you know exactly how your organization's name is being used.
- **Stay involved,** and stick to the time schedule.
- **Continue to focus** on the campaign's goals.

John Hester (john.hester@kenblanchard.com) is a senior consulting partner with the Ken Blanchard Companies. In addition, John provides leadership development consulting for the National Assembly on School-based Health Care.

[6] See: "The Power of Pink," *Journal of the American College of Radiology,* 6(1), 26-32; Cause-Related Marketing, *Journal of Nonprofit & Public Sector Marketing,* 11(1); and "Cause Marketing: 10 Cautionary Principles for Nonprofits," http://www.ceffect.com/tools-for-change/articles/cause-related-marketing/.

> "People are incredibly attuned to cause branding."

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Making the Business-Nonprofit Partnership a Win-Win (Vol. 22, No. 1)

How to Target Corporations to Diversify Your Funding Mix (Vol. 25, No. 1)

For-Profits and Nonprofits Meet Missions Together (Vol. 25, No. 4)

Enlightened Self-Interest: Selling Business on the Benefits of Cause-Related Marketing (Vol. 15, No. 4)

Nonprofits Must Take the Lead in Business Alliances (Vol. 20, No. 2)

Also see Learning Institute programs on-line: Resource Development and O for Opportunity: Exploring New Revenue Opportunities for Nonprofits (www.NonprofitWorld.org/Learning Institute).

Top Tips For Improved Leadership

By Linda Gatten Butler

Infuse your organization with high-quality leadership.

What is leadership? It's a broad concept that can be hard to pin down. Yet it's essential for leadership to permeate your organization, not just from the CEO's office but from staff desks and board room tables.

"Building an organization-wide leadership revolution can be simpler than it seems."

Building an organization-wide leadership revolution can be simpler than it seems. Let's begin with a definition: ***Leadership is the ability to accomplish positive organizational and personal outcomes via effective relationships.*** Leadership includes the ability to:

- **Manage, plan, and administer** strategically.
- **Communicate effectively,** both verbally and non-verbally.
- **Motivate** others.
- **Maintain a sense of fairness,** justice, and inclusion.
- **Take risks,** be bold, and try new things.
- **Solve problems** and make decisions.
- **Resolve conflict** well.
- **Create, energize, and lead teams** with positive outcomes.

> *A leader is someone you would follow to a place you would not go to by yourself.*
>
> *– Joel Barker*

Understand the Reality

To suffuse people with leadership skills, it's important to sidestep common misunderstandings. Figure 1 clarifies some realities and debunks common myths about leaders.

Take the Oath

A well-known leadership consultant, trainer, and author, Todd Dewett, offers "The Leadership Oath,"[1] which can serve as a foundation for everyone in your organization:

"I believe leadership is a noble endeavor. Thus, I resolve to:

1. **Improve myself and my organization, to better the professional lives of those whom I lead,** and to productively impact the larger community.
2. **Respect my employees and colleagues as important individuals,** and be open to their input and feedback when making decisions.

[1] Dewett,Todd, Ph.D., *The Little Black Book of Leadership: The Fundamental Skills Required for Improving Yourself and Successfully Leading Others,* drdewett.com.

FIGURE 1: WHAT LEADERSHIP IS AND ISN'T

Leadership Myths	Leadership Reality
People with titles, rank, or high positions are leaders.	True leadership is based on actions, results, abilities, and effectiveness.
Only "great people" are leaders.	You don't have to be a hero or charismatic to be a leader.
Leadership is complicated.	Most leadership skills are basic, easy to learn, and understandable.
Leaders are born, not created.	Personal traits and intellect are critical, but effort and skills are more powerful.
Leaders are determined by crises or innovations.	Daily, routine behavior better defines leaders, especially when they demonstrate trust, reliability, and collaboration.
Leadership is a rare ability.	Most people have the ability to become good leaders, with some key indicators such as the ability to care about others, have a sense of purpose, and provide direction.
Effective leadership is based on control, manipulation, and force.	Good leaders gain followers out of respect, motivation, and common goals.
Good leaders have more education than others.	Higher education doesn't create a leader. Experience is the best teacher.

3. **Realize the power of my example.** Be very intentional and model a positive example every day.
4. **Share credit widely,** admit when I am to blame, and learn and grow from my mistakes.
5. **Take calculated risks to advance myself and my organization.** If I do not, I risk not reaching my potential.
6. **Pursue learning as a fun, life-long task,** and encourage continuous learning for others and for my organization.
7. **Value personal responsibility and individual integrity** as essential to my sustained success.
8. **Be held accountable and hold others accountable** based on our values, goals, and all applicable standards.
9. **Be proactive when change is needed.** Be a part of the solution, not the problem. Recognize that great leaders and great organizations never rest on their laurels.
10. **Make the best decisions possible for my organization,** knowing that I cannot please everyone all the time, but that I can always seek to maximize the value I add to the organization."

If your actions inspire others to dream more, learn more, do more and become more, you are a leader.

– John Quincy Adams

Develop a Board of Leaders

Board members are especially prone to misunderstandings about what leadership means. To identify, recruit, and engage the right people for your board, you need to be sure they're true leaders.

Many organizations use a board matrix with disciplines, professions, or roles that need to be filled for board members. Instead, a matrix with leadership skills might be a better predictor of the "right" board members.[2]

Figure 2 provides such a matrix, which you can adapt to your needs. Give copies to your board members. Ask them to think of community members who have the skills noted in the matrix. The more of these skills people have, the better they'll be at helping to lead your organization.

Once you've found the right board members, here are some ways to develop them into the best leaders they can be:

- **Create an organized, comprehensive, detailed orientation** of your organization. Make sure board members know precisely what's expected of them.
- **Require that all board members contribute financially to the organization.** Ask them each to sign an annual pledge, and have the board chair follow up to be sure they adhere to their promises.

[2] See "Build a Team, Not Just a Board" by Linda Edwards, *Nonprofit World,* Vol. 31. No. 3.

FIGURE 2: MATRIX TO ENHANCE BOARD LEADERSHIP

BOARD RECRUITMENT MATRIX (to be completed by each board member):	**Board leadership skills:**	Effective communicator, planner, organizer	Motivator, team player	Handles conflict well	Innovator, risk taker, will try new things	Has sense of justice, fairness, inclusion
Board prospects:						
1)						
2)						
3)						
4)						
5)						

FIGURE 3: PRINCIPLES FOR LEADING YOUR BOARD

Ten Board DOs
1) **DO engage current board members** in identifying, recruiting, and orienting new board members.
2) **DO develop board member job descriptions,** agreements, and self-assessments so that board members are aware of their roles, responsibilities, and limitations.
3) **DO be strategic and intentional about board development,** training, fundraising, and recognition in order to advance the organization's mission.
4) **DO use a consent agenda to focus board meetings on strategic issues and discussions** instead of reports and updates.
5) **DO recognize that board members are volunteers who appreciate recognition and respect** of their time, talents, and efforts.
6) **DO make sure board members understand that their only direct reporting is through the executive director** in order to avoid micro-management by the board.
7) **DO require all board members to contribute financially** to the organization annually.
8) **Do make the ability to give and get money a key criterion** in recruiting and orienting new board members.
9) **DO expect, train, and encourage board members** to be *leaders.*
10) **DO recognize that creating effective boards takes time,** leadership, and commitment.

"Board members are especially prone to misunderstandings about what leadership means."

- **Provide ongoing training** for individual board members and the board as a whole.
- **Hold annual one-day or half-day retreats** for board and key staff members. At these retreats, address issues such as strategic planning and board fundraising.
- **Make board meetings as productive as possible by using a consent agenda** (an agenda that clusters items that need no discussion, such as minutes, reports, and updates). Such an agenda lets board members focus on strategic issues rather than getting caught up in details.

A vital skill for an executive is the ability to sustain board leaders. That means making sure board members are clear about their roles, responsibilities, and strengths. Figure 3 furnishes 10 keys to creating a board of leaders.

Leadership is a challenge. But you can meet that challenge if you keep the important keys of leadership in mind at all times and remember that *everyone is a leader* — or, at least, a leader in training.

Steve Jobs motivated us with his advice: "Don't settle. Stay hungry. Stay foolish. Don't lose faith."

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Do not wait for leaders; do it alone, person to person. Be faithful in small things because it is in them that your strength lies.

– Mother Teresa

Continue the Leadership Adventure

Keep building leadership skills with these articles in the Society for Nonprofits' Library at www.NonprofitWorld.org/members:

Five Secrets Every Leader Should Know (Vol. 23, No. 3)

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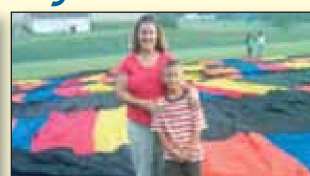

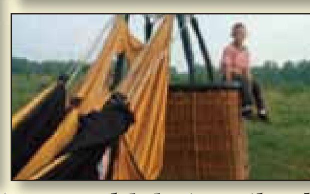

"I wanted something that we could do together! I bought the tickets for my son for his 10th birthday. We took our ride in Charlotte, NC and the sights and views were absolutely amazing. This was definitely an experience that would last forever for us. I think that my son's testimonial sums it up nicely..."

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