

Getting Stronger in Changing, Challenging Times

A Guide for Non-profits

Australia

P.O. Box 2885
Fountain Gate, Vic, 3805
Ph: +61 3 8794 7125

info@slate-consulting.com

United States

1155 F Street NW, Suite 1050
Washington, DC 20004
Ph: +1 202 697 9485

www.slate-consulting.com

Introduction

How much of your time over the past 18 months has been spent thinking about, talking about, assessing the impact of, the Australian Charities and Not-for-profits Commission (ACNC)? What about the state of the economy, government budget cutbacks and their impact on your funding? How much of your Board's and staff time has been spent discussing and learning about these?

They're big issues, no doubt. Over the long run, they'll have a major impact on the sector, potentially a major impact on your organisation. But, for all the predictions suggesting otherwise, we don't *know exactly* what the effects will be. What we do know is, during turbulent times, some organisations will be stronger for having successfully navigated those waters, some will struggle as they always have and some, unfortunately, won't make it.

So, what can you and your organisation do to make sure you're one of the ones strengthened through the coming years?

The following five things...

1. Don't take your eyes off the mission!

This is a no brainer, right? You focus on your organisation's mission day-in, day-out, you say. That may be right, but over the coming years there will be pressures that weigh upon you and your organisation, there will be opportunities that present themselves, and these pressures and opportunities can—if not completely divert your attention from the mission—potentially dilute that focus.

In board meetings, considering a new program, dealing with day-to-day challenges, constantly make reference to the mission and why your organisation exists.



2. From strategy to business plan, always talk in outcomes: measurable outcomes

Try this exercise: pick up your most recent strategic plan and review the major objective or goal statements that reflect the core of the plan. As they're written right now, are those major statements measurable? I didn't think so. I've reviewed dozens; perhaps more than one hundred strategic plans. While 100% of those plans have well intentioned guiding statements that reflect the organisation's commitment to the community, only a handful are in any way measurable.



Good intentions don't cut it anymore. You need to be able to go to your funding sources and communities and say explicitly how spending their money has resulted in meeting specific outcomes, and, based on current research, those outcomes will have a known impact on the community.

3. Make sure your governance and compliance processes are strong

Do you know any community-focused organisations that, despite the excellent quality of their services, have had their funding revoked and had to reduce programs, cut staff, or...worse? Resources are always scarce and funding sources are constantly assessing who they can continue supporting and who they can't. It's important not to give those sources an easier decision by not being completely on top of governance and compliance arrangements, including these areas:



- Board and board committee policies
- Occupational health & safety
- Business continuity and disaster recovery procedures
- Insurance requirements
- Risk Management
- All funding and contractual requirements
- Internal controls and financial reporting arrangements
- Human resources and payroll
- Complaints handling

4. Tell the world what you do in stories

Stories have the power to touch others, to spread great ideas, to persuade others to take action. But recent research on decision-making and persuasion has provided greater insight into exactly how to structure stories for the greatest impact.

Here are some principles to do just that:

- Big numbers confuse the human mind. Use individual cases where you can. Where you want to share large numbers, do so visually or using concrete examples.
- Switch several times between the current state of affairs and a brighter future, taking people on a journey.
- In a presentation or speech, briefly change focus to something unrelated just when the audience expects part of the story to be resolved. This will keep people wanting to hear the outcome.
- Use all of the senses in your imagery, but know that the eyes are the most powerful sensory organ, so be as visual as possible.

In the words of storytelling expert Nancy Duarte, remember that the audience is the hero. Your audience is likely made up of donors, volunteers and fee-paying clients, so weave your stories in such a way that those ‘heroes’ are moved to act.

5. Stop doing what you're not superb at

How many programs do you have? How many services do you provide? Have those programs and services expanded as your clients have come to you and asked for more help? I would wager that virtually every nonprofit performs some activity they shouldn't be doing. For every program and service provided, ask yourself, 'Do we provide this service better than anyone else currently does?'

If the answer is no—or even if you have to think a while before deciding yes—then you need to consider stopping this activity.

I hear the cries of 'You must be crazy, the people we serve need us! We can't stop doing that, it's 20% of our revenue!'

Let me ask one question to clarify: if you provide a service to a particular sector of the community and those people would likely get better service elsewhere, then is that community better off for using you? It's a difficult question to face, but one that is a must during times of change and funding sources' sharp focus on resource allocation.



Conclusion

These five are simple—but, depending on where you are at currently, not necessarily easy—to adopt. But, if you do, you will be one of the few nonprofits that knows exactly why they exist, performs and measures only the activities that contribute that existence, does so in a robust, accountable way, and tells the world in a way that moves people to act and support you.

And that is extremely powerful.

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