CELEBRATING 10 YEARS OF SERVICE!

innovative nonprofit SOLUTIONS

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Our Mission: We help organizations create innovative solutions to build their capacity.

We accomplish this by assessing, designing and implementing strategic fundraising, marketing and management programs for nonprofits, community-based, faith-based and educational institutions and government agencies nationally.

Message from the President

As the year rapidly progresses and the economy remains stalled, it is more important than ever for nonprofits to think strategically with regard to sustaining their organization. A lull in economic action definitely should not translate into idle time! I recently spoke with two representatives - one from a corporate foundation and the other from a community foundation - who stated that although some foundations may postpone having a grant cycle or reduce the amounts awarded to nonprofits this year, they felt it was a great time for leaders to build relationships (face-to-face meetings, phone calls) and to share information about their organizations with funders. Through this contact, the funder becomes familiar with your organization and the services you provide to the community, and you position yourself to be ready when funding does become available.

This is also an important time to have effective quantitative and qualitative evaluation methods in place. Nonprofits must be able to articulate to potential donors how they are *specifically* making a difference in order to be competitive. Nonprofits must also identify opportunities to market their success.

Take the opportunity to get up to speed on new strategies such as social networking (Facebook, Twitter, Linkedin). It is critical to explore innovative ways to connect to the community at-large and reach potential volunteers and donors. And, as always, get serious about strategic planning efforts and be clear about where you are going and how you will get there!

- **Ruth A. Peebles**, President and Founder, The INS Group

Innovative Nonprofit Solutions E-Newsletter is your first resource for information for the nonprofit sector. Discuss the articles with your peers, register for a future workshop on our website at www.theinsgroup.com and let us know how you have implemented what you learned. Send your story to info@theinsgroup.com.

Optimizing a Grant Writer's Success - Your Role

You've undoubtedly seen countless advertisements for grant writers, but just writing that check to them does not automatically guarantee your success! Before you look to secure the services of a grant writer, you should do some homework yourself. A little leg work on your part in the beginning can have a big impact on the future success of your proposal!

Ask yourself the following questions:

1) Do I have a clearly defined program/project to be funded?
2) Do I have a compelling explanation as to why my program/project should receive funding?
3) Do I have clear designations for the allotment of funds (i.e. the creation of new programs, the support of ongoing programs, yearly operating funds, etc.)?
4) Do I have prospective sources from which to secure funding?
5) Do I have a plan to sustain my program if it lasts longer than the grant funds secured?
6) Do I have a clear understanding of the impact or value that my program will have on the community it serves?
7) Do I have a person designated to solicit the funds desired (It's generally recommended that grant writers do not solicit funds. This task is usually handled by the Executive Director or a member of the program staff)?

If you have answers to these questions, you should be able to present a grant writer with the initial tools they will need to do their job. A reputable grant writer will spend the time necessary to get a *comprehensive* understanding of your organization and programs. The more informed a grant writer is about your direction and mission, the more precise he or she can be in constructing the proposal and in the researching of grant-making organizations that are more likely to have an interest in your program. Have a budget prepared for the grant writer to review, so that they can make recommendations on how it can be optimally presented to your prospective funding sources.

In this information compilation stage, details make the difference. Even the very best grant writers can do little if they are not armed with a solid background of your organization's mission and motives. Your own clarity and understanding makes the difference!

Many organizations that do not have funds available to hire full-time development directors or grant writers, opt to hire a grant writers on a part-time or contractual basis. It is an interim solution that can put the expertise of a grant writer within your organization's reach!

(Source: Tony Poderis, "Positioning Grant Writers for Success," www.raise-funds.com)

Trend Watch:
Online Charitable Giving

Shop for clothes, order a pizza, even support a presidential candidate - there seems to be no limit to what can be done online. Donating to charity can certainly be added on to the ever-growing list of popular Internet activities. It seems to be the general consensus that online charitable donations first made a significant presence in 2004, after the tsunamis ravaged Southern Asia. People wishing to donate to the victims swarmed online aid websites, causing many to crash. Online donations to the Red Cross outnumbered phone bank donations by 2 to 1. Paul Staffo, Director of the Institute for the Future, likened this period of online donation to the introduction of television. "[It was] like 1951, when television really took off," Staffo said.

And "take off" it did. Internet donations accounted for only about $250 million in 2000, and by 2006 had grown to $6.9 billion (The Christian Science Monitor, citing the ePhilanthropy Foundation). Our youth is a computer-based generation, and with more and more young people becoming active in charitable causes, online donating has become their method of choice. People can access an organization's web page, become informed, become involved and become a donor all on their own time and terms, and all the while from the comfort of their own homes. While face-to-face contact, phone and mail are still the more widely used methods of donation by older generations, it's not just the 20-30 somethings that are warming to the trend of online giving, and savvy organizations are jumping to give donors that option.

- 40% of donors ALWAYS go online before making a donation, whether it ends up being online or offline *(Kintera Luth Nonprofit Trend Report 2005)*

- Donors are most generous Monday-Wednesday *(Network for Good, 2007)*

- Online donors are significantly more generous than offline donors *(Network for Good, 2007)*

- Approximately 19% of men and women who use the Internet donate to charity online *(Pew Internet and American Life Project*, 2005)

A New Look at Program Evaluation

If the words "program evaluation" make you cringe, it's time to take another look at the process.
In the past, methods of program evaluation were geared towards compiling the most scientifically accurate, valid and reliable data, and in quantities large enough to cure even the most stubborn case of insomnia. Evaluations were focused on specifics and carefully-drawn conclusions. The problem with this approach was that data collected was purely clinical and reports did little more than state the obvious, leaving administrators doubtful of the evaluation process in general. Today's processes still embrace scientific validity, but also encompass elements such as relevance, practicality and utility, taking into account personal experiences, interpretations, impressions and influences- things that can't always be measured and gauged by tracking cold-hard fact.

WHAT IS PROGRAM EVALUATION? Roughly defined, program evaluation is the collection of information about a program or aspect of a program gathered in order to make informed decisions regarding it. There are approximately 35 different types of evaluation which can be used singularly or in conjunction with one another. The type of evaluation you undergo is determined by the type of information you need to find out about the program in question.

A New Look at Program Evaluation

Are you focused on evaluating goals, efficiency, effectiveness, outcomes, or costs vs. benefits? Having a clear idea of what you need to know about your program will help you accurately target your evaluation to collect the most relevant and useful information. The goal of program evaluation is not just to prove the success or failure of a program. Program evaluation seeks to give administrators continuing feedback so that they may adjust their programs accordingly to ensure continued benefit and success.

Sometimes an evaluation simply verifies that a program is doing what it originally set out to accomplish. In day to day dealings, it's easy to lose sight of program goals and veer off track, and evaluation can get the focus back where it needs to be. Program evaluation can help you to understand, verify and increase the impact of the services your program provides, and can identify program strengths and weaknesses, eliminating a lot of costly trial and error of trying to fix what you don't know is broken.

Some of the most effective methods for gathering information for evaluation are:

- **Questionnaires, Surveys and Checklists**- Helpful when you need to gather a large quantity of information in a short amount of time. Popular due to their low cost, ease of comparison and anonymous nature.

- **Observation**: Allows accurate gathering of information about the actual operation of a program and is especially useful in process evaluation.

- **Focus Groups**- Especially useful in evaluation of marketing strategies.

- **Case Studies**- Facilitate comprehensive examination through comparison of cases; is a powerful way to introduce a program to outsiders.

- **Document Review**- Allows for a comprehensive, unbiased look at a program through the use of reports, books, ledgers, etc.

- **Interviews**- Allow further understanding into experiences through personal contact not obtained with simple questionnaires.

If the process still seems overwhelming to you, keep in mind that program evaluation is not always conducted in a formal manner. Most organizations are constantly partaking in some type of unstructured program evaluation on a daily basis, but often suffer from the "too close to the forest to see the trees" syndrome. A fresh pair of eyes from within your organization might be what you need, or if that is not enough, consider enlisting the help of an outside source.

(Source: Carter McNamara, MBA, PhD "Basic Guide to Program Evaluation")

Tell Us What You Think About Our Newsletter!

The INS E-Newsletter has been a trusted source of information for government agencies, nonprofit organizations, and faith-based institutions since 2005. We will be e-mailing a brief reader's survey to all our subscribers in the next few weeks. Please take a few minutes to complete and return the survey. Your input is valuable and we would like to hear from you!

Social Networking for Nonprofits

Google. Twitter. YouTube. At first read, one would think they are perusing the new line-up of Sesame Street characters. Throw "Facebook" into that mix, however, and you are actually looking at four of the most powerful social media tools on the web today. Chances are you, or your 14 year-old daughter, are already a user and a fan of Facebook. A social networking powerhouse and the fifth most- trafficked site in the United States, it effortlessly allows you to keep up to speed on the comings and goings of friends and family members at the click of a mouse. "Tweeting" on Twitter allows you to never miss a beat on what your favorite celebrity and best friend are up to, but what do these sites have to do with nonprofit organizations? The answer? Plenty.

An increasing number of nonprofit organizations now have an online presence on social networking sites such as Facebook and Twitter, and releasing video through YouTube is akin to making the 5 o'clock news. In the same manner that these sites allow you to connect with countless friends from around the world, nonprofits are able to reach an unlimited audience. Creating organizational online profiles allow nonprofits to discover others that share their interests and missions, recruit new volunteers, build contact lists and supporters and even fundraise. Similar to a website, an online presence in these communities offers 24/7 exposure to an organization.

These are, however, *social* networking sites, and that suggests interaction. Members of the online community you build will expect to be involved and updated frequently, and this can be time consuming.

"Offline-only donors who also received e-newsletters gave more than twice as much as offline donors who did not receive electronic communication."

(Convio and Strategic One, 2007)

Surviving the Lean Times - 4 Steps to Ease the Pinch

It's difficult to remain optimistic in these times of economic uncertainty. With so many people barely making ends meet, charitable donations often get pushed right out of the budget. That's not good news for the nonprofit sector, especially as the demand for many organization's services are rising with community need. As Patrick Rooney, Research Director for the Center on Philanthropy at Indiana University, says, "Uncertainty is the enemy of philanthropy." The fundraising environment is significantly more difficult than it was a year ago. According to an analysis of donations to 74 groups by Target Analytics (a nonprofit consulting firm), the number of donors fell a median 3.8% in the first half of 2008 from the previous year, and revenue declined a median 2.4%.

Surviving the Lean Times

Donor numbers have been declining for 2.5 years, but revenue had not decreased since the first quarter of 2006 following an influx of donations after 2005's Gulf Coast hurricane season. Donations to the American Humane Association were down 12% in 2008, when historically animal welfare organizations have been able to experience growth while other sectors have not.

According to GivingUSA Foundation, there have been six recessions since 1967, during which giving has decreased 1% (after an adjustment for inflation). Conversely, it has increased an average of 4.3% in non-recessional periods. According to Rooney, stock prices, followed by income, are the biggest predictors of a household's ability and tendency to donate, so it's not surprising that so many people are scaling back their giving patterns in big ways.

Two-thirds of fundraisers feel their fundraising efforts will still be negatively impacted six months from now (Center on Philanthropy at Indiana University). So what can you do to ease the pinch to your organization when having patience for an economic turn-around just isn't enough?

3. **DON'T DISCOUNT "IN KIND" DONATIONS.** Sure, that roll of new carpeting won't pay the electricity bill, but it will make shelter visitors more comfortable if housed at a facility in an emergency. While many potential donors' *abilities* to make monetary donations have decreased, their *desires to assist* have not. Never overlook the gift of products or services. What may seem insignificant during a quest for dollars may prove to have significant value in the future.

4. **DON'T OVERLOOK OUR YOUTH.** Young people want to be involved in philanthropic causes now more than ever before. They want to know they are making a difference. According to Claire Gaudini of the Heyman Center for Philanthropy and Fundraising at New York University, young people are contributing earlier, more consistently and in more imaginative ways than their grandparents. While not a multi-million dollar bequest, those small donations have a way of adding up.

1. **CONSIDER STRATEGIC PLANNING.** Spending a little time and money now to map a clear path for the future of your organization might just be the decision that keeps you afloat. Strategic planning not only helps you to visualize organizational direction, but also identifies "holes" in structure that may be keeping your organization from functioning efficiently. Think of it as upgrading an old appliance to a "power saving" model during an energy crisis. Identify the weaknesses and get back to optimum capacity. *(Source: Barbara Hagenbaugh, USA Today)*

Trend Watch: Online Charitable Giving

Mike Fleetwood, Director of Fund Development Services for Campus Crusade (a Christian outreach to college students), says that the average age of their online donors is 50 years old, which "demonstrates a growing comfort level with online transactions." Fleetwood said that, while they don't try to convince people to give online, they did get an online site to take advantage of "[the] phenomenon once [they] realized it was happening." Other organizations targeted at servicing the elderly are slower to embrace new technology and Internet use, but expect to "get up to speed" as younger volunteers become involved.

Even churches are getting into the Internet donation game, with many giving their parishioners the options to give online. As pointed out by Emily Monts De Oca, spokeswoman for RidgePoint Church in Winter Haven, FL, "It's a smart business move on the part of the church." She estimated approximately 20% of their members give online, allowing them to never miss an offering, regardless of attendance or vacation schedules.

The Internet has the power to cast the widest net possible, and as Nancy Aossey, President and Chief Executive of International Medical Corps puts it is "the Great Equalizer." Smaller groups such as Aossey's don't have the staff or "sophisticated appeals" to focus on fundraising, and online donations have been their answer. Minimal leg work, minimal staff hours involved and a limitless audience is a winning combination. Offering the option of online giving seems to be an answer for many organizations regardless of their size. Embracing this trend can bring your fundraising efforts into the 21st Century, and quite possibly sustain them well beyond!

Social Networking

If you are not tech-savvy or do not target an audience who is, this forum may not be for you. But, don't despair. There are other forms of online media that are still effective, such as e-newsletters. Rob Pierson, Online Communications Director for Congressman Mike Honda, advises that e-newsletters are "the best bang for your buck" when you have limited resources and time to reach your audience. His sentiments were validated in a recent benchmark study by Convio, which found that e-newsletters were one of the "most cost-effective ways to build relationships with new constituents, increase engagement and educate supporters about [an] organization's mission." In fact, offline-only donors who also received e-newsletters gave more than twice as much as offline donors who did not receive electronic communication (Convio and Strategic One, 2007).

Whether you choose an online presence on a social networking site or the "old fashioned" route of e-newsletters, the important thing is to get your message out, clearly and frequently. Then you can get back to connecting with your favorite celebrity online.

(Source: Brett Bonfield, "Should Your Organization Use Social Networking Sites," www.idealware.com; Alison Kapin, "10 Things Every Nonprofit Should Know About Social Media and Online Communications")