

Top Ten Strategic Principles for Nonprofit Organizations

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Developing a set of principles to position a nonprofit organization for success is a challenge in this day and age; it is no secret our world is changing and evolving at lightening speed.

Without the simple bottom line for measurement, where you are going and how you are getting there can confound even the best strategic planners. Over the years, I have found that having a core set of principles can act as guiding light—or a beacon—of where we need to be and want to go. It can help position the organization in the face of complex and challenging dynamics, establishing the propitious niche, the difference in the world that the organization can make.

Nonprofits are the glue that holds our communities together, making them better places to live, and creating and contributing meaning to life. In his book *Post Capitalist Society*, Peter Drucker poses that now that capitalism has won as the dominant ideology in the world, what's next? (Especially in terms of addressing complex social problems.) His answer:

“The greatest contribution that the autonomous community organization makes is as a new center of meaningful citizenship... Citizenship in and through the social sector is not a panacea for the ills of ... society... but it may be a prerequisite for tackling these ills. It restores the civic responsibility that is the mark of citizenship, and the civic pride that is the mark of community...

“...the autonomous, local nonprofit organizations of the social sector based on volunteers and releasing the spiritual energies of people, can provide both the social services that the society needs and the leadership development that the polity needs.”

There are 10 significant strategic principles for nonprofit human services to consider in order to prepare themselves for success.

- 1) Be Aware Of and Engaged in the Environment Around You
Analyze and drive the political, social, demographic, and technological forces that provide the external opportunities for the organization. As the saying goes, you can't win it if you're not in the game. Living behind the four walls of the organization is a

recipe for disaster. That is why I utilize a standard that anyone in management must spend 20 percent of their time out of the office; on a community task force, at a county planning meeting, as a volunteer at a civic event. Be a good neighbor and steward of the altruism we are privileged to represent.

- 2) **Establish an Active, Knowledgeable, and Community-Centered Board**
Members who bring social capital and connections keep the organization honest, true, and accountable to the ultimate customer—the community. Sometimes this is more valuable than money. Knowledge is king these days, and you can never have enough of it. Community relatedness is our lifeblood and connecting through the board is essential.
- 3) **Be Customer Value Driven**
Customers are many and diverse in the nonprofit sector. Funders, volunteers, donors, recipients of service all seek value in our organizations. Responding to what the customer wants and needs, not what the organization determines they should get, is meeting customer value. It is an essential and fundamental necessity which cannot be ignored.
- 4) **Develop Flexible, Diversified, and Holistic Programming**
Think continuum and long term vs. chasing the dollars. Start small but have an end game in mind. Look at the horizon, not the bottom line. The days of the single focus agency are approaching extinction. Develop and evolve from competencies not from last years programming.
- 5) **Leverage Local Resources and Assets**
All communities and individuals have worth—use and leverage them. Don't be deficit focused. Many of us were trained in the old medical model of intervention. Diagnose the problem, identify symptoms, determining causation, recommend treatment. Stop fixing and start releasing the capacities that abound in the individuals and communities you serve. Remember the glass is always half full vs. half empty.
- 6) **Be a Broker/Coordinator/Initiator/Leader**
You don't always have to be the direct service provider. There is value in being the leader that can pull it together, especially as funders look for more comprehensive responses to complex societal issues. Something as simple as housing other agencies in available space can pay unforeseen dividends
- 7) **Innovate and Take Risks**
Build on strengths, matched to external opportunities and it won't be much of a risk. Prepare the board and determine risk tolerance levels. Remember that anybody can have a creative idea, innovation seeks and solves problems. Sometimes when things are at their darkest is when opportunity presents itself. When managed care was ravaging the family service agencies around us and putting them out of business, we leveraged our competencies and established child care as our core service.
- 8) **Create Model Services – Better, Greater, Different, Excellent**
Do you really want to be just mediocre or like everyone else? Excellence enhances reputation and credibility. Reaching for new and different is valued in our world and a necessity. Entrepreneurial behavior, embracing change and instability as a way of

life, needs to be reinforced in the corporate culture. Developing social entrepreneurial skills, leveraging assets in new and different way in order to produce more mission related services, needs to be a priority. We live in the era of the big idea....go for it.

9) Vision Based Planning and Budgeting

Think “horizontally vs. vertically” ... “mission free vs. silo imprisoned.” Make the funding work for your reason for being vs. the other way around. You may not get there totally, but the process will insure that your mission is the driving force.

10) Make Volunteer Involvement a Priority

Remember that we are the voluntary sector ... never lose site of this. Create opportunities to let volunteers in; they are our “roots” in community. Volunteers help deliver services and maintain our stature as that very American characteristic of neighbor helping neighbor, harkening us back to the traditions of the town hall, barn rising, and covered wagon trains.

This is a new age for nonprofit organizations, one in which we are challenged to evolve with guided evolution, fearless in the face of change and challenges. Hopefully, the Top 10 Strategic Principles articulated herein, provide some sense of direction and mastery for the future before us. I know they have for myself and others.