



Decisions, Decisions

Key trends promise to affect the way you make decisions about your organization.

By Terrence Fernsler



Wise Decision-Making In Uncertain Times: Using Nonprofit Resources Effectively

Edited by Dennis R. Young. 293 pages. Softcover. New York: Foundation Center, www.fdncenter.org.

A nonprofit organization makes decisions based on its mission. But most of these choices have economic impacts, too. How can your organization make and follow up on decisions while being prudent about financial resources? Drawing together a variety of contributors, Dennis Young has compiled an excellent book to help with this issue.

Each expert discusses a specific area of economic decision-making in trends that nonprofits must consider, such as collaborations, advocacy, grant making, income generation, investment strategies, and competition. Most of the experts remind us that change offers opportunities.

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Although readers will find every chapter useful, some are particularly valuable. An example is the vital discussion of risk. Nonprofits typically base decisions on perceived, not actual, risks. Risk-averse organizations are motivated by a fear of negative outcomes or consequences rather than a desire to improve. In today's highly competitive environment, those organizations that can make effective decisions about risk will survive and thrive. We need to create a better understanding of actual risk and provide more accurate ways to anticipate the outcomes of various decisions.

Another especially interesting discussion involves the advantages of nonprofits compared to other entities—a crucial topic in this era of increasing competition from all sides. The unique roles of the nonprofit sector are its strongest advantages. One of these roles is meeting community needs, but organizations must be careful to understand the distinction between a community need and the demand for it.

We are in a shifting and uncertain environment. In addition to helping nonprofits face decisions we need to make because of those changes, the authors elicit other questions that will impact our futures. For ex-

TO MAKE GOOD CHOICES, EXPLORE THE TRENDS

Here are some of the trends that will have an impact on your decision-making:

The American population is becoming more diverse and multiracial. Successful nonprofits will diversify their marketing strategies, workforces, and boards to include a wider range of ethnicities.

Outsourcing and other forms of collaboration have become crucial.

Nonprofits' human resource policies must accommodate new demands on workers such as the growing number of single-parent and dual-income families.

Tomorrow's volunteers will want to donate time on their own terms. Nonprofits must offer them more choices as well as more flexible, short-term, informal assignments.

Demand for accountability will continue to grow. Nonprofits will have to find ways to demonstrate their adherence to the highest standards of excellence.

ample, is risk aversion built into the cultures of nonprofits? Where is it prudent to look for resources? In what ways can nonprofits control their environment? Although the book raises many questions, it also offers much help in dealing with the pressing issues nonprofits face today and in the future. ■

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