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Why do so many people say they don’t read books anymore? It’s not just that they’re too busy (we always make time for the things we really want to do). It has more to do with an inability to concentrate in any real depth.

And people admit as much, acknowledging they don’t have the patience to read a whole book the way they used to. They usually go on to explain that they can find things quicker and easier by hopping on the Internet rather than wading through long pieces of writing. Many believe that access to all the information on the Web is making them more creative.

But they’re deceiving themselves, as Nicholas Carr notes in The Shallows. They may be getting better at shifting attention quickly from one thing to another, but that’s the opposite of creativity. The more nimble you are at switching from one task to the next, the more likely that you’ll rely on superficial solutions rather than truly innovative ones (check out “Creative Problem Solving” on page 19).

Research on how people read on the Web has come up with a startling answer: They don’t. Instead of reading, they jump as quickly as possible from one page to another, performing a kind of “power browsing.” One study revealed that online browsers not only couldn’t remember the information they’d consumed—they couldn’t even recall what they had and hadn’t read. Another report tells us that most Web pages are viewed for less than ten seconds. That’s grazing, not reading.

Spending time online hones visual-spatial abilities rather than the skills that make a great leader. It promotes nimble task-shifting at the expense of the capacity to focus, to solve complex problems, to read deeply and remember what you’ve read. It trains your brain to notice the trivial at the expense of the important.

While social networks offer compelling new ways to connect with people, their emphasis is on constant updates, putting a premium on immediacy at the expense of depth and intimacy. The fatal mistake would be to confuse all the friending and tweeting with real connection and communication (see “Avoiding Communication Errors” on page 19).

Even the idea of “research” has changed. We often hear people say they’ve researched a topic on the Web. But rarely does this mean they’ve read any one source cover to cover to gain a thorough understanding of the subject. One study of research sites found that researchers typically read no more than one or two pages of a source before “bouncing out” to another site.

Having masses of information at our fingertips gives an illusion of power and knowledge, but it has nothing to do with wisdom. And shouldn’t wisdom be the goal? Important as training and education are, it’s also crucial to zero in on the right kind of learning (see “Board Problems Reflected in Training Requests” on page 9).

Our digital immersion improves our decision-making abilities because we’re constantly choosing which links to click on, according to Carr. But this isn’t the kind of decision-making that makes for great leadership. It’s not the type of problem-solving that weighs alternatives and embraces ambiguities. Online, ambiguity is seen not as an opening for insight but, as Carr calls it, “a bug to be fixed.”

You needn’t give up the benefits the Internet bestows. But be aware of how its superficiality can sabotage in-depth thinking. Such understanding will help you counteract the Net’s insidious effects with conscious, meaningful activities from the real world (take a look at “Too Busy for Bliss?” on page 20, “Transformational Leadership” on page 17, and “What Kind of Team Leader Are You?” on page 6).

Begin slowly, by stepping away from your digital devices for short periods each day. Take time to read an entire book and integrate its meanings. Look below the surface. Listen to your own instincts and inner knowledge. That’s where the greatest insights lie.

Jill Muehrcke
Jill@NonprofitWorld.org

Four Things to Do Next Monday

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

1. **Have board members read the article on pages 12-14 and the articles listed in “Minimizing Risk, Maximizing Reward” on page 14.** Ask them if they’d like more training on any aspects of fiscal responsibility outlined here.

2. **Choose one of the exercises in “Trust the Transcendent within You” (page 17) and make a vow to perform it.** Note it in your calendar so you don’t let it slide.

3. **Go to your Web site, view it as if you’ve never been there before, and make sure you’re using all the tips and tricks described on page 15 to boost online donations.**

4. **Decide if you’re focusing fully on the four Ms noted in “The Mission Myth” (page 3).**
It’s a story that all of us have told and been told countless times: I was working for a for-profit company and was disheartened by the constant focus on the bottom line. I decided to leave the corporate world behind so I could do good.

We join nonprofits because of the mission. We love them for the same reason. We immerse ourselves in them, pour our time, efforts, and tears into them, all because of the mission. Put simply, we want to do good and we want to feel good. There’s nothing wrong with that.

The mission drives you. It’s the reason your organization exists, the reason people join it, staff it, volunteer for it, and give to it. Yet it’s not the reason an organization succeeds.

Oftentimes nonprofit staff and board members believe that if they just put everything they have into the mission, then the rest—the successes and the money and the admiration and the impact—will all follow. Wrong. This is what I call the Mission Myth.

The truth is that the things that drove many of us away from the for-profit sector are precisely the critical factors that determine a nonprofit organization’s success. I call them the four Ms: management, money, marketing, and measurement. They aren’t sexy, but in the end they’re just as important, and in some cases more important, than the mission in determining whether a nonprofit organization is successful.

It’s not good enough to simply do the mission. You must carry it out effectively, efficiently, and with the highest standards of excellence. Why would you ever settle for anything less?

It may be the mission that drives you, but it’s the business that drives you to success.

This isn’t usually how people think when they first enter the nonprofit sector. Individuals don’t become staff members at nonprofit organizations because they care about policies and procedures. They don’t join boards because they care about governance. In the beginning, when they puff up their chests and know that their altruistic spirit is about to descend on an unsuspecting nonprofit, they don’t think about accounting. Or liability insurance. Or office space. They want to do good and they want to feel good.

The four Ms must all be taken seriously and integrated into your organization. Strategic plans, fundraising and marketing strategies, policies and procedures, personnel and board development—each strengthens an organization at its core. You must have systems in place to ensure consistency and sustainability, no matter who is on the board and staff at the moment and no matter the current economic picture. The infrastructure must work. The books must balance. Computers can’t crash and sinks can’t leak. From the role of the board chair to the staff member who locks the door at night, you need to be mindful, thoughtful, and intentional about the needs of the business and each function within it.

A successful nonprofit doesn’t run arbitrarily. It runs with a constant and diligent eye to the goals it strives to reach, continually searching for ways to serve more people more effectively, ensuring dollars are spent with the greatest of integrity and the highest of impact. This doesn’t happen by chance. To make everything you do as meaningful as possible, you must plan for it. You must create goals that reflect not just what you’re working on, but what you’re working toward. You must know who is doing each task, how they’re doing it, and how you’ll know if they’ve been successful.

If you don’t market to the right audience to build investment in your organization and measure impact to prove your worth over others, the best-case scenario is that you aren’t doing the mission as effectively as you could be. The worst-case scenario is that you’re setting your organization up for failure. Ironically, more mission can sometimes be bad for your organization.

While it may be the mission that got you in the door, you don’t have the luxury to think about the mission constantly. Sure, you must integrate it into your work. You must sell it. You must market it. You must collect data about it. But to focus on the mission only is to do good without doing good well. Those you serve deserve better.

Deirdre Maloney is the principal of Momentum San Diego (deirdre@makemomentum.com, www.makemomentum.com), created to enhance organizational work. Deirdre has served as the executive of a multi-million-dollar nonprofit organization, a board member, a media specialist, marketing director, technical writer, and broadcast news producer.
The Cloud: Software Transformation & Evolution of the Workforce

By Emily Liddle

As Millennial workers become common, you need to transform your way of doing business.

It’s clear that moving to the cloud is no longer a trend: It’s the way we get things done. There has been a culture shift in how we communicate and retain information, and the cloud has become the supporting solution.

It’s also clear that the workforce has changed: Millennials (also known as Generation Y) have taken the reins and altered the way organizations operate. Millennials, loosely defined as the generation born in the 1980s and 1990s, are demanding a new approach to how work is performed.

An organization’s office no longer defines the workplace. We work everywhere, from multiple devices, during all times of the day. To Gen Y professionals, there’s no start or finish to the work day. Work must fit into their daily lives. This might seem odd, and difficult for older managers to understand, but the demand for a
work environment that values flexibility and immediate access over control, is real.

Cloud software can fully enable your organization’s workforce with systems that are independent of specific devices. The cloud also offers mobile options and support for transient workers.

You can make quick gains with cloud software simply by tweaking your approach to enterprise software systems. This change begins with understanding that young workers have blurred the lines between their personal and professional lives. They now expect immediate access to the knowledge and tools necessary to work from any location, on all sorts of devices, and in every time zone.

Easily portable mobile devices such as smart phones and tablets are the new work environments. Millennials check personal e-mail at the same time they respond to work messages. They use multiple devices to communicate and retain information, switching between gadgets depending on where they are and what they’re doing. Cloud software supports this shift and provides organizations with cost savings without the headache of managing hardware and internal technology systems.

This new type of workplace is essential to Millennials. If it’s unavailable, they’ll look for a job elsewhere. A cloud-based way of work lets you remain competitive for top talent among younger workers while helping your organization become more agile and efficient.

Emily Liddle is a talent strategy consultant at Aasonn (www.aasonn.com), a leading cloud-centric technology services firm.

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

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

E-mail to: muehrcke@charter.net or Jill@NonprofitWorld.org

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

Also, we hope you’ll join the discussion on the Nonprofit World Discussion Forum. Just go to www.NonprofitWorld.org, sign in as a member, and click on the Nonprofit Forum link.
As a team leader, you’re responsible for your group’s success in fulfilling organizational objectives. You’ve been selected to head a particular function or activity for one or more reasons—perhaps because of your knowledge, experience, or functional skills. Or maybe your colleagues have chosen you because they feel you’ll fulfill their expectations of a good leader.

How will you do in this position? It depends on how much thought you put into the role. Keep these keys in mind:

**Understand Your Role**

Without a good team, a leader can’t function, and without a good leader, a team can’t function. So, it takes a particular set of skills and attributes to head a successful team—some of which may not be expected in your day-to-day management activities.

As the team’s leader, you have a high level of responsibility and accountability. You also have the opportunity to contribute to the organization’s success in ways far beyond what your routine activities might provide. The level of success your team achieves will largely depend upon how well you’re able to mesh members’:

- **understanding** of the task
- **ambitions** and expectations
- **ability** to maximize one another’s knowledge and skills.

Approach the Task Thoughtfully

Put time, thought, and care into the following pieces of the leadership task:

- **Review the organization’s vision and mission statements** together.
- **Compare those statements** with the team’s assignment.
- **Consider how the team’s task** fits into the organization’s global view.
- **Ensure that team members know** how the team’s function contributes to the organization’s objectives.
- **Create a plan for achieving the team’s goals. Use it to guide you** in establishing the team’s pace, tone, and character so that they agree with the organization’s culture.

Earn the Team’s Respect with These Five Steps

It’s important that you gain the respect of all your team members from the start. Your level of success in doing so depends on how well you perform these five tasks:
1. HELP THE TEAM PLAN.

Start the planning process by considering how the team’s job fits into the larger goals of the organization as a whole. Then bring the rest of the team along on the journey by doing the following:

- Give team members an overview of the big picture so that their tasks have higher value.
- Take an active role in helping team members anticipate their future, set clear objectives, and develop a plan that will get them there.
- Guide the team in breaking objectives into manageable tasks. Ensure that tasks are appropriate to the level at which the team has been asked to function.
- Identify members’ interests and the satisfaction they might gain from each task.
- Decide who is best suited to take on each task.
- Help team members set timetables, schedule meetings, and adapt themselves to change as it occurs.
- Be sure everyone’s actions are consistent with the team’s and organization’s long-term and short-term expectations and objectives.
- Schedule time with individual team members to ensure that everyone is fulfilling the team’s expectations. Use these meetings to listen to members’ input in detail from all angles so that you'll know whether to stay on the same path or shift gears.

2. HELP PEOPLE DEFINE THEMSELVES AS A UNIT.

If your plans are to succeed, you must emphasize to members how important it is for them to become a strong team working for the good of all. They must learn to be one unit rather than a collection of individuals. Doing so will simplify everyone’s tasks, reduce time spent, and provide an environment where stress won’t impede progress.

Teams function best when members focus on specific objectives and build consensus within their area of responsibility. Help build team spirit by showing a sincere interest in the group’s work, contributing to its ideas, and supporting its decisions.

3. MOTIVATE TEAM MEMBERS SO THEY’LL WANT TO SUCCEED.

Your motivational skills will be needed in two areas:

- keeping the team connected as a unit
- keeping individual members focused on the team’s assignment.

The more you can inspire participants to want to be on the team, the less they’ll think about having to be on it. Help them see their role as one of opportunity rather than drudgery.

In part, this means treating team members like volunteers who are free to leave at any time. Even though they may not be able to quit without losing their jobs, they can “quit” in other ways. They procrastinate or stall progress. They can sabotage by doing their tasks poorly. They can even complain to higher management.

So, avoid using forceful methods such as threats and ultimatums. Instead, learn what they, as individuals, personally want or expect from the team experience and do everything you can to address those wants and needs. Learn which of the three “primary drives” (netmba.com/mgmt/ob/motivation/mcclelland) are likely to be the most important to each member:

- leadership: the opportunity to be in charge
- achievement: the chance to do something well at a high level of quality
- affiliation: the ability to “socialize” in a task-driven environment.

Once you know which one(s) motivate your team members, you can provide opportunities and recognition accordingly. Overall, you can also watch for and capitalize on ways to reinforce members’ desire to be proud of the organization and team. You can do this, in particular, by emphasizing the service aspect of the team's work.

4. ADAPT YOUR STYLE TO THE GROUP’S NEEDS.

As a person, you're unique. You have specific technical, managerial, administrative, and creative skills that you can apply to help your team succeed. You also have your own leadership style.

To the extent that your style fulfills the needs and preferences of the team and its members, you’ll be successful. However, if your style needs some fine-tuning, you’ll have the best chance of success if you low-key the aspects that could get in the way.

Team leaders are most effective when they strike a balance between two styles of leadership:

- Behavioral leadership reflects an ability to shift among a number of styles and techniques according to what the situation requires.
- Fellowship reflects an ability to work well with others and help them get along well with their colleagues.

No matter what your style may be, keep in mind that every good leader needs the ability, willingness, and desire to do the following:

- Examine, question, and even challenge the status quo when the situation calls for it.
- Work with the team to formulate, establish, maintain, and enforce standards for the good of the group.
- Do as you expect others to do. Serve as a role model for all that's important to the team and its members.
- Help others express their feelings and beliefs in a safe environment free from threats, intimidation, and ridicule.
- Show concern for others in all aspects of everything you do.

5. COMMUNICATE EFFECTIVELY.

Your communication skills will bring to life everything you’ve read so far. Good communicators spend at least 50% of their time listening, 30% helping others express their views more clearly, and only about 10% of their time telling others what they think, what to do, or how to do it (other than while summing up and moving the plan forward).

A good leader listens “care-fully”—that is, fully and with care. For example:

- Let your words, voice tones, body language, and facial expression communicate that you're ready to listen.
- Show patience as people express themselves no matter how long it takes them—and regardless of the importance or priority you may assign to the subject.
- Take an extra minute to listen well—especially in situations of conflict or potential conflict—and you may make the difference between a member who contributes enthusiastically and one who just “serves time.”

continued on page 8
• **Provide feedback** that shows you’re really listening, not just daydreaming, rehearsing your response, wandering mentally, or pretending to listen.

• **When you don’t understand the message, the point, the intention, or the concern**, ask questions to encourage further input.

• **Help others believe that your intent** is to discover, learn, or benefit from them in some constructive way. Be sure that your words, tone, body language, and facial expressions are open and non-threatening.

• **Earn trust by remaining non-defensive** and non-judgmental to whatever people say.

• **When asked to take actions or positions, agree only** to what you’re comfortable delivering and can perform appropriately.

• **Go out of your way to provide members with scheduled and informal opportunities** to give you input. They’ll be more eager to listen to you once you’ve listened to them.

As both a communicator and a leader, practice setting aside emotions that others might perceive as negative. At the same time, allow others to express their emotions without feeling threatened yourself. As in all things that are worth doing well, effective communication starts and ends with a positive attitude that expresses your good intentions and fosters the same in others.

### Put the Pieces in Place

As you put the practices of team leadership to use, keep these formulas in mind:

**KNOW YOUR E-S-P**

Enthusiasm, Sincerity, and Poise are the traits you need to present to your team. You’ll be able to do so with ease if you know yourself, your assignment, and the components of each situation.

### CONSIDER THE SEVEN CS

Express caring. Show concern. Be considerate. Demonstrate confidence, and help others do the same. Support and encourage creativity. Guide people to improve their competency in all avenues. Treat others with courtesy above all else. These are the hallmarks of a good team leader.

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**Leading Your Team**

Use these articles at www.NonprofitWorld.org/members to sharpen your team-leadership abilities:

- *Zen and the Art of Team Building* (Vol. 20, No. 1)
- *The Key to Building Productive Teams* (Vol. 21, No. 4)
- *Use Coaching to Retain the Leader’s Edge* (Vol. 28, No. 3)
- *The Power of Your Messages* (Vol. 32, No. 3)

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- Meeting the Governing Challenge
  - The course addresses the key elements of high-impact governing; how to use standing committees as governing engines; and practical ways to build board accountability. Go to https://www.snpo.org/courses/eadie.php?cd=SNPO to view course details.

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**Board Problems Reflected in Training Requests**

What training is appropriate for board members?

**Q** Some of our board members tend to micromanage. I see it even when we discuss board training. They ask for training on subjects that I think are more appropriate for staff, such as how to write a management plan. Although I understand that they need to know about the issues impacting our mission, I don’t believe board training should duplicate staff training. Am I wrong? And, if I’m correct, can you provide examples of board trainings or at least descriptions of what board members should be trained in? Thank you in advance for your insights.

**A** Some people would say you should be grateful that your board is asking for training! But you’re absolutely right. While there may be some areas of overlap that would make it appropriate, even desirable, to offer the same training to board and staff, that is not usually the case. And you hit the nail on the head with your first statement: You would only be opening the door to further micromanagement if you trained the board in such staff-related subject areas as you note here.

The board requires training in three areas: mission, community, and governance. “Mission” might include information on your organization’s history, the issues most relevant to what you do, client stories, statistics around such things as the numbers of people served, the impact your organization has made, and the jargon and acronyms you use. Training in the area of “community” might cover changing demographics, the economy, and changes in volunteerism. “Governance” training should better prepare board members to do their jobs. Such training might include tips for soliciting gifts, how to craft an elevator pitch, the latest proven practices, or how to read a financial statement. In your case, governance training might entail reviewing what governance is and isn’t, so as to move the group away from micromanagement.

The specifics of the training will depend on your board goals for the year. For instance, if one of your goals is to change legislation around land conservation, you’ll want to provide information on the benefits of the changes, the parameters within which a 501(c)(3) organization can lobby, and techniques for lobbying legislators.

You can offer your own training. Peer to peer training is always a good way to go because board members are more likely to listen to their colleagues, it provides those doing the training with the opportunity to take on an interesting challenge, and people tend to learn best what they teach others. But you can always use staff, where appropriate, or bring in a community leader or subject expert. You can use such techniques as games, tours, reality practice, and videos to impart the information in a more interesting and interactive manner.

You can also take advantage of the plethora of offerings available on the Web and through your United Way, community foundation, or local college. An Internet search will provide you with not only good options but also ideas for designing your own trainings. (Be sure to check out the Society’s Board Governance Learning Institute program online at nonprofitworld.org/learninginstitute.)

It’s a good idea to integrate some board training at every meeting. It needn’t take a lot of time. It can be as simple as putting a new statistic on the back of everyone’s name plate. At the other end of the spectrum, it could involve a several-day trip to Washington, D.C., to see the legislative process in action and learn how to lobby within the parameters of your tax-exempt status.

A well-conceived board education plan will go far in helping your board make the best decisions possible for your organization and the community it serves. If you have a board development or governance committee, creating the plan would be an appropriate task for that committee. If your biggest micromanagers are on that committee, perhaps you can work with the board chair to identify a few independent board members—maybe even past board members—who “get it” and would be willing to take on this project.

Terrie Temkin, Ph.D., Founding Principal
CoreStrategies for Nonprofits, Inc.
corestrategies4nonprofits.com

**Training might entail reviewing what governance is and isn’t.**

**“The training will depend on your board goals for the year.”**

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so, your grant application was turned down, and you wonder why? here are some possible reasons:

• the grant proposal is poorly written.

• the project is a poor fit with the funder’s need and won’t do enough to alleviate that need.

• the proposed activities of your project aren’t clearly thought out and don’t seem feasible.

• the competition from other applications is overwhelming.

• the application is good and the need is great, but other projects will serve even needier populations.

• the funding agency isn’t confident that your organization has the capacity to successfully carry out the project.

• your organization has had problems in administering other grants.

get debriefed.
when your proposal is rejected, it’s hard to know which of the reasons listed above is the culprit. your first goal is to get to the real root of the rejection. the best way is to request a debriefing from the funding agency or foundation.

a debriefing is a discussion with the funder about why your application wasn’t funded. most funders will be happy to discuss the reasons for rejection. helping organizations build their capacity is an important part of their job.

foundations aren’t as likely as other funders to give debriefings. still, it never hurts to ask for one.

some of the advice you may receive in a debriefing:

• you need to provide more detail in the application.

• a required component of the application is missing.

• not enough matching funds are being provided.

• the grant writer didn’t follow program regulations and guidelines in developing the application.

• required documentation wasn’t submitted.

listen to the debriefing with a bit of caution. feedback is sometimes given by staff members who didn’t actually review the grant or assign points to the application. when that’s the case, something can get lost in the translation.

most funders will be happy to discuss the reasons for rejection.

overall, however, it’s an excellent idea to request a debriefing. you can gain information that will be invaluable for you in developing the proposal for re-submittal or for submittal to a different funder.

it’s important to take to heart the information you receive in a debriefing and attempt to remedy the problems identified. change the application or the project’s structure if advised to do so and if you feel it can be done without compromising your good intentions.

understand success ratios and how they vary.

success ratios vary widely from program to program and agency to agency. one example of a program that funds as many applications as possible is the community facilities program administered by the u.s. department of agriculture. this program provides funds for capital and equipment costs for essential services such as healthcare and law enforcement. these applications are accepted on a continuous basis throughout the year. some grant requests may have to wait until the following program year, but in general, the agency is able to fund at least part of the request for many of the applications.

some state-funded programs likewise fund as many applications as possible, but at a lower level than the amount requested. an example would be a state agency charged with dispensing both federal and state funds for law enforcement purposes. probably at least 50% of the applications get funded.

national competitions tend to be more competitive than state-funded programs. opening the field wider naturally decreases the success ratio. this is therefore a very important part of the equation.

most governmental agencies publish a list of projects they’ve funded as well as the amount of funding awarded. look these over. also, ask your peers to share their grant-seeking experiences. over time, you’ll begin to have a feel for the success ratios of various funders.

this concern is more pressing if you’re paying a significant amount of money to a consultant to write grant applications. it’s the consultant’s responsibility to fully inform you of the chances of being funded so that you can decide whether it’s worth the time and money involved.

when should you reapply to the same funder?

the quick answer is to check whether the funder allows re-submissions at a later date or imposes a minimum amount of time before the application can be re-submitted. there’s rarely a
Success ratios vary widely from program to program and agency to agency.

complete prohibition on re-submitting a particular project. Many foundations won’t allow successful applicants to apply for another project until a period of one to three years has passed. This is to allow other organizations a chance to get funded.

Most governmental agencies don’t impose any limitation on re-submissions. The rule here is to re-apply if, after talking to the funder, your project appears to be worthy and meets all basic threshold requirements.

When Should You Find Other Potential Sources?

It’s not productive to put all your faith in one funding agency or foundation. The odds of getting funded are much greater if you develop multiple sources. Many programs only invite applications once a year. If you stick with one source, it could be two or three years, if at all, before you receive funding. That would delay the good work you could accomplish with your project.

You needn’t wait through several rounds of a competition for one funder before applying to another source. Most of the time, two or three funding programs can be identified to fund a particular project, all of them equally promising.

It’s important to maintain a “can-do” attitude. Put the rejection in perspective. Don’t become overly identified with the results of one application. Preserve your sense of balance, and keep looking for other sources that may spell success.

Valerie J. Mann (ojmann@comcast.net, best-grant-writing-workshop.com) is author of Getting Your Share of the Pie: A Complete Guide to Finding Grants (Praeger Publishing). She gives grant-writing seminars throughout the U.S. and is a regular contributor to the blog of GrantCentral USA.

Your Share of the Pie

Be sure your next grant request is a success with these articles at www.NonprofitWorld.org:

How to Answer the Dreaded Grant Question about Future Funding (Vol. 31, No. 1)
Seven Deadly Grantwriting Sins (Vol. 27, No. 6)
How Much? Five Factors to Consider When Choosing a Grant Request Size (Vol. 31, No. 3)
Think Out of the Box for Fundraising Gains (Vol. 29, No. 5)


Susan J. Ellis, president, Energize, Inc.

I’d describe the articles as pithy—offering worthwhile information on vital subjects, at just the right length. I also like the variety of topics.

I get bored with journals that always circle back to fundraising as their core interest, when managing a not-for-profit is so multi-dimensional. NONPROFIT WORLD includes revenue generation, but also covers human resources (including volunteer management—very important to me!), marketing and social media, risk and liability, leadership tips, and more.

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Susan J. Ellis is president of Energize, Inc., an international training, consulting, and publishing firm that specializes in volunteerism. Since founding the Philadelphia-based company in 1977, she has helped clients throughout the world strengthen their volunteer corps.

Susan is the author or co-author of 12 books. Recently released is The Last Virtual Volunteering Guidebook, revising the classic work she and Jayne Cravens wrote more than a decade ago. Energize’s Web site (energizeinc.com) has won international recognition as a premier resource for leaders of volunteers. Susan is publishing editor of the field’s first international online journal, e-Volunteerism: The Electronic Journal of the Volunteer Community (e-volunteerism.com) and serves as the dean of faculty for Everyone Ready®, online volunteer management training (everyoneready.info).

Susan says: I’ve been reading NONPROFIT WORLD almost since its first issue in 1984. It continues to be one of the best publications around for organization leaders. Why? Because it’s written for the thoughtful practitioner and presented in a welcoming magazine format.

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Nonprofit boards are legally accountable for the organizations they serve. Yet many board members are unprepared for their fiduciary obligations.

Do your board members know how to fully embrace their duties regarding organizational integrity, strategy, resource management, and advocacy? Do they scrutinize the books and records to protect the organization, overseeing the executive staff and resources, as required? Take time to review and update board policies and procedures to make sure your directors are informed and empowered to uphold their fiduciary roles.

Defining Fiduciary Responsibility

Fiduciary responsibility is the highest standard of legal duty. People entrusted with such obligations must do more than adhere to all laws and regulations. They must also live up to the highest possible ethical standards. They must never let their personal interests conflict with this ethical duty.

For this reason, board members must be actively engaged as true leaders, overseeing management, recruiting new members, ensuring adequate resources, advocating for the organization, and guiding financial and programmatic performance. These leadership responsibilities fall within three legal areas:

• **Duty of care** refers to the diligence of board members in protecting the organization. Board members automatically agree to participate in meetings, help obtain new resources, and maintain financial accountability, including averting theft or mismanagement.

• **Duty of loyalty** means that the board places the interests of the organization above their own individual interests. This includes avoiding conflicts of interest and adhering to policies and laws governing self-dealing.

• **Duty of obedience** requires adherence to the nonprofit’s central purpose and the state and federal statutes related to governing the organization. Maintaining legal documents and complying with regulations fall within this area of responsibility.

Financial oversight is the board’s core imperative. All board members are required to share in fiscal responsibility for the organization. As leaders, board members are required to perform these fiscal duties:

• **Ensure the protection and appropriate use** of the organization’s assets.

• **Establish mission-consistent revenue** and expense objectives.

• **Understand** the content and significance of the organization’s financial statements and tax filings.

• **Insist** on income-based spending (spending within the organization’s means). The organization mustn’t pay out more in any given year than the amount taken in.

• **Adopt a fiscally responsible annual budget** before the fiscal year begins.

• **Review** financial statements regularly and compare them to the budget.

• **Design** internal financial processes, controls, and practices.

• **Develop and oversee** appropriate financial policies.

• **Establish an operating reserve** for cash shortfalls and program growth.

• **Assess** annual audit implications, and approve performance plans.

• **Create and monitor a compliance system** for laws and regulations.

• **Approve non-routine contractual obligations** as defined by board policies.

• **Develop adequate risk management** mechanisms.

The board treasurer agrees to uphold the requirements listed above, and in addition:

• **Serve as the board representative** for the organization’s finances.

• **Report to the board on the organization’s financial condition** and results from operations.

• **Monitor** internal controls.

• **Be sure that the board receives** accurate and timely financial information.

The board’s finance committee has the responsibility to:

• **Review** financial statements.

• **Be alert to potential problems** and risks.

• **Manage the audit process** (if not delegated to the audit committee). This includes selecting an auditing firm and overseeing their work.

• **Oversee** the organization’s investments. This means creating an investment policy. It may also include forming an investment committee to ensure best practices in monitoring and reporting.

• **Monitor** the budget, financial performance, financial condition, financial policies, and financial planning (budgets, projections, and strategic plans).
Appreciating the Difference between Governance and Management

Governance is the ultimate responsibility of the board. Management is the responsibility of the executive staff. The board’s role is foremost a responsibility of ownership. Board members continually ask why the organization undertakes certain initiatives, whereas the CEO and managers focus on how to undertake initiatives in addition to why.

Six primary functions fall within the board’s purview:

- **strategic direction** that aligns with the mission and vision
- **resource development** that supports the programs
- **financial accountability** that ensures resources are managed effectively and appropriately
- **leadership development** for organizational sustainability
- **program planning and implementation** that inspires action
- **administration that ensures effective management** of the organization.

Ultimately, it’s up to the board and executive staff to determine, communicate, and abide by the distinct roles set for board members and management. The more clarity the board provides, the smoother the organization’s operations will be.

Understanding Financial Fundamentals

In addition to outlining board roles and responsibilities, it’s important to provide board members with the fundamentals of financial accountability. While directors may believe they understand the basics of finance, an orientation allows them to refresh their knowledge and become re-engaged in financial oversight. Nonprofit finance can be quite different from personal or corporate finance; board members often struggle with these nuances.

Every board member should understand these five financial basics:

1. **There are two types of income**: support (donated) and revenue (earned).
2. **Financial information is based on periods of time** reflected in financial data: past (financial statements), future (budget), and present (cash-flow analysis).
3. **Numbers are meant to be compared**: actual vs. current-year budget, actual vs. prior period year actual, and actual vs. five-year trend.
4. **Anticipation is the key to financial stability**: Management needs to make adjustments if revenues aren’t flowing as expected.
5. **Sustainable financial health is essential for the effective delivery** of programs and services.

Board members must be attentive to any red flags associated with these financial basics. The board should receive financial information from staff in advance of every board meeting and be prepared to ask any questions that come to mind.

Financially healthy nonprofits have the following:

- **sufficient resources** and cash flow
- **positive cash and net assets** at year end
- **recurring surpluses** and operating reserves.

Reading Financial Statements

When reading financial documents, it’s imperative to understand the following:

**Income** falls within three categories:

- **Unrestricted support** is income free of all donor-imposed restrictions and available for use by the organization according to its mission and operations. To donors, the term “unrestricted” means the funding may be used for any program or service of the organization as general operating funding.
- **Temporarily restricted support** must be held for use during a specific period or for a specified purpose or activity.
- **Permanently restricted support** typically must be maintained in perpetuity in accordance with the donor’s intent. With a few exceptions, the organization can use only the income from the invested support.

**Expenses** are of two main types:

- **Direct expenses** are assigned or allocated to specific activities, such as rent, salaries, or postage for a specific program or activity.
- **Indirect expenses** include overhead, such as rent, accounting, insurance, and other costs that benefit the entire organization. Indirect expenses are often allocated back to programs and activities on a percentage basis.

The statement of financial position, or balance sheet, provides a snapshot for the organization’s financial position at a given point in time. It covers assets, liabilities, and net assets (representing the difference between total assets and total liabilities). The statement of financial position provides the following indicators of a nonprofit’s financial health:

- **Net assets** are the accumulation of surpluses or deficits the organization has achieved since it began operating. For sustainability, surpluses must historically exceed deficits.
- **Net asset position** is the organization’s total assets minus its total liabilities. A positive number means there are net assets available to fund a current year deficit.
- **Working capital** is defined as the organization’s current assets minus its current liabilities. The amount illustrates the liquidity of assets available for daily operations.
- **Current ratio** represents current assets divided by current liabilities. This amount shows the proportion of liquid assets compared to the claims on those assets.
- **Quick ratio** is the organization’s cash plus its accounts receivable divided by its current liabilities. This number provides a more conservative view of liquidity than the current ratio.
- **Cash on hand/current liabilities ratio** is the organization’s available cash divided by its current liabilities. This ratio measures liquidity strictly on the basis of obtainable cash.
- **Cash reserve** is the amount of money on hand to meet unanticipated needs. A large amount shows that leaders are committed to financial stability over the long term.

continued on page 14
Debt to net assets ratio includes loans plus notes payable, divided by net assets. The higher the percentage of debt to net worth, the greater dependence on loans for operational needs.

The statement of activities shows the organization’s financial activities from the start to the end of the fiscal year. This statement covers sources and amounts of income, how income was spent, and either a surplus or deficit at year end. The statement of activities provides these indicators of financial performance:

- **Unrestricted surplus** is income minus expenses. A positive number means that the organization has lived within its means for the period reflected.

- **Unrestricted deficit** is income minus expenses. A negative number shows that the organization is not living within its means.

- **Contributions to total revenue ratio** is the organization’s contributed income divided by its total revenue. This ratio measures the proportion of revenue from grants, donations, and contributions, with diversity as the goal.

- **Program to total expenses ratio** is defined as the organization’s program expenses divided by its operating expenses. This ratio measures the proportion of expenses used to support programming vs. management and fundraising.

Financial statements tell a story. It’s the job of management to interpret that story. It’s the job of governance to question it. Understanding a few basic ratios and terms will go a long way in arming board members to do just that.

Empowerment, Trust, & Verification

So what can board members gain by understanding financial terms and knowing how to read financial statements? Namely, “empowerment”—they become empowered to operate as true leaders of the organization and actively practice their governance responsibilities.

Trust is essential to the nonprofit model. But trust without verification can blind board members to red flags—and potential problems for which they will be held accountable by constituents and the community.

Minimizing Risk, Maximizing Reward

To assure that your board members fully understand the details of their fiscal duties, see these articles at www.NonprofitWorld.org/members:

- **Are Your Cost Allocations Up-to-Date?** (Vol. 25, No. 2)
- **The Yin and Yang of Operating Reserves: What You Need to Know** (Vol. 27, No. 1)
- **Investment Guidelines** (Vol. 13, No. 1)
- **Good Cash Management Shows Good Stewardship** (Vol. 25, No. 6)
- **Don’t Forget Your Indirect Costs!** (Vol. 14, No. 5)
- **Are You Financially Empowered? A Quiz** (Vol. 15, No. 1)
- **Nonprofits without Audit Committees Risk Disaster** (Vol. 22, No. 2)

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

FREE WEBINAR RECORDINGS FOR MEMBERS: Do Good and Stay out of Jail: Every Day Ethical Dos and Don’ts This course addresses: Judgment and Ethics, Conflicts of Interest, Fraud and Embezzlement, and Tax Matters. Go to https://www.snpo.org/courses/ethics1217.php?cd=SNPO for course details.

Enjoy Reading NONPROFIT WORLD?

Here are more benefits of membership in the Society for Nonprofits:

For more information, visit: www.NonprofitWorld.org

- 12 issues of Nonprofit World Funding Alert, providing monthly updates on grant and funding opportunities
- Membership in GrantStation, with instant access to over 5,500 grantmakers via the Find-a-Funder searchable database
- Complete access to over 700 printer-ready management articles, searchable by author, key word, or subject
- Discounts on products and services, including books, audiotapes, videotapes and Webinars presented by experts in the field
- Reduced enrollment fees from the Learning Institute for the Society’s Certificate of Excellence in Nonprofit Leadership and Management
- Free job postings on our NonprofitCareers.org job site
Create a Donation Page that Rocks
Are you making it easy for people to donate money on your Web site? Be sure you're following these top 10 rules for a killer donation page.

By Gail Perry

Here's a shocking statistic: A recent survey found that 47% of people who visit nonprofit donation pages don't complete the process and make a gift.

Can you imagine? Here you've got donors on your Web site. They make it to your donation page. They're ready to give. But they look at the page and think, “This looks too complicated. I'm in a hurry. Not now—maybe later.” And later never comes.

What's a smart nonprofit to do in this situation? Make your donation page irresistible! Here are some ways to add some sizzle to that page:

1. Try it out yourself. Go onto your own site and make a $5 donation and see what happens. Even better, ask a friend to visit your site to make a gift, and then ask for feedback. Is it easy to give? Do visitors feel welcome? Is the process cumbersome or simple? Smooth out any problems you discover.

2. Change the title of the page. Does your donation page have the title “Donation Page”? Too many do. There's nothing warm or appealing about that!

Make the title something like: “Yes, I want to help feed hungry children! Here's my gift!”

3. Put a heart-touching picture on the page. Again, too many pages look like serious, drab business. It’s enough to give people cold feet when they’re reaching for their wallets. Be sure you have a photo that captures the essence of your work.

4. Have a large donation button. People respond better to a button than the words “Click Here.” Make the button big, and use large font for the text next to it. Make it impossible to miss.

5. Tweak your monthly donation button. Add the words, “Yes, repeat this gift every month” next to the button for monthly donations. Again, make the font large, bold, and highly readable.

6. Create special donation landing pages. For each appeal you send out, create a separate donation page. Be sure to echo the original appeal’s design and message. One organization saw a 22% increase in donations to these types of pages vs. generic donation pages.

7. Suggest dollar amounts for specific projects. This same organization found that when they placed descriptors next to suggested dollar amounts, gifts went up. Donors were able to see what their donation would help support.

8. Don’t offer too many choices. Don’t confuse your donors or make it too hard to choose.

9. Don’t add links to other pages. You’ve worked so hard to get your donors there! Don’t add any encouragement to get them to leave this page!

10. Go all out to thank your online donors. Many online donors get left out of the systematic thank-you processes you’ve worked so hard to put in place. Create a special thank-you effort for your online donors—so you can keep them giving.

It’s not too late. Your donation page just may be the most important page on your site. It’s not too late to tweak it a bit to make it far, far more inviting—and compelling—to your donor!

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

WHAT’S UP ONLINE?
To broaden online discussions on nonprofit topics, we’re expanding our Discussion Forum with a ListServe, provided by Yahoo Groups. To join, you can either click on the “Yahoo” button at:


(free Yahoo login required)

or send a blank e-mail to:

NonprofitWorld-subscribe@yahoogroups.com

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

People respond better to a button than the words ‘Click Here.’
Three Tools to Manage Your Projects

Use these keys to find a tool that works for you.

“... How can something that sounds so easy be so difficult?”

By Amy Sample Ward

Project management. How can something that sounds so easy be so difficult? Or, maybe it isn’t difficult in your organization—maybe it’s impossible, unwieldy, frustrating, an optimistic goal, or something no one wants to do.

Some of us are natural project managers. Some of us aren’t. To help all of us stay on track, there’s a huge selection of project management and collaboration tools available online. Finding a tool that works for you shouldn’t be a huge project in itself, though! The keys to selecting a project management tool for your organization are pretty simple:

- **People**: Who will be involved in this project? What technical and time limits do they have that will influence the usability of a new tool?
- **Tools**: What other tools are you using for document storage and sharing, notifications, communication, and contact management? Will those tools need to integrate with your project management tool?
- **Time**: Is this a one-time project, or will you repeat it every year or every month? Does the project have an end-date, or is it an ongoing program?

Project management, when done right, supports successful work, including staff collaboration, steady progress, and a pathway for continued work. Here are three tools to help you and your team manage your projects:

**Trello** (http://trello.com/) is a free online tool that provides a visual outline of tasks. You can use it for individual projects as well as with a team. Trello uses a “board” or display page where tasks are lined up and can be moved with a click of the mouse. You can orient your board to have columns for different stages of work, use filters to sort by task status or by task owner, and more. Trello is valuable for discrete projects and can also be used to manage repeated processes, like a monthly event or an annual fundraiser.

**Asana** (http://asana.com/) goes beyond tasks and timelines and seeks to replace all those project-related e-mails with a central communication and content hub. With asana, you can manage your own tasks, review what each team member is working on, and start discussions. This app also integrates with many other services you may already be using, like Box, Dropbox, Google Drive, Mailchimp, and Wordpress. Like Trello, asana is a free, Web-based application.

**FMYI** (http://fmyi.com/) is an online collaboration service that combines tasks and timelines, file storage and discussions, and social engagement. You needn’t limit your project management to the work on your to-do list; you can also manage contacts and engage with a social networking platform. If you have a small team (10 or fewer people) and plan to have an equally small use of the system, this app is free; otherwise, there are scaled pricing options for more people and more storage. FMYI comes with free phone and e-mail support to ensure your success with the system.

**Try it out today at trello.com**

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

Unleash new possibilities for leadership in your organization.

By Terrence Fernsler

If we want to make significant and long-lasting change, we must look within before we look outside ourselves. This book sets the stage for transformational change by considering what we can do to analyze situations, deepen our own consciousness, learn to be fully present, build relationships, and improve communications in order to influence human systems.

First, we learn to shift our attention from our problems to our strengths by claiming responsibility for fostering structural and relational solutions. To the extent that our communications reflects this shift of perspective, we reinforce it in ourselves and others.

Next, we acknowledge that we are more than just human capital pursuing careers for material gain and status. We recognize that we are also spiritual, responding to a calling that has meaning. By connecting with our inner selves, we can increase our power to make a difference.

Greater self-awareness—as leaders and groups—promotes dialogue, creates strategies that connect with inner wisdom, and helps us discover larger relationships. When examining ourselves, we must be careful not to adopt a pathology-based approach to leadership. What we pay attention to creates ripple effects that project how we want the world to be. If we have a positive outlook, we create an environment of hope.

The essays in *The Transforming Leader*, written by a diverse group of contributors, describe this journey of inner discovery. They weave together insights to reveal the interplay between inner life and outer actions. They provide empowering ways of thinking, being, and relating.

Taken together, these essays consider the whole person. That’s what today’s challenges require—nonprofit leaders who can bring their heads, hearts, and souls to the role of leadership.

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*Trust the Transcendent within You*

Leading change requires trusting all of yourself—head, heart, soul, and collective spirit. Apply these exercises to your leadership practice:

- **Help people understand that we’re always projecting our own mental frameworks onto others.** Have people respond to an inkblot, and notice how differently each person sees the same thing.
- **Practice deep listening, which means suspending what you want to say and hearing the emotions and experiences behind people’s words.** Remember that your goal is to harvest group wisdom, not sell your ideas.
- **When you wake up, write down the images and situations in your dreams.** Share your dreams with others, and ask them to explore their dreams with you. Bringing the unconscious into your awareness in this way will help you and your colleagues gain insight into previously “hidden” factors that shape your personal and collective experiences. It’s a way to avoid repeating seemingly intractable patterns and to balance your waking analysis of a situation with the group’s inner knowledge.
- **Think of a relationship that’s difficult for you.** Consider this relationship not as a tug-of-war between two people but as a third space where possibilities lie for transforming what happens between you. Show others how to find this generative space where change can happen.

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*Terrence Fernsler has been a nonprofit professional for over 30 years and is currently in the School of Strategic Leadership Studies Ph.D. program at James Madison University in Virginia.*
Finding Value and Income Where You Least Expect It What seems like a loss can be an unimaginable gain.

By Karen Eber Davis

I

magine learning that one of your donors just made a six-figure gift to another nonprofit. What would you do? How would you react? Here’s one approach that can work wonders.

Look for the opportunity

A museum’s director of development (we’ll call him Bob) discovered that one of the museum’s members had recently contributed $200,000 to a nonprofit that serves children in the community. When he checked the records, Bob found that this donor hadn’t used the museum tickets she’d received as part of the museum’s membership package. He contacted her and proposed that the museum provide her unused tickets to the children served by the other nonprofit.

The delighted donor agreed. By helping the donor, Bob earned the opportunity to better understand the donor’s interests and explore how the museum might partner with her in the future.

Help donors achieve their goals

Nonprofits often have pockets of overlooked value. By leveraging them, you can help your donors, community, and nonprofit.

If you have a membership program, collect data like Bob did to discover unused membership benefits. Even if you’re not a membership organization, you can adapt Bob’s approach with the following steps:

1. Identify value. Look for unused or underused resources. Expect to find some.

2. Explore who might benefit from the unused value. Consider if the value might benefit:
   - customers
   - donors
   - foundations and grant-giving entities, like clubs
   - business leaders
   - government agencies.

3. Obtain data. To collect useful data, Bob changed the practice of mailing museum tickets as part of people’s membership packages. Instead, he asked members to pick up their tickets at the museum’s front desk. That way, he could easily see who hadn’t used their tickets. That gave him the chance to put the unused tickets to good use.

4. Try it. List the next small steps you’ll need to take and the timetable to get them done.

5. Repeat, and institutionalize successes. Not every attempt to share value will be embraced by your recipients. Learn from attempts that fail. Do more of what works. Over time, the mindset of looking for value will bring amazing dividends.

When a donor in your community makes a large gift to someone else, rejoice. Use the opportunity to help people—and your organization—achieve the greatest possible goals.

Karen Eber Davis (karen@kedconsult.com) is an expert in maximizing philanthropic impact and the author of 7 Nonprofit Income Streams: Open the Floodgates to Sustainability! Sign up for her free newsletter “Added Value” at kedconsult.com.

Raise More Money for Your Organization

Most of us have been taught that talking about people’s finances is impolite, so we find it awkward to ask them for money. But nonprofit organizations need money to carry out their missions. Train Your Board (And Everyone Else) to Raise Money by Andrea Kihlstedt and Andy Robinson (published by Emerson & Church, emersonandchurch.com) is designed to help reticent fundraisers get comfortable with raising money.

The book offers a variety of exercises to overcome obstacles to fundraising and clarify each step of the process. You needn’t be a professional trainer to lead these exercises, which are extremely detailed and helpful.

While intended primarily for board members, the exercises will also help others—such as development committee members—increase their fundraising skills. Developing a training regimen with a set of exercises is especially useful for volunteers of an annual or capital campaign. If you want more people to help raise money for your organization, this book will prove invaluable.

–reviewed by Terrence Fernsler
Creative Problem Solving

Whatever the challenge, you can resolve it by following these steps:

1. **Define the problem.** Write it down, along with why you want to solve it and what your ultimate goal is.

2. **Ask the following:** What’s the worst that can happen? How can I find this funny? How can I turn this situation into a chance to learn something about myself?

3. **Walk away,** and do something entirely unrelated.

4. **Return later** to approach the problem with a playful, open mind.

5. **Don't move on** to another problem till you’ve solved this one. Keep a list of problems at hand, and tackle them one at a time.

6. **If you can’t come up with a solution, bring in other people,** and brainstorm ideas. Then start again with Step 1. $^1$

---adapted from *Liquid Leadership* (Capstone Publishing)

Feminists in Mainstream Organizations

To repair social inequity, we need people working both inside and outside bureaucratic organizations. Those working for change within these organizations can often feel isolated—by others inside the organization, who feel the change isn’t important, and by those in outside organizations, who feel the mainstream organization may not be doing enough.

Those on the outside often see bureaucrats on the inside as preservers of the status quo and play down the value activist bureaucrats can bring to a movement. At the same time, insiders need outsiders to work with them if they’re to succeed in reforming their institutions.

*Feminists in Development Organizations* (practicalaction.org), edited by Rosalind Eyben and Laura Turquet, presents ways feminist bureaucrats have brought about social change, the obstacles they’ve faced, and the way they’ve turned disadvantages into advantages to advance their agendas. While these feminists face distinct issues, the lessons in this book can apply to all of us who try to reform our institutions. All the feminist authors in this compilation of essays work or have worked inside institutional organizations, and some have also worked in “outsider” organizations and can speak to the differences.

Some people are pessimistic about the prospects of feminist bureaucrats creating pathways for institutional change—because bureaucracies aren’t known as engines of social transformation. The feminist bureaucrat in this book understand they are contributing to institutional structure but see their work as a necessary subversion that rebuilds and restructures their institutions. Their fascinating reflections and lessons can guide all activist bureaucrats and help those of us in “outside” nonprofit organizations work with them to achieve institutional reform. $^2$

---reviewed by Terrence Fernsler

Avoiding Communication Errors

Recent studies suggest that most medical mistakes can be traced to training programs that don’t teach doctors how to communicate clearly. In one study, hospital errors fell almost 40% after doctors were given communication training.

While most nonprofit organizations don’t deal with life-and-death situations, they do suffer from similar miscommunication problems. Here are some communication fundamentals to keep in mind:

- **Remember the 60% rule:** Only 60% (at most!) of a message gets through the first time. So you need to say the same thing over and over, in as many different ways as possible—through stories, metaphors, analogies, jokes, examples, interactive exercises. And then repeat it. And repeat it again.

- **Be specific.** For example, rather than “We need better communication,” spell out the problem and solution: “The board chair and CEO should meet at least once a month to update each other on what they’re doing.”

- **Before conveying an important message,** put it in writing. That will help you clarify it in your own mind. It will also give you a chance to reread it to be sure you’re not omitting any key facts or making any unwarranted assumptions. Also have others read it before you send it out; they may see holes you’ve overlooked. It’s always good to get second, third, and fourth opinions when communicating something vital.

- **Include details** on what the next steps are. For example, who is responsible for what and by when? Where can people find help if needed? Who can they contact if they have questions?

- **Ask listeners** to tell you what you’ve just said, using their own words.

- **Beware interruptions.** If you’re interrupted in the middle of a message, make a note to return to it later and finish your thoughts.

- **Be careful with the words you use,** both to others and yourself. View obstacles not as “problems” but as “challenges.” Use words like “occasionally” and “lately” rather than “always” and “never” to frame the challenge as temporary and fixable.

- **Keep records** of what’s said. Too often people forget important facts or leave the organization, taking vital knowledge with them. If they’re in writing, the ideas will live on.

- **Set up clear, systematic channels** of communication, making it easy for people to get the answers and resources they need. $^3$

---adapted from *The Shallows* (published by W. W. Norton & Co., www.wwnorton.com)
Can LinkedIn Change Your World?

The butterfly effect, a tenet of chaos theory, tells us that very small actions can have extremely complex, far-reaching effects—that a butterfly flapping its wings on one continent, for example, can cause extreme weather conditions on another continent weeks later.

Lavie Margolin uses that analogy in *The LinkedIn Butterfly Effect* (www.linkedin.com/in/laviemargolin) to describe the huge impact you can make on your career and your organization’s success by using LinkedIn. Use the following roadmap for your journey:

- **Strategically build your connections.** If you want to connect to someone you don’t know, send an invitation explaining why you’re contacting them. This will limit the possibility of receiving a “doesn’t know” response from the recipient. If you get too many of these, your account will become restricted. If you’re placed on restriction, send an e-mail to customer service requesting that it be lifted. When it is determined that you’re not a serial spammer, the restriction will be removed and deemed a “first offense.”

- **Join LinkedIn networking groups, and link to articles and information about your organization,** which will enhance your visibility and drive traffic to your organization’s Web site.

- **In addition to describing your organization and mission statement in your profile,** be sure to explain what your organization is accomplishing.

- **Remember that adding 100 contacts on LinkedIn,** who on average know another 100 people, brings you one connection away from 10,000 people—many of whom have the potential to facilitate your organization’s growth.

- **Use the “Share an Update” box** on the LinkedIn home page to tag people when you want to share an article, seek advice, or note other information.

- **Scroll through your news feed regularly.** When a contact posts an article that would be helpful to others, share it with those who could benefit. By consistently sharing quality information and adding your own insights to the posts, you’ll quickly establish yourself as an expert.

- **Make use of the “Follow” capability** to receive news of other organizations and keep apprised of what’s happening in your field.

- **Be proactive in viewing the profiles of others.** You can add private notes in each profile with reminders and information as to how you met and how you’ve interacted so far.

- **When a contact posts good news, click the “Like” button, and send a message** of congratulations. It will be noticed and appreciated.

- **Update your own status regularly.** Post not only when you need help but when you can offer help as well. Be specific about the kind of help you’d like to give.

- **Use the advanced people search to leverage your network and facilitate connections** with the people and organizations that interest you.

- **Check your LinkedIn inbox daily** to be sure you never miss important messages.

For more on using LinkedIn, see “Three Benefits & Two Risks for Nonprofit Leaders Using LinkedIn” (Vol. 31, No. 6, www.NonprofitWorld.org/members).

Testing, Testing

It’s essential to do market research on a regular basis to see which of your services are working, which aren’t, and which new ones your customers are longing for. *The Nonprofit Guide to Social Enterprise* (charitychannel.com) offers an abundant mix of ideas, including:

- **Marketing can be as simple as getting out of your office,** talking with potential customers, and asking what they need, and what they want.

- **Turn the person who answers your phone** into a data collector. Keep a record of all the questions your callers ask. That’s a powerful way to find out what people want and how you can better serve them.

- **Consider asking a college or university** to help you with market research. Students and interns need practical projects to complete their course work, and professors are always looking for ways to partner with nonprofits in the community.

Too Busy for Bliss?

In study after study, meditation has been shown to enhance the brain functions needed for deep thought and wise decision-making. But that doesn’t mean you have to sit for hours on a mat murmuring mantras. To find serenity among the pings of your technological devices, use these tips from *Meditation for Multitaskers* (published by Adams Media, adamsmedia.com):

- **Go outside, and take in your surroundings.** Engage all your senses and accept them without labeling them pleasant or unpleasant. You can meditate in a park or an alley filled with trash. Just slow down your internal monologue, be still for a few minutes, and merge with your environment.

- **Let play and work cross-pollinate each other.** Take your hobbies a little more seriously and your work a little more lightly. Add fun and laughter to the office while putting more of yourself into home, family, and spiritual growth. These different realms of your life will benefit each other in amazing ways.

- **Punctuate your day with intentional do-nothing breaks** (stress on the nothing).

- **Avoid taking work home.** Reserve working overtime for those big projects that come once or twice a year.

- **Practice deep breathing whenever you have a spare minute.** Remember that the word “inspiration” comes from the Latin root “spirare,” breathing in. Your creativity is linked to an awareness of your breath.

- **Share these tips with your co-workers to create a productive, high-morale workplace.**
Achieve Your Highest Goals

Do just three simple things each day, and you’ll fulfill your goals. Lisa Dietlin (lmdietlin.com) has a plethora of ideas, not only in her latest book *The Power of Three* but also in previous books—*Transformational Philanthropy, Making a Difference: 365 Tips, Ideas, and Stories to Change Your World, Making a Difference II*, and *Making a Difference III*. Here are a few:

**Identify community foundations** in your geographic area, and set up meetings with their leaders. Once they’re aware of your work, they may recommend you to donors who come to them wanting to make a difference.

**Give your business card** to at least one new person each day. Then make a note to follow up with that person in a day or so.

**Do the thing you most don’t want to do,** but do it with a different attitude. Look at it as an opportunity rather than a “have to do.”

**Every day, “invite” or “connect” with at least one new person** on social media. When you ask someone to connect with you—or respond to someone else’s invitation—always include a personal note. It will make you stand out and will bestow benefits later.

What’s the New Definition of Insanity?

You’ve heard the old definition: Insanity is doing the same thing over and over and expecting a different outcome. In today’s world, the new, too-prevalent insanity is doing more of the same thing over and over and expecting even better results.

If this rings a bell with you, you’ve got to get help. A few suggestions:

**List all the things you do each day.** Which of these tasks are really building your organization and generating income? Consider focusing all your time on these crucial activities. Either delegate the rest, or stop doing them completely if they’re not adding value to your organization.

**Build a team.** Teams offer an efficient way to sustain and manage your organization’s growth.

**Hire a virtual assistant** to handle your administrative tasks from an off-site location.

**Collaborate.** There are many ways you can join forces with other organizations, businesses, and individuals to create win-win situations for everyone involved.

**Outsource as much as you can:** information technology, social networking, content production, payroll, marketing. There are very few things you can’t outsource.

**Find a consultant who can help you with short and long term projects.** Consultants can often provide an invaluable outside perspective.

For details on these tactics, see *Outsource Smart* (McGraw Hill, mcgrawhill.com). Also see these articles at NonprofitWorld.org/members:

- **Play to Your Strengths: Using Outsourcing to Manage Human Resources** (Vol. 17, No. 1)
- **Too Much to Do: Four Keys to Effective Delegating** (Vol. 26, No. 1)
- **Common Mistakes in Hiring a Consultant—and How to Avoid Them** (Vol. 30, No. 6)

Using Data to Improve Your Organization

Organizations can regain public confidence and attract funding by using data to demonstrate their impact. So argues Sheri Chaney Jones in the provocative *Impact and Excellence* (www.wiley.com). The book combines strategic planning principles and outcome management to demonstrate how social sector organizations can change to survive in today’s environment of impact measurement.

Jones explains how an organization can use data to become more productive. Morale and efficiency rise in organizations that can plainly demonstrate where they stand.

At times repetitious (in a beneficial way, because it helps learning) and a bit insistent, the book drills home the basic concepts of creating a high-performance organization through appropriate use of data. Nonprofit leaders would be wise to reflect on these principles.

—reviewed by Terrence Fernsler

YOU WRITE THE CAPTION CONTEST

Submit your best caption for the cartoon below to Jill@NonprofitWorld.org. Win a prize, and have your caption featured in our next issue.

Please send us your nonprofit jokes, funny anecdotes, and humorous observations! Send to Jill@NonprofitWorld.org with “Laughter Alert” in the subject line.
With a proactive mindset, nonprofits need not “fear the reaper.”

Nonprofit executives of a certain age will remember the rock hit, “Don’t Fear the Reaper.” When it comes to surviving the Patient Protection and Affordable Care Act (PPACA)—better known as Obamacare—there is no reason for nonprofits to fear the new law and its requirements. But to ensure management peace of mind and employee satisfaction, it’s going to take some timely planning, a proactive mindset, and close attention to the PPACA’s reporting requirements.

**Biggest Pitfalls**

By far the biggest impact of Obamacare on nonprofit health plans is the new provision for age-based rates. Now people are charged differently according to age; the younger you are, the less you pay. For example, a 23-year-old might be charged $275 per month while a 63-year-old is charged $825. Premiums for spouses and dependents are also age-based. Fortunately, certain carriers are now offering small group policies with composite rates in both the single and dependent categories.

Another potential stumbling block for nonprofits is a shorter employee waiting period to become eligible for healthcare benefits. Your organization can be fined if the waiting period is longer than 90 days.

Obamacare dusted off a little enforced, 40-year-old compliance requirement of the 1974 Employee Retirement Income Security Act (ERISA), which is administered by the Employee Benefits Security Administration (EBSA) of the Labor Department. In a nutshell, EBSA will now audit employers to make sure health benefit plans are in compliance with Title I reporting requirements of ERISA. Employers who are not in compliance are subject to heavy fines ranging from $110 per day to $1,000 per day plus, in some cases, civil penalties. Take heed: To step up Title I enforcement, EBSA has added 1,800 new auditors. Fortunately, there are solutions nonprofits can implement to ensure they steer clear of these transgressions.

**Top Survival Tips**

What can nonprofits do to minimize Obamacare-related headaches? Here’s a quick survival guide:

1. **Right now, make sure that your new hire eligibility period is under 90 days** following the date of hire. By making the eligibility date the first of the month following 60 days on the job, you will avoid any risk of being fined.

2. **Move to a high deductible plan** using an employer-sponsored health reimbursement arrangement (HRA) or health savings account (HSA). Not only will this minimize costs, but it will also make employees more accountable and aware of the cost of healthcare.

3. **If your organization has fewer than 50 employees,** create your own internal composite rate. There are two permissible ways to establish contribution strategies under Obamacare. Either take a percentage of each employee’s rate (for example, 80%), regardless of the person’s age, or create composite rates (for example, single-person, family) and charge a dollar amount to each category (or a percentage). Live with that composite rate for a year, and then reset it on the next renewal. The key thing to remember is that fixed dollar contributions are no longer allowable in the age-based world of Obamacare.

4. **If possible, to simplify administration** for your human resources (HR) people and to increase the likelihood of obtaining
composite age-based rates from insurance carriers, put all employees in one health plan. If you can get a composite rate from a carrier, it will not change during the year when you hire an older worker (each carrier has different rules).

5. **To ensure compliance** with Title I of ERISA, your HR department needs to create a Wrap Plan Document/Summary Plan Description for all of your organization’s benefit plans. Coupled with proper reporting to your employees, this will ensure that in the event of an audit, or a request from an employee for documents, you will have the needed information at your fingertips.

6. **To reduce healthcare risks**, mitigate health-related costs, and improve employee productivity over the long term, plan a variety of wellness opportunities in which employees can participate year-round. These could include health classes, health coaching, wellness challenges (such as a team-based “biggest loser” weight loss program), smoking cessation programs, and de-stressing opportunities such as yoga classes.

7. **Moving forward, have a three-year strategy** regarding your benefits plan that is adjusted quarterly or semi-annually. Instead of being knee-jerk reactive to changing market conditions or claim spikes, set your organization on a clear path and be strategic by planning out what you are going to do over the next several years.

8. **To relieve Obamacare-related anxiety, start working** with a knowledgeable benefits consultant or broker who will provide you with all the information and facts you need on a timely basis. To stay proactive, set up quarterly meetings with your consultant, advisor, or broker.

**Hidden Opportunity?**

Nonprofits have traditionally offered extraordinarily generous benefits and few, if any, of the employees really know the true cost. Thanks to the advent of Obamacare, nonprofits now have an opportunity to change how health benefit plans are delivered, viewed, and administered. By restructuring your nonprofit’s health plan to a high dollar deductible, coupled with a HRA or HSA along with wellness initiatives that enhance the organizational culture, you can create a level of awareness and accountability and still offer very rich benefits. As employees become more aware consumers of healthcare, they will become allies of management in controlling healthcare costs now and in the future.

**Meet the Challenge**

Without a doubt, Obamacare implementation presents some daunting challenges for nonprofits when it comes to benefits management. But there is also a huge opportunity associated with the Patient Protection and Affordable Care Act. It’s the opportunity to reclaim this high fringe expense and start to exercise better control over it—without necessarily reducing the level of care to employees.

With proper planning and effective employee education, nonprofits can transform employees—from a group that doesn’t care about healthcare expenses and drives up renewal costs, into one that is knowledgeable about healthcare costs and has a vested interest in controlling them. And when the total cost of healthcare is under control, more money will be freed up to accomplish the organizational mission.

Joseph Appelbaum (ja@potomacco.com) is the founder and president of Rockville-based Potomac Companies, Inc. (www.potomacco.com), one of the premier full-service employee benefit brokerage and consulting firms in the Washington, D.C., region.
Your organization can’t meet its goals without the right workforce. To recruit and retain the kind of staff—both paid and volunteer—your organization needs, here are the steps to take:

Create a Strategic Talent Plan

The first step is talent planning. During this process, it’s important to do the following:

- **Identify current and future** human-resource needs.
- **Match those needs to your organization’s strategic goals** (identified in your strategic plan; for more on strategic planning, see the first item in “Keep Up the Good Work” on page 25).
- **Forecast your future demand** for employees, based on organizational priorities.
- **Decide on the required number** of qualified, competent people.
- **Plan for the people-management practices** that will help your organization meet its goals.
- **Create a clear target profile** of the people you need. This is the key to sending a strong message and attracting the right people to the organization without the need for mass marketing.

Decide Who to Recruit

If you think recruiting means looking for the best people in general, you’re missing the boat. What you want are those who will put in their best for your organization. This means discovering people who will

- **fit well** with your organization’s culture
- **participate wholeheartedly** in the organization’s activities
- **be enthusiastic** team players

The first step is talent planning.

**By Raquel Rolo González**

Here are keys to a high-performing group who will work tirelessly to fulfill your organization’s goals.

- **have values** that match those of your organization
- **have a deep sense of commitment** towards the organization’s mission and goals.

It’s not about finding people with the right experience. It’s about finding those with the right mind-set. Recruit for attitude. Train for skill.

Market Yourself

Once you know your staff needs, the next step is positioning and marketing your organization. To do so, you must know your organization inside out. Ask yourself:

- **What’s your brand**—the combination of logo, Web site, and other materials that set you off from other organizations and communicate who you are?
- **What are your organization’s key values**, mission, and vision?
- **How would you describe your culture**—the assumptions underlying people’s behavior and the collective norms that suggest how they should act?
- **Who are your main competitors**? What do they do to be successful? How do you differ from them?

Once you’ve answered those questions, you’ll know what people will find attractive about working at your organization. That will help you target new employees and “sell” your organization as the place to be.
Select the Best Candidates

Building a culture of excellence depends on attracting, selecting, developing, and retaining high-potential staff.

- **First**, know what personality traits, values, and competencies you want the new employee to have.
- Use the same interview and assessment techniques for every applicant.
- In interviews, ask questions to see if the person’s goals match those of your organization.
- Perform scrupulous background checks.

Provide Job Descriptions

After being selected, people need to know exactly what they’re supposed to do. Job descriptions make expectations clear. They outline responsibilities not only of the employee but of the organization. Detailed job descriptions help you evaluate people’s performance and assure that they receive the best possible orientation and training for their jobs.

Be sure to put the same effort into creating job descriptions for volunteers as for paid positions. No matter how small a volunteer task may seem, a written job description will help immeasurably in making the experience rewarding for you and the volunteer.

Volunteer job descriptions are also an important part of risk management. To mitigate legal risk, ask volunteers to read and sign their job descriptions, noting that they’re fully aware of the expectations and limitations of their jobs.

Offer Training and Development

New workers, after receiving clear job descriptions, need functional training to build the skills to perform in their roles. Use training to increase people’s knowledge through a mix of theoretical and experience-based learning.

Create a learning organization in which education, training, and development are ongoing, continual, never-ending, and part of the fabric of every-day organizational life. In addition to job-related training, give people access to the type of education and knowledge they want to receive.

Deepen people’s potential by using coaching and mentoring. Doing so builds trust and loyalty as well as increased motivation and productivity.

Track Performance

Rather than holding formal performance reviews, assess people on an ongoing basis. Track activities related to each person’s job description.

Work with employees to create goals that they’ll be motivated to meet. Then ask them if they feel they’re making good progress toward those goals. When employees take an active part in reviewing their own performance, they’ll be much more motivated toward continual improvement.

Remember the Feedback Loop

Feedback is one of your most powerful tools. You can use it to energize people, help with an employee’s development, uncover risks, and solve problems. Frequent, honest, and relevant feedback fosters an environment of open communication and continual improvement.

To be most effective, give feedback on a one-to-one basis soon after the event that triggers its need. Also keep in mind that your input is far more powerful when someone has asked for it; take advantage of those opportunities whenever they occur.
Four Steps to Manage Vendors and Reduce Fraud

By Kelly Gentenaar & Steven Solomon

Nonprofits routinely enter into business transactions with third parties to provide services or otherwise act in their name or under their direction. Yet any time you lend your good name to a third party, such as a vendor, risks can arise. If that third party engages in corrupt or inappropriate actions, such as financial improprieties, violations of your policies, or misrepresentations of the organization’s image or ethics, it jeopardizes your nonprofit’s most valuable asset—its reputation.

It is essential, therefore, to monitor your relationships with vendors to prevent fraud, waste, abuse, or misrepresentation. Careful planning is critical to assure that these relationships support your nonprofit’s mission and reputation—rather than endanger it.

Maintain a Vendor Management Program.

Many nonprofits achieve great results with limited resources by working with third parties. The problem: Decentralized or stripped-down operations, common among nonprofits, are particularly vulnerable to fraud. Organizations too often fail to manage ongoing risks.

Here are a few steps and best practices for an effective vendor risk-management program.

STEP 1: VET YOUR VENDORS.

Source, research, and vet third-party vendors before you need their services. Then, when you need them, you won’t cut corners in the vetting process due to an emergency situation.

BEST PRACTICES

- **Consider legitimacy and influence.** If the third party is a small, local company, research its legal status and *de facto* control. Likewise, when dealing with an individual or local nongovernmental organization (NGO), take a rigorous look at personal connections with government officials. It can be time-consuming to uncover these personal connections, but it’s important to determine the third-party’s legitimacy and minimize the risk that the vendor may be a “front” or affiliated inappropriately with local government officials. It’s especially critical to exercise caution when dealing with foreign governments or government-affiliated organizations so you don’t run into problems with the Foreign Corrupt Practices Act, which forbids bribes to foreign government officials to assist in obtaining or retaining business. U.S. consulates and trade organizations provide resources to help establish third-party legitimacy for U.S. entities doing business abroad, typically free of charge.

- **Justify the need.** Document why and under what circumstances your organization is bringing in a third party. What is the business case for doing so? Answering this question provides clarity and should serve to eliminate ambiguity. Your
Successful nonprofits have strong, transparent policies and procedures that document new contractual relationships with third-party vendors or service providers.

**BEST PRACTICES**

- **Segregate duties.** Make sure one person selects new vendors, and another person approves them. Having more than one set of eyes involved from the beginning is prudent.
- **Google it.** Don’t discount Google as an information source. Do a Web search for additional background and to spot any inconsistencies or problems related to the entity, including recent news stories or legal troubles.
- **Confirm information.** Require the vendor to submit tax documentation, including its IRS Form W-9 (Request for Taxpayer Identification Number and Certification) to make sure you’re dealing with a bona fide organization.
- **Review government watch lists.** If you receive government funding, you must review the various watch lists maintained by relevant governmental bodies. Organizations receiving government funds aren’t allowed to do business with companies on the Excluded Party List System, which can be specific to certain government agencies. There are also sector-specific lists such as the List of Excluded Individual/Entities maintained by the U.S. Office of the Inspector General.
- **Up the ante for high-risk activities.** Consider enhanced due diligence for higher-risk activities such as the distribution of medicine or operations in dangerous regions of the world.

**STEP 2: HIRE VENDORS WITH CARE.**

Successful nonprofits have strong, transparent policies and procedures that document new contractual relationships with third-party vendors or service providers.

**BEST PRACTICES**

- **Segregate duties.** Make sure one person selects new vendors, and another person approves them. Having more than one set of eyes involved from the beginning is prudent.

**STEP 3: MONITOR YOUR VENDORS.**

It’s important to proactively monitor the third party's transactional behavior against your expectations. Keep track of what the vendor is doing and how much is being spent.

**BEST PRACTICES**

- **Review transactions.** On a quarterly or semiannual basis, review the transactions of select vendors to see if the source documentation is in line with expectations and in compliance with the contract.
- **Exercise the right to audit** if you spot discrepancies. Including the right-to-audit clause in contracts will provide you with the opportunity to exercise it when you feel that there may be an issue with a vendor.
- **Conduct an investigation.** If you identify transactions that warrant attention, could damage your reputation, or appear suspicious or potentially illegal, conduct a formal investigation.

**STEP 4: TRAIN YOUR EMPLOYEES.**

Employees or board members charged with vetting, selecting, and approving vendors should be properly trained and educated in the vetting and third-party hiring process. Employees need to be able to do the following:

**GOOD WORK GONE WRONG: REAL-LIFE EXAMPLES FROM THE FIELD**

**Corruption and poor oversight in overseas contracting threatens government funding.**

**Issue:** An international trade association lacked oversight of its vendor management and contracting process for its 10 overseas offices. The director in one Asian country had numerous behind-the-scenes deals with friends and colleagues to funnel marketing and other consulting work to them. The nonprofit’s headquarters had no idea who its vendors were or what they were doing on the organization’s behalf.

**Resolution:** Our team examined the nonprofit’s offices and provided some affordable recommendations:

- **Require contracts** for all vendors, using standard contract terms.
- **Involve headquarters in the vendor contracting process** for any expenditures over $10,000.
- **Monitor all contracts and vendor management processes** through annual reviews.

The nonprofit’s leaders put these suggestions into action. As a result, they enhanced the organization’s control environment and were able to continue receiving government funding.

**Disaster relief subcontractor falsifies invoices.**

**Issue:** As part of Hurricane Katrina relief, a national nonprofit engaged the Forensic and Valuation practice of our accounting firm, Grant Thornton, LLP, to review its procurement procedures and transactions with a vendor contracted for recovery services. A whistleblower (who was a subcontractor to the vendor in question) brought questionable invoices to the nonprofit’s attention.

**Resolution:** Our review identified duplicate invoices, inaccurate charges, and duplication of services rendered to the nonprofit. These discoveries led to a full review of the vendor’s invoices, which uncovered further inappropriate charges. We provided the nonprofit with written recommendations for improved contracting and procurement procedures. The nonprofit forwarded the report to the FBI for further investigation.
AN EFFECTIVE VENDOR MANAGEMENT PROGRAM IN FOUR STEPS

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<td>4. Train employees</td>
<td>Know the red flags, risks, and processes</td>
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- **Identify the red flags** of suspicious behavior.
- **Understand the organizational and vendor-vetting** processes.
- **Know the risks to the organization** from failing to follow those processes.

Protect Your Mission

Media and regulatory scrutiny of nonprofits is on the rise. You need to protect your organization against the damage that can result from fraud and corruption by third parties acting on your behalf. To do so, establish and maintain effective processes to manage and mitigate the risks inherent in your vendor relationships. This is essential not only to demonstrate proper stewardship but to safeguard your good name, finances, and ultimately your mission.

Kelly Gentenaar is Director of Forensic and Valuation Services and Steven Solomon is Experienced Manager of Forensic and Valuation Services at Grant Thornton, LLP (www.grantthornton.com), a leading audit, tax, and advisory firm.

“"The nonprofit forwarded the report to the FBI for further investigation.""

Better Safe

For more tips on protecting your organization from fraud and other risks, see these articles at www.NonprofitWorld.org/members.

- **Can Your Organization Afford to Lose $100,000? Safeguards Every Nonprofit Needs to Implement** (Vol. 30, No. 3)
- **Want to Avoid Fraud? Look to Your Board** (Vol. 28, No. 5)
- **New Internal Control Guidance: What You Need to Know** (Vol. 28, No. 1)
- **Protecting your Organization against Financial Misuse** (Vol. 17, No. 4)
- **Setting the Stage for an Abuse-Free Organization** (Vol. 30, No. 6)
- **What Is the Board’s Role in Managing Risk?** (Vol. 15, No. 5)
- **Fraud: How to Prevent It in Your Organization** (Vol. 26, No. 3)
- **Holding Conferences in the Face of Terror & Natural Disasters** (Vol. 23, No. 6)

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