

Doing More with Less in Hard Times*

Many organizations are now looking for ways to cut costs and reduce resources in the current recession while simultaneously seeing an increase in demand for their services. To explore how nonprofit organizations can balance cutting back, while simultaneously trying to meet increased community need and deliver better results, the *Chronicle of Philanthropy* hosted a live online discussion, "Doing More with Less in Hard Times," on December 9, 2008.

The discussion was led by Hildy Gottlieb, president of the Community-Driven Institute at Help 4 Nonprofits, a Tucson Arizona-based organization that supports, engages, and mobilizes nonprofits by providing various capacity-building services and tools including training, research, and convening. Key points made during the discussion are summarized below.

Reframing the Discussion

Times of economic challenges are a good time for nonprofits to focus on their missions and look at new shared service models rather than focusing on scarcity or resources.

- Focus on the difference your organization has the potential to make and build your programs on that.
- Don't focus on negatively charged questions. Instead of asking: how can we cut costs? Will doing A, B, or C cut costs? Ask: what do our communities need from us? What can we do to create that?
- Reframing these questions helps turn the discussion into a positive and proactive one, rather than an emotionally draining and counterproductive one.
- Think of your programs as a house. To be strong it must have a strong infrastructure, people who care about it to maintain it, and cash to keep it going. A strong infrastructure is built in a collaborative manner that uses shared resources as much as possible and engages people who care - not just donors

Outreach and Engagement

No organization can meet a community's needs on its own. The typical outreach strategy is to tell your organization's story and then hope people will do what you want. Instead, try building a strong community effort to help meet your mission.

* This VNR *Staying Alive Initiative* document is based on a *Chronicle of Philanthropy* live online discussion session on Tuesday, December 9, 2008. Adapted by Diana Medina, VNR Project Coordinator.

- Look for opportunities using your role as a community resource and bring together organizations to form a Learning Community/Community of Practice and engage them with each other - without it turning into a discussion about scarcity.
- Start with your purpose and who else cares about it (other organizations, donors, volunteers, community members, program participants, clients, patrons, etc.) and bring them all together. Ask: How might you make a difference by working together? What assets and resources do you all have that you could use to build a collaborative effort together? You'll find that the various people in the room will have access to different things and though you will still need money, you will need less and you will have a stronger infrastructure because you have built on what you have before looking to fill the gaps in your budget.
- Engage people by asking questions - ask for their ideas, wisdom, feedback, and experience about the program you are building. Thank them throughout the year for their input. Ask questions like: We are trying to address this need, what have you seen work and not work in this area? Who do you think we should talk to about this? What would you want to know about such a program before you refer others to it?
- Engage your board members by focusing them on what matters most so they will stay engaged and be part of your efforts to build engaged support for your mission. Often boards are disengaged because they got on your board to make a difference and that is something they rarely get to talk about.

Building on Your Organization's Assets

Every organization has assets. Inventory the assets your organization has in the following areas:

- Physical assets and resources - the stuff you have (parking lot, large meeting room, copy machine, etc.).
- Mission assets and resources - what you do.
- Human assets and resources - the people who work for or volunteer for the organization and the people you know in the community. Not just people who might donate but anyone who has been touched by your work.
- Community assets and resources - the physical, mission, and human resources that belong to everyone else in your community.

Be creative when building on your assets. For example, the rooftop of your building might be leased to a cell phone company for one of its towers, bringing in a permanent revenue stream for the organization.

Securing Resources

The fund development process usually follows three steps: (1) budget what you need; (2) determine what is coming in; and (3) figure out how to fill that gap. This process builds a sense of scarcity. To focus on how you can build sustainability:

- Set out to build support for your cause rather than raise money for it.
- Before attempting to secure new donors, engage people in caring about your cause. This takes four steps: (a) focusing on your vision for what is possible in your community, (b) building your programs on a base of shared resources (infrastructure), (c) engaging people in what you both care about (hint - few people care about your organization. Everyone cares about living in a healthy vibrant community) and (d) building your cash flow on assets you already have.
- Build friends for your cause - not just "donors." You need friends who will volunteer, get you speaking engagements, advocate for you, introduce you to others, and advise you on your programs. They will also be more likely to give money, but when all you ask for is money the rest of the things they might offer tend not to be part of the conversation.
- Build your projects on shared community resources. Ask: what functions must the project accomplish that others in the community are already doing? When you can chart the functions it will take to accomplish the projects and identify who is already doing that you will be able to accomplish 2 things: (1) your project will cost less, and (2) you will be building a shared ownership of the issues and the solutions.

Resources

- The Community Driven Institute's online library
(www.help4nonprofits.com/H4NP.htm)
- Hildy Gottlieb's Blog (www.HildyGottlieb.com)
- *Building and Sustaining Strong, Engaged Programs*
(www.help4nonprofits.com/NP_Fnd_Building_Sustaining_Programs-Pt1.htm)
- *Introduction to Asset-Based Resource Development*
(www.help4nonprofits.com/NP_Fnd_Asset_Based_Resource_Development.htm)
- *Board Governing for What Matters*
(www.help4nonprofits.com/NP_Bd_Governing_for_What_Matters1-Art.htm)

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