Put People at the Center of Change

In *Terms of Engagement: New Ways of Leading and Changing Organizations* (Berrett-Koehler Publishers, bkconnection.com), Richard Axelrod urges us to beware of these threats to the change process:

Different Rules. Be sure you don't have one set of rules for yourself and another for the rest of the organization. To be a change agent, you must change yourself before asking others to change.

Failure to Listen. Seek to understand other people's perspective rather than trying to win them to your viewpoint.

Past Organizational Damage. It's likely that, once or twice in the past, you (or others) tried to initiate change to less than stellar success. Your new change won't be successful, either, unless you own up to what happened, discuss it openly, and clarify how this time will be different.

Attempts to Manipulate. If you think you have the answer and ask for people's input only so they'll reinforce your opinion, you're using manipulation rather than genuine engagement. Wanting people to "feel like they have a voice" is far different from actually giving them a voice.

"Change yourself before asking others to change."

Why We Get Sucked in to Trivial Decisions

People agonize over decisions twice as long if the choices are reversible (and thus unimportant) than if a decision is binding (and thus important), according to recent studies. In "Decision Quicksand" (http://knowledge.wharton.upenn.edu/papers/download/11072012_bergerpaper.pdf, discussed in the Harvard Business Press blog, hbr.org), researchers note that if a trivial decision becomes unexpectedly difficult, we view the choice as highly important and spend more time dithering.

Here are a few strategies that can help you avoid this natural tendency:

- **Before even considering the options, set out a specific amount of time** you're willing to spend.
- **Step back** from the decision for a more global focus.
- **If you find yourself spending too much time on unimportant decisions, consider delegating** these choices to others.
- **When making truly important decision, take breaks frequently** during the process. Even momentary task switching can change information processing from a bottom-up focus to a top-down goal-directed mode.

Go Where the Young Donors Are

Are you cultivating Generations X and Y? If not, you're missing a unique opportunity. Younger donors have the greatest capacity for lifelong giving, as Emily Davis explains in her comprehensive book, *Fundraising and the Next Generation: Tools for Engaging the Next Generation of Philanthropists* (wiley.com).

To engage young people, you need to go where they are. And where they are is mostly online. They may hear about you through blogs and social media such as Facebook. Then they're likely to research your Web site before deciding to give.

Davis discusses these vehicles of engagement, as well as others that appeal to next-gen donors, such as giving circles, young-professional events, and peer-to-peer networks. Her explanations are thorough, incisive, and immensely helpful.

At the same time, Davis is excellent at incorporating such details into a larger context. For example, she notes that you need to understand the generational dynamics of your own staff before recruiting donors from multiple generations.

Her clear prose is augmented by many useful worksheets, plans, and templates. She also includes self-assessment tools and lists of networking resources — everything, indeed, that you need to reach out to all the generations.

Part of bringing in donors of all ages is building a stewardship plan. Stewardship is the process by which you seek to be worthy of philanthropic support. Good stewardship includes acknowledging gifts, recognizing donors, and using donated funds well.

Here are questions, extracted from the book, to ask yourself in creating your stewardship plan:

- **What tools have you used** in your stewardship efforts in the last three years? Examples include: direct mailings, one-on-one meetings, events, programs, Web site, e-newsletters, social media, mobile communications.
- **How often do you use** each of these strategies?
- **Who is your target audience** for each?
- **Have you customized each tool** based on donors' needs and interests?
- **What success rate** have you had with each communication tool? (You should have systems in place to track hits to your Web site, statistics on e-newsletter opens, and other success rates, as well as what tools work with whom.)
- **What are the age ranges** of your donors?
- **How many donors** do you have in each age group?
- **What are the five strongest communication tools** for donors based on their type (individuals, corporations, foundations) and donor size (small, medium, or high-level donors)? What are the five weakest?
- **Have you conducted a survey** of your donors in the last one to three years to determine their satisfaction with your organization?

When Do You Need a Fundraising Consultant?

There are many good reasons to hire a fundraising consultant — and some bad reasons. In his splendid book *Fundraising Consultants: A Guide for Nonprofit Organizations* (wiley.com), Eugene Scanlan explains which is which.

If you're looking for someone to do the work of fundraising for you, or if everyone's already too busy to work with a consultant, or if you're expecting miracles, you're not ready for a consultant. But when you have the resources and staff capacity to raise funds and need expert guidance, when staff and board members want to enhance their fundraising skills, or you want ongoing advice to enhance your fundraising effectiveness, a consultant can be just the ticket.

Having been both a fundraiser and a consultant (which, he points out, usually makes the best kind of fundraising consultant), Scanlan understands what works and what doesn't. He tells about consulting jobs he didn't accept because the organizations' leaders weren't being honest with themselves, and he points out that success depends on the skills and adaptability of both the organization and consultant.

There's a growing number of fundraising consultants, with a diversity of approaches. Scanlan explains the best ways to find, evaluate, hire, and work with them. His guidelines will help organizations and consultants build relationships that are productive for both.

—reviewed by Terrence Fernsler

The Changing World of Human Resources

We know that nonprofits are managing their human resources very differently than they did a few decades ago, but exactly how is the field changing? Which innovations are working, and why?

The first book to answer these questions in depth, *Human Resource Management in Nonprofit Organizations* (published by Routledge, routledge.com) provides case studies of eight nonprofit organizations across different fields. Author Alina McCandless Baluch considers the importance of learning styles — how knowledge is accumulated, shared, and instituted — in the way each organization changed its human resource approaches. Many of her findings are instructive:

- **When you're in the process of changing systems,** be sure to maintain and reinforce your organization's core values.

- **Make a point of getting your board involved** before you put new practices into action.
- **Note the importance of your organization's culture** in creating change. If you have a conservative culture, people will resist change. People in a culture of innovation will be more willing to change.

Academics will relish the details in these case studies. For any nonprofit that wants to improve human resource practices, the findings will demonstrate the best ways to do so.

—reviewed by Terrence Fernsler

Creating a Powerful Board-Staff Team

A strong board-executive relationship is crucial, especially for small, new organizations. In *First Things First,* Tom Iselin (tomiselin.com) provides these guidelines for emerging nonprofits:

Be sure your board isn't too big. Smaller boards (three to five members) typically get along better with the chief executive. It's also easier to arrange schedules, make decisions, and get things done. If you find you need more help, find people to volunteer as committee members, or create an advisory board. To prevent your board from growing too quickly, establish guidelines in your bylaws that address board size and the pace of growth.

Convene monthly "roundtable discussions." Such get-togethers give the board and chief executive a chance to get to know each other in relaxed settings — perhaps at a favorite restaurant or other gathering spot. Have the executive bring along a different staff member to each of these sessions. That will forge board-staff bonds and help board members learn more about the organization.

Meet one on one. It's a good idea for the chief exec to spend time individually with each board member on a regular basis. Having lunch, taking a walk together, or sharing a cup of coffee can go a long way toward nurturing a close connection.

Hold board meetings over potluck dinners at least four times a year. Set aside half an hour at the beginning of the evening for mingling, chit-chatting, and sharing personal stories. This will establish a friendly tone for a productive gathering. It will assure that people look forward to board meetings and have fun while coming to know, like, and respect one another.

Face the Dark Side

We all have a dark side. How we deal with it determines how good we'll be as leaders. Writing on Insead's blog ("Coming to Terms with Your Dark Side," http://blog.insead.edu/coming-to-terms-with-your-dark-side), Michael Jarrett identifies three types of dysfunctional leaders whose shadow worlds can become especially destructive:

- **Dramatic leaders** are egocentric, moody, and arrogant. Their contempt for others causes poor morale and may lead to lawsuits for discrimination and sexual harassment.
- **Adventurous leaders** take excessive risks and fail to learn from experience or listen to counsel. Their imprudent actions can jeopardize the entire organization.
- **Compliant leaders** are anxious and overly worried about details. They seek order over change. Their timidity can cause an organization to stagnate and eventually die.

Perhaps you have a tendency toward one of these personality styles. That's fine, as long as you recognize it and rein it in. Here are steps to be sure your dark side doesn't damage you or your organization:

- **Accept it.** Acknowledge that you, like everyone else, has a shadow side. The key to effective leadership is self-awareness. If you're hiding part of your essence from yourself, you'll never have the positive energy you need for good leadership.
- **Integrate it.** If you bury the negative aspects of your personality, you're apt to project them onto others and act in self-defeating ways. You may be able to hide your dark side for awhile, but when times grow difficult it may explode if you haven't addressed it and made peace with it. Every negative personality trait has a positive side, so nurture that bright part of yourself.
- **Be accountable.** Your organization's culture plays a major role in limiting the excesses of dysfunctional leadership. Be sure that your organization is led by a strong board and that you enforce solid policies for everyone in the organization, including yourself. Power without accountability can unleash harmful impulses against your better judgment. Follow procedures that will keep those impulses under control. Surround yourself with people who will tell you the truth and help you keep your ego in check.
- **Ask for help.** Find a therapist or a coach with a strong background in psychology, and be open to learning about yourself. A coach can draw your attention to unintended effects arising from the way you think, feel, and act, often unconsciously.
- **Listen and learn.** Let people know you'll welcome their input — good and bad — about your leadership style. Observe how other people react to you. Face your flaws so you can regulate them and become a more consistent leader.
- **Embrace your fears.** In Star Wars, Yoda concludes, "Fear is the path to the dark side." You must understand your fears in order to release them. Only then can you use the force of your shadow side and channel it for the greater good.

No Longer Nameless!

Earlier this year, we reached out to Society for Nonprofits' members to see how we could better serve them. Sincere thanks to all of you who responded!

A common refrain in your feedback was the need to stay informed on current news, trends, and events in the nonprofit sector. In response to this feedback, we've created a new electronic newsletter to deliver this information to your inbox every other week.

We decided to let you name this newsletter, so we sent out an alert and were delighted by all the creative, diverse ideas you sent us. Just a small sampling: Nonprofit Prophet, Bring It On!, Goodness Knows, The Non-Prophet, Revolutionary Emissary, Society Wize, Nonprofit ReSources.

Several of you used the Society's new, shortened name — Society for Nonprofits — in clever ways. One of our favorites was SNP's Snips (pronounced Snip Snips).

The top three were Nonprofit News, Nonprofit Currents, and Snips. We posted them on Facebook and added up the number of "Likes" for each.

It was great seeing you so passionate and involved not only in voting but discussing each of the choices in detail. You clearly took the decision very seriously and put a lot of thought into it.

The winner by a landslide: Nonprofit Currents.

Congratulations to the winner of our contest, Barry M. Cohen, a self-confessed "title fanatic." Barry is a board certified art therapist and executive director of Expressive Media (expressivemedia.org), founder of the Expressive Therapies Summit (summit.expressivemedia.org), and co-founder of the Mid-Atlantic Play Therapy Training Institute (playtherapytraining.org).

By now you've begun to receive "Nonprofit Currents" in your inbox. We hope you like it, and welcome your feedback on ways to make it better! Our plan is to cover different, more time-sensitive topics than we do in *Nonprofit World.* It will be a companion and complement to *Nonprofit World,* and, because the lead time is shorter, we can respond quickly to events and members' needs via "Currents."

Let us know how you like "Nonprofit Currents" and if there are other topics you would like us to cover. E-mail Jill or Jason at Jill@NonprofitWorld.org or JChmura@NonprofitWorld.org.

Again, thanks so much for your input!

Bring Your Strategic Plan to Life

Are you sure that staff and board members are focusing on the most strategic activities? Without a plan, people will still find plenty of things to do, but all those "things to do" may not ultimately make a difference for your organization.

Just as vital as having a strategic plan is to create a budget that reflects your plan's priorities. Use these tips to assure that everyone is working to achieve the organization's key goals:

- **When putting your budget together, resist across-the-board cuts.** They're antithetical to strategic planning.
- **Use priorities in your strategic plan to make decisions** about windfall or unexpected short-term dollars that may become available.
- **Establish criteria for discontinuing programs and services.** For instance, you might cancel a program if it uses too many resources, isn't effective enough, or isn't closely linked to the priorities in your strategic plan. Whatever criteria you select, use them consistently throughout the organization.
- **Make alignment of your strategic plan and budget part of the finance director's** job description. That will ensure that someone is responsible for this crucial task.
- **Use mini-grants to stimulate activity and interest** in your plan's strategic priorities. For example, pay for cookies, coffee, and copying during the early meetings of a new initiative. A small amount of resources can create a large amount of momentum. Establishing a small-scale success is often the key to attracting larger external funds.

—adapted from *Bringing Your Strategic Plan to Life: A Guide for Nonprofits and Public Agencies* by Kathleen A, Paris (iUniversecom)

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