



**NEWLEVEL**  
**GROUP**  
*Take The Next Step*



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# **AN INTRODUCTION TO BUILDING A SUSTAINABLE NONPROFIT ORGANIZATION**

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NewLevel Group

# Purpose

- *Introduce the principles and practices of organizational sustainability*
- *Explore the importance of strategic thinking*

# Agenda

Welcome, Agenda, Ground Rules

The 5 Elements of Sustainability

- ✓ Clear Vision & Mission
- ✓ Passionate Board
- ✓ Professional Staff
- ✓ Effective Communications & Marketing
- ✓ Strategic Approach to Fundraising

Wrap Up

# Logistics and Ground Rules

- Contribute
  - ✓ Share experience, expertise, questions
- Share what you learn with your organization
- Honor confidentiality
- Honor timeframes
- No cell phones
- D.W.Y.G.D.
- Evaluation Form

# Building An Effective, Sustainable, Impactful Organization

“To make the greatest impact on society requires first and foremost a great organization, not just a great program.”

– Jim Collins, *Good to Great and the Social Sectors*

## **Clear and Compelling Vision**

- Brief, well-defined vision and/or mission
- Statement of core values
- Community assessment and feedback processes
- Focused approach that is not redundant with other organizations' programs
- Defined measures of success

# Passionate and Engaged Board of Directors

- Strategic approach to board recruitment & succession
- Board members are articulate advocates for the organization
- Clearly defined and consistently practiced roles & responsibilities
- Clear expectations and accountability for board members
- Written policies and procedures

# Strategic Approaches for Funding

- Strategic fundraising plan
- Demonstrated support and participation by the board
- Balanced portfolio of funding sources
- Constituent relationship management program in place
- Endowments and reserve funds

# Effective Communications and Marketing

- Strategic marketing plan
- Clear, jargon-free messaging
- Proactive communications to constituents and the community
- Network of key influencers
- Strong, content-rich website
- Great stories to demonstrate mission success

## **Motivated, Professional Staff**

- Clearly defined roles and expectations
- Skills and experience commensurate with needs
- Appropriate compensation
- Respectful, supportive work environment
- Regular, constructive feedback
- Adequate resources available



## Discussion

Using your completed assessments to evaluate the elements of sustainability for your organizations:

- What “ah ha” did you have from completing the assessment?
- Which of the five elements are ‘best practices’ in your organization?
- Which elements do you need to explore further?

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From a board perspective? From a staff perspective?

10 mins.

# Clear and Compelling Vision

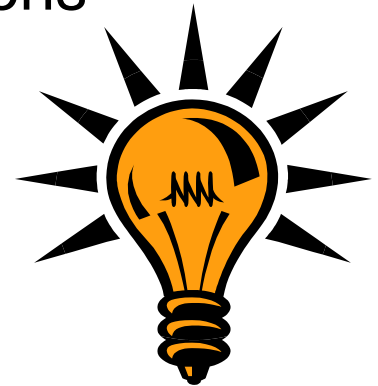
Vision is *aspirational*

- Guides decisions
- Determines behavior
- Has an external focus



# Mission is *inspirational*

- Has an internal focus
- Describes how the organization realizes its vision
- Unifying point for all activities
- Reflection of people's idealistic motivations
- Asks why are we here?

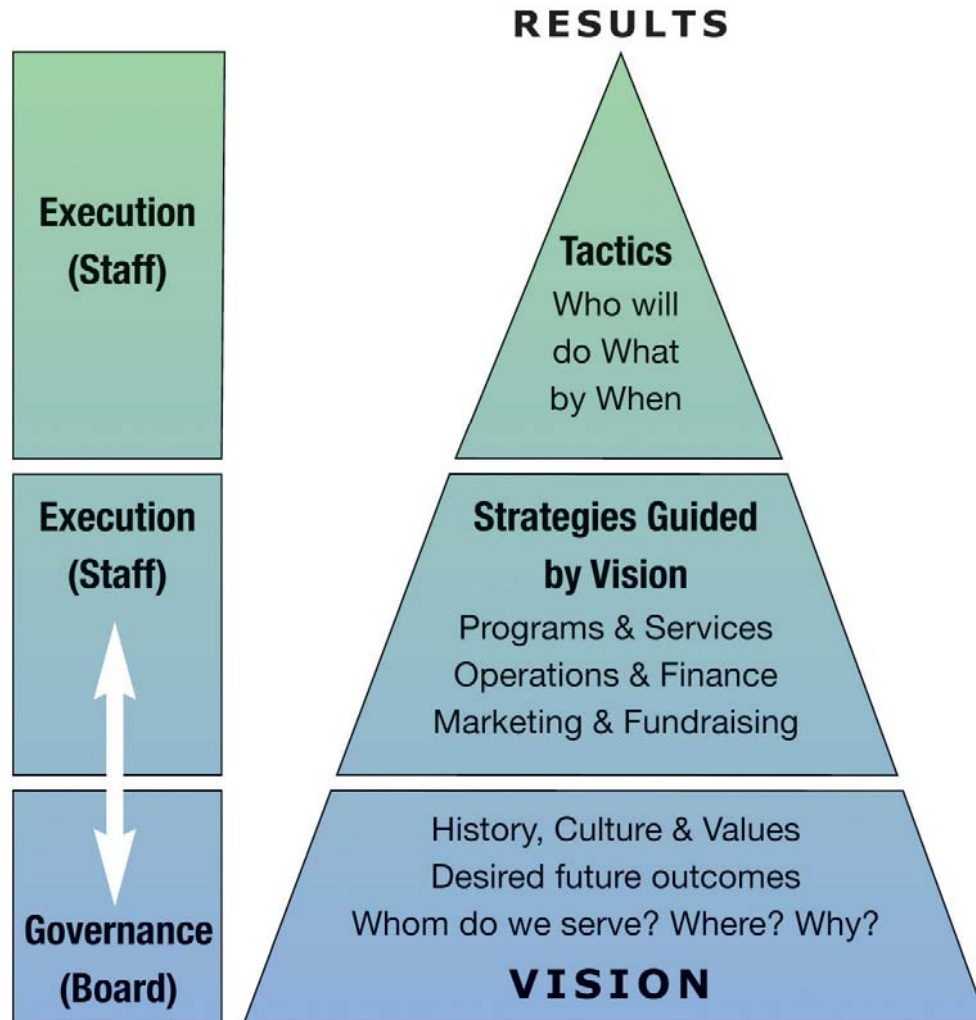


# Core Values

- Provide a guide to decisions
- Show what we hold near and dear
- Are an integrity check
- Require no external justification
- Have intrinsic value and importance to those inside the organization

Core values *do not change*  
in response to external changes

## **STRATEGIC PLANNING PROCESS**



# Strategic Focus



# Clear and Compelling Vision

Find your **1 o'clock** appointment:

- ✓ Take turns describing the vision of your organization
- ✓ Distill down to essential words

10 min.

Return to your table



## Passionate, Engaged Board

“Greatness is not a function of circumstance. Greatness, it turns out, is largely a matter of conscious choice and discipline.”

– Jim Collins



# **Passionate and Engaged Board of Directors**

What is a 501(c)3 organization?

How does it differ from a for-profit corporation?

# Fiduciary Responsibilities

- Duty of Care
- Duty of Loyalty
- Duty of Obedience

# Governance

- Who decides what the organization will pay attention to?
- Who tends to frame the problems?
- Who decides what a given problem or opportunity means for the organization?
- Who has the most influence over what gets onto the organization's agenda or list of priorities?

# Board/Staff Roles

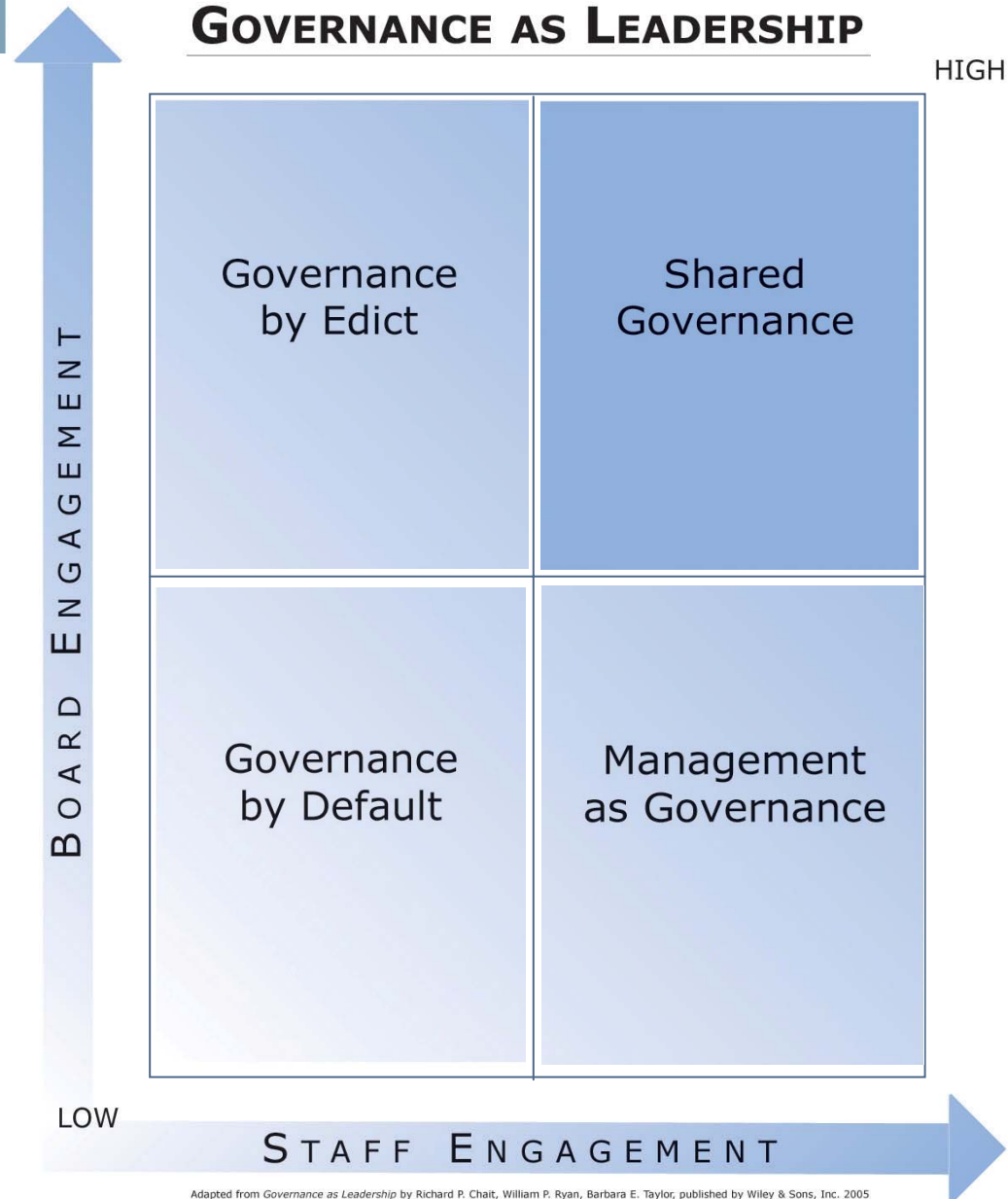
## Board:

- Determines direction
- Sets policy

## Staff:

- Designs programs
- Executes policy

## **Governance as Leadership**



# Building an Engaged Board

## What does it take?

- Choose the right board members
- Clarify roles and expectations
- Orient them judiciously
- Make it meaningful
- Make it stimulating
- Run effective meetings
- Evaluate the Board's effectiveness regularly

## Roles & Responsibilities

Task	Board	Executive
1. Determine the organization's goals		
2. Fund raise for the organization		
3. Hire the executive director		
4. Establish the organization's policies		
5. Execute policy		
6. Recommend organization policy		
7. Administer all aspects of organization operations		
8. Hire and supervise support staff		
9. Approve annual budget		
10. Plan and implement programs		
11. Responsible for compliance w/ all legal requirements		
12. Recruit new board members		

## Roles & Responsibilities

Task	Board	Executive
13. Orient, train, and develop board members		
14. Draft the annual budget		
15. Establish staff benefit policies		
16. Manage staff benefit policies		
17. Prepare background materials for board consideration		
18. Select board members for various committees		
19. Serve as professional resource to the board		
20. Provide community relations contacts with community		
21. Prepare reports for the board		
22. Evaluate organization's results		
23. Keep board informed of the organization's operations		
24. Assess operational problems		

# Passionate and Engaged Board of Directors

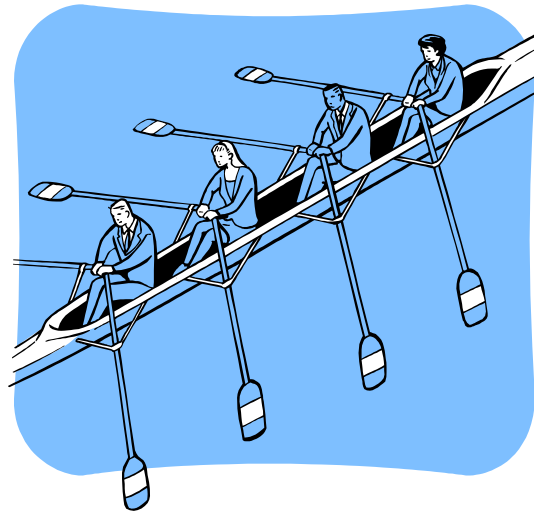
**Looking for More?**

**Additional Tools and Resources**

**Start on pg. 30**



# Motivated and Professional Staff



# Motivated and Professional Staff

## Step 1: Hire Right!

3 Keys = Select employees based on:

1. Capability
2. Commitment
3. Chemistry



# Motivated and Professional Staff

**Step 2:** Create the Conditions!  
12 Questions

*First Break All the Rules*



# Motivated and Professional Staff

## **Getting Started:**

1. Do I know what is expected of me at work?
2. Do I have the materials and equipment I need to do my work right?

## Motivated and Professional Staff

### **Feedback:**

3. At work, do I have the opportunity to do what I do best every day?
4. In the last 7 days, have I received recognition or praise for doing good work?
5. Does my supervisor, or someone at work, seem to care about me as a person?
6. Is there someone at work who encourages my development?

# Motivated and Professional Staff

## **Belonging:**

7. At work, do my opinions seem to count?
8. Does the mission/purpose of my organization make me feel my job is important?
9. Are my co-workers committed to doing quality work?
10. Do I have a best friend at work?

# Motivated and Professional Staff

## **Growth and Development:**

11. In the last 6 months, has someone talked to me about my progress?
12. This last year, have I had the opportunity at work to learn and grow?



## ***Summit: Motivated and Professional Staff!***

### **Camp 3: Growth**

How can I develop and grow?

### **Camp 2: Belonging**

Do I belong here? Do I fit in with the mission, people and culture?

### **Camp 1: Feedback**

How am I doing? What can I give?

### **Base Camp: Orientation**

What is expected? What do I have to do?  
Do I have what I need to do this job?

# Effective Communications & Marketing

- A Clear and Compelling Vision Drives Strong Positioning
- Defines the who, what, and why of your organization



# Message Development

## Identify Your Audiences: Who

- Funders
- Community
- Clients
- Service providers
- Staff
- Others?

# Message Development

## Identify Your Audiences: Who

- Define demographics, needs, and attitudes
- What do they know about your organization?  
Your services? The needs that you meet?
- How do they feel about your organization?  
The need you address?

# Message Development

## Speak to your audiences:

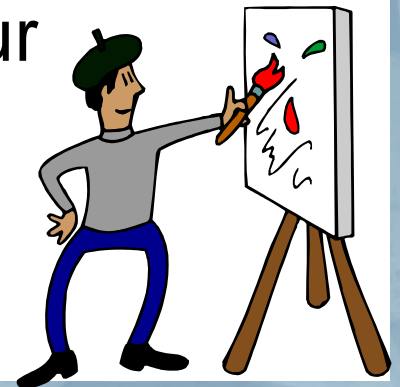
- What do you want them to know?
- What do you want them to do?
- How do they benefit?
- Tell them how they can help - Call to Action!

## Image...

### **A picture is worth a thousand words...**

Reinforce you message graphically:

- Does your logo convey who you are? What you do?
- Do you use type, images - art or photos - to tell your story consistently?
- Do your words paint a picture for your audience?



# Developing a Strategic Marketing Plan

How and where do you reach your audience? The more specific you are, the more effective you will be.

- Repetition of message through multiple media
- Where do you reach your audience? Home? Work? School? Play?
- Do you need partners/allies to distribute your message?
- Are your internal ambassadors telling your story?

# Strategic Marketing Plan Elements

Identify Communications Vehicles - Based on your Audiences

- Media
- Newsletters
- Events
- Websites
- Person-to-person - elevator speech
- Collateral Materials



# Communicate!

Say something your audiences want/need to know...

- Develop content-rich communications - News-driven
- Use stories, anecdotes, analogies, examples, facts and figures to support your message
- Develop a strategic calendar to delineate which message gets communicated to which audience
- Train your board and staff leaders to be more effective communicators

# Effective Communications and Marketing

Find your **4 o'clock** appointment:

- ✓ “Paint a picture” that describes how your organization makes a difference (10 min.)

Return to your table





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# Strategic Approach to Fundraising

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## **Theory & Practice**

# Strategic Approach to Fundraising

## U.S. Nonprofit Sector Statistics

**\$3.7 Trillion in assets** controlled, **\$1 Trillion spent**

– would be 9th largest economy; > GDP of 94% of world's nations

*According to Giving USA, in 2005:*

Americans donated more than **\$260 billion** to charitable causes

– 6.1% increase over 2004

59% of nonprofits reported an increase in donations received

– highest percentage since 2000

**76%** of total giving (\$200 billion) comes **from individuals**

**Foundation** grantmaking totaled **\$30 billion** – up 5.6%

**Corporate** giving rose 22.5% to nearly **\$14 billion**

For more information: [givingusa.org](http://givingusa.org)

To research corporate giving sources online: [foundationcenter.org](http://foundationcenter.org)

# Fundraising

- Gov't programs ↓ Gov't Funding ↓ # of NPs ↑
- How many NPOs can a community support?
- Public confidence in nonprofits at 20%
- No such thing as public schools anymore

# Fundraising

- Board's role
  - fiduciary
  - demonstrated commitment
  - staff can't do it all
- Time  $\neq$  Money
- Strategic approach
- Cultural handicaps
- Fear factor

# Fundraising

- What reason do 7 out of 10 people cite for why they give?
- What charity collects more \$\$ than all others?
- You don't have to ask everyone
- You don't have to ask all the time
- Give people a chance to sit on the bench
- Know your strengths

# Fundraising

- What is an “A” grade in fundraising?
- 4:1 rule – What is it and what does it mean?
- “No” is not a personal rejection
- Asking for time vs. money
- Know your strengths
- Definition of grassroots fundraising

# Fundraising

## Prepare

- Research issues and history of giving
- Know and practice talking points

## Ask

- Get to the point
- Ask for something specific
- Tell them what you have given
- It's ok for someone to say "no"

## Close

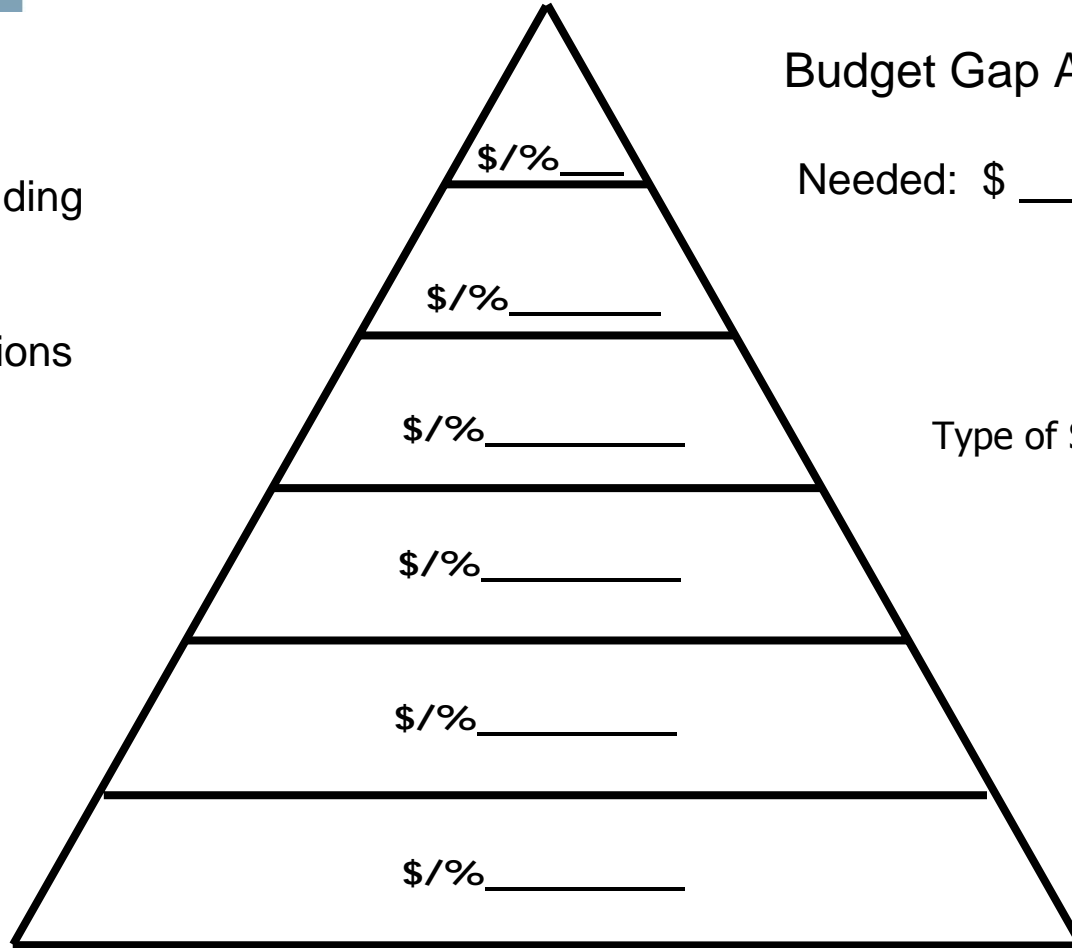
- Finish talking and close your mouth
- Keep quiet and *listen carefully*
- Verify your agreements & follow-up

# **Raise Funds Strategically**

## **Budget Gap Analysis**

# Strategic Fund Development

- Grants
- Government funding
- Program Fees
- Events
- Board Contributions
- Private
- Donations
- Major Donors
- Corporate
- Memberships
- Sales
- In-Kind



Budget Gap Analysis

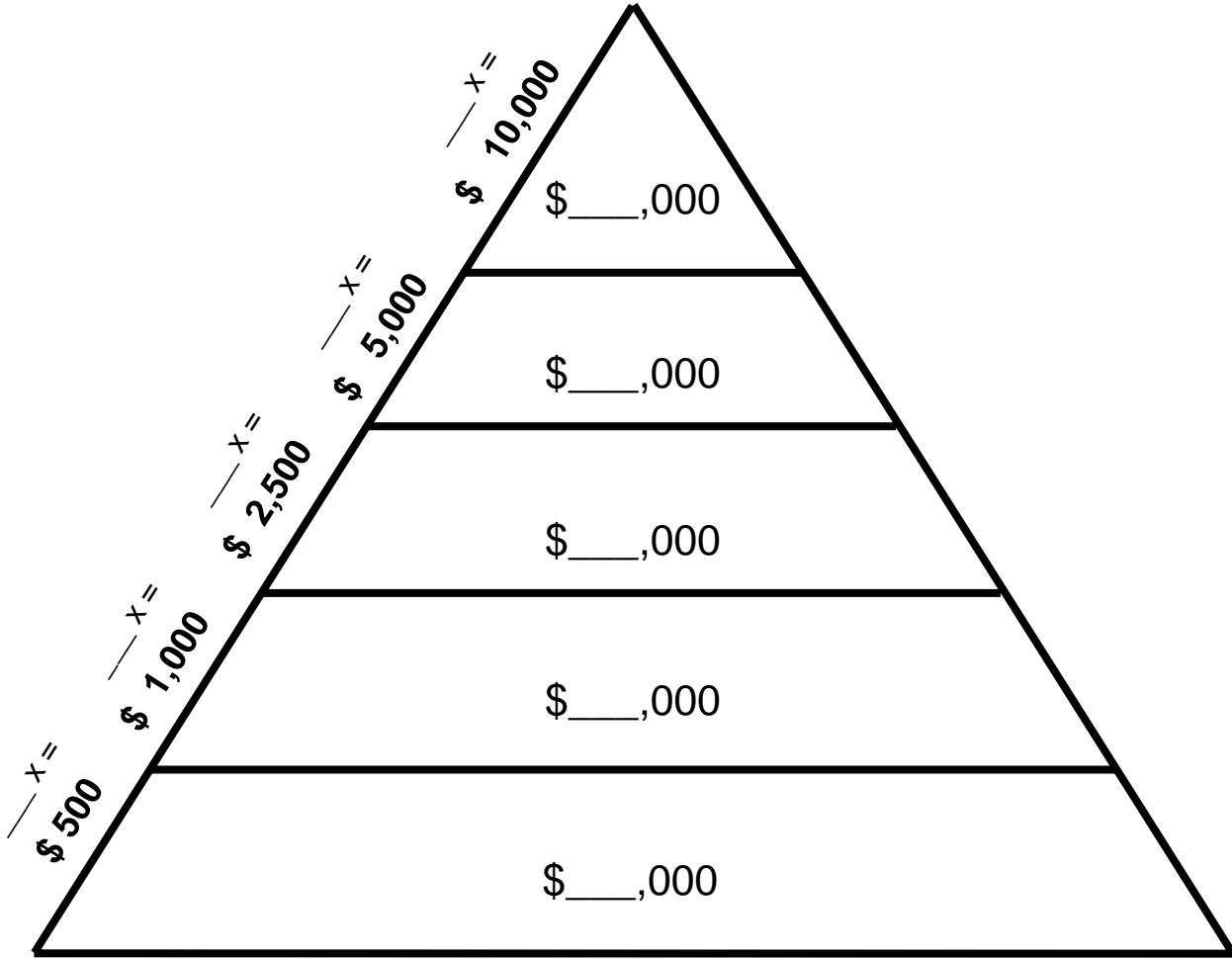
Needed: \$ \_\_\_\_\_

Type of Support

Total Annual Budget \$ \_\_\_\_\_

Base Funding Amt \$ \_\_\_\_\_

# Strategic Fund Development Major Donor/Corporate Campaign



**SOURCE TOTAL \$ \_\_\_\_\_**

# Next Steps

How and what has your organization done to prepare for sustainability?

- What have you heard today you can take back to your organization and use?
- How will you communicate what you've learned to your board and other staff members?
- Is there anything about sustainability that remains unclear to you?
- What is the very first action step you will take, based on today:
  - as a Board member?
  - As the ED?



**THANK YOU,**  
**Community Foundation Jackson Hole!**