

Leading a Nonprofit Organization in Tough Times

Thriving, Not Just Surviving

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Agenda

- 12:00 pm** **Introduction to Session**
- 12:10 pm** **Setting the Stage: Challenges Facing Nonprofits Today**
- 12:30 pm** **Top Ten Strategies for Low-Cost Organizational Growth & Development**
- 1:00pm** **Discussion**
- 1:10 pm** **The Walk Back to Your Office: Personal Next Steps**

Skills Nonprofit Leaders Need

- Leadership skills needed:
 - Tactic knowledge about leadership
 - Emotional Intelligence
- Management skills needed:
 - Managing the finances & accounting systems
 - Working effectively with external groups (consultants, etc.)
 - Working with boards
 - Marketing

Importance of Leadership In Nonprofits

- **Today: 1.46 million nonprofit organizations in the U.S.**
 - Annual revenue of \$1,764,567,135,520
 - Nonprofits employees make up 10% of the workforce
- **Future: More nonprofit leaders needed by 2016:**
 - 640,000 new senior managers will be needed
 - 2.4 times the current number employed

(Bridgespan Report, 2006)

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Nonprofits & the Recession

• Nonprofits are already hurting

- 75% are feeling the effects of the recession
- Only 28% have well-defined contingency plans in place

• Increased expectations on nonprofits during tough economic times:

- Increased efficiency
- Ability to demonstrate results
- Partnerships between nonprofits
- Partnerships that go beyond cash donations for corporations

(Barton & Preston, 2008; Bridgespan Group, 2009)



Trends in Nonprofits

Trends in nonprofits as they deal with tough economic times:

- Focus on “green”
- Volunteers rather than funds
- Skills-based volunteering
- Mergers between organizations



Fundamental Strategies to Survive

Strategies for managing financial uncertainty:

- Open communication and protect trusted relationships
- Focus on your core mission and strengths
- Prioritize activities
- Make realistic contingency plans
- Develop resources aggressively
- Engage in strategic partnerships
- Manage your cash flow

(Raffa & Cocchiaro, 2008)

**Top Ten Strategies
for Achieving
Low-Cost Organizational
Growth & Development
in a Challenging Economy**



1. Stare it in the face

- Face the reality of the economy and your organization
- What is the big thing lurking in your organization?



“Almost no one doing serious business today was alive during the depression.”

--Bob Lutz, Vice Chairman, GM

2. Communicate Strength

**Remember, nobody gets on
board a sinking ship**



Communicate Strength



- **Strengthen the quality of external communications**
- **Amateur publications imply amateur work**

Goodbye.....



Hello...



3. Be Distinctive

- What messages about your organization are you sending?

 - Brand

 - Elevator Speech

- Use the distinctives of your organization to your advantage

 - Faith-based

 - Unique service model

 - “One and only”

4. Get the Right Team in Place

Operate in your areas of strength



Strengthen the team



Move out underperformers

Strengthen Your Team

Questions to ask yourself:

- Can anyone in the organization do the task as well or better than me?
- If not, do I have the right team members in place?

What are your greatest strengths that contribute most to the success of your organization?

- What percentage of the average day are you engaged in tasks that utilize those strengths?

Strengthen Your Team

Team or Group?



**State Champs Headed to
Playoff Game**



8:15 am Weekday City Bus

Trower, C. (2008).

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Strengthen Your Team

What is a team?

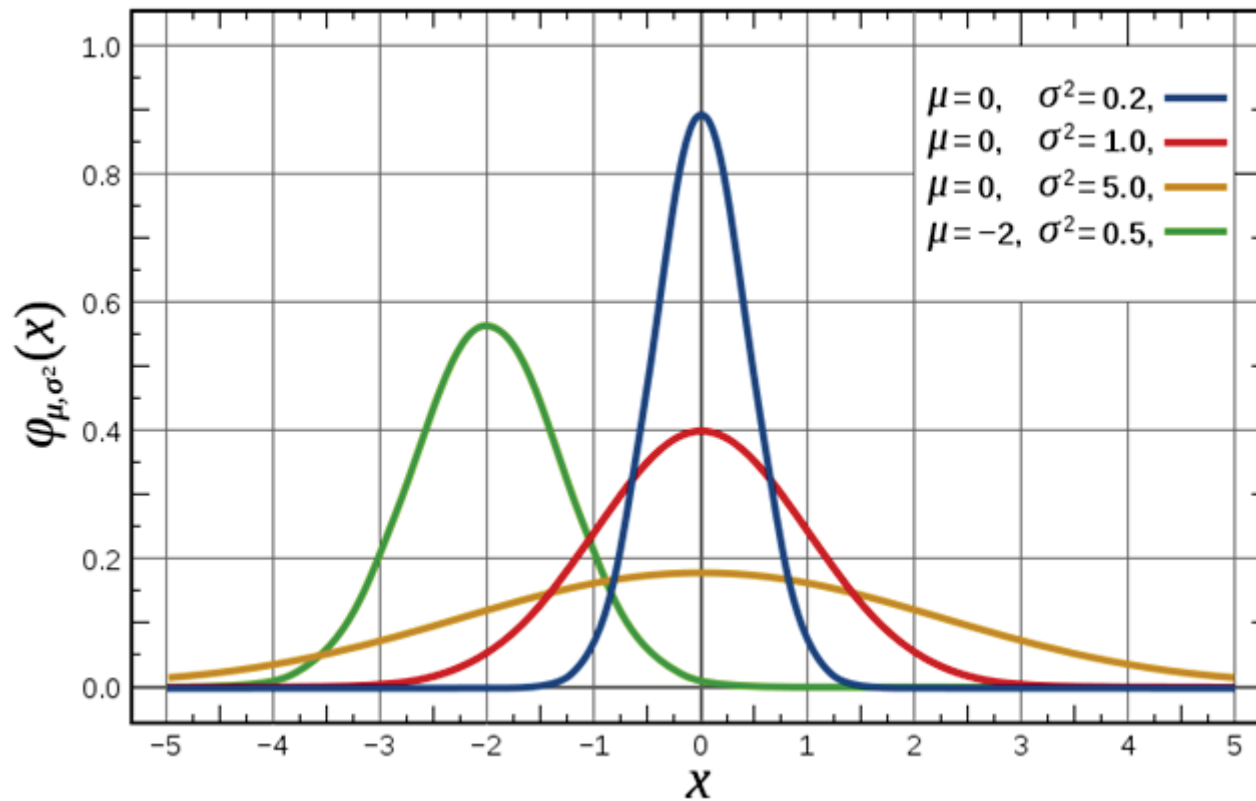


A team is a small number of people with complementary skills, who are committed to a common purpose, performance goals, and approach for which they hold themselves mutually accountable.

Katzenbach, J.R. & Smith, D. K. (2003).

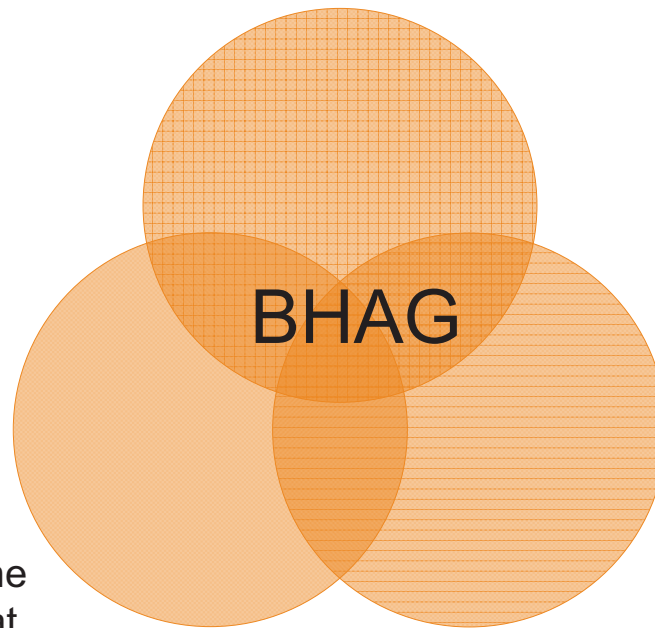
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Strengthen Your Team



5. Think Big Picture

What you are deeply
passionate about



What you can be the
best in the world at

What drives your
economic engine

Bad BHAGs, it turns out, are set with *bravado*; good BHAGs are set with *understanding*. Indeed, when you combine quiet understanding of the three circles with the audacity of a BHAG, you get a powerful, almost magical mix.”

—Jim Collins, *Good to Great*



Involve Your Team

6. Grow your friends

- Strengthen/create impactful auxiliary boards



Success:

Young Professionals Board



Next Target:

Former Interns

6. Grow Your Friends

Create
“superevangelists”





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7. Collaborate



Collaboration, not competition

8. Raise your visibility through increased community participation



Have a service orientation



Involve the whole community

9. In-Kind, In-Kind, In-Kind!

“Do it pro bono”

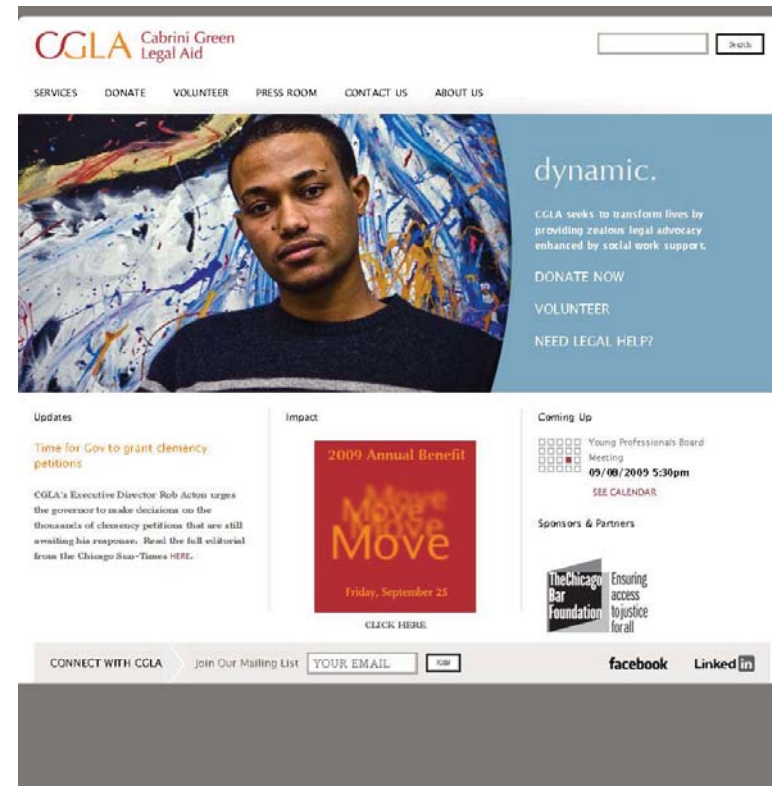
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Have standards, but be creative



Building Supplies



Website & Design Services

10. Lead

Your greatest
assets as a
leader are free!



What characteristics do they want to see in you?

88% Honest

71% Forward-Looking

66% Competent

65% Inspiring

Kouzes & Posner (2002).



Questions?

The Walk Back to Your Office



**What ideas could I
move forward on
right away
to begin achieving
growth &
strengthening my
organization?**

Recommended Reading

- Buckingham, M. (2005). *The One Thing You Need to Know...About Great Managing, Great Leading and Sustained Individual Success*. Free Press.
- Collins, J. (2001). *Good to great: Why some companies make the leap...and others don't*. New York: Harper.
- Crutchfield, L. & Grant, H. M. (2008). *Forces for good: The six practices of high-impact nonprofits*. San Francisco: Jossey-Bass.
- Kouzes, J. M. & Posner, B. Z. (2008). *The Leadership Challenge*. San Francisco: Jossey-Bass.
- Linsky, M. & Heifetz, R. A. (2002). *Leadership on the line: Staying alive through the dangers of leading*. Harvard Business School Press.
- Patterson, K., Grenny, J., McMillan, R., Switzler, A., & Covey, S. R. (2002). *Crucial conversations: Tools for talking with stakes are high*. McGraw-Hill.
- Watkins, M. (2003). *The First 90 Days: Critical Success Strategies for Leaders at All Levels*. Boston: Harvard Business School Press.