Nonprofit Strategy: 18 Months of Turmoil, Now What?

Steve Strang
August 7th, 2021
Thought I'd draw a more accurate calendar for 2020 so far....
What have we learned in the last 18 months?

Most nonprofits anticipate being back to pre-covid stability in the next 12-24 months, but that timeline varied greatly across the sector.

Top Five Positive outcomes from COVID-19

- Virtual programming and training
- Expanding services
- Resiliency
- Increased collaboration
- Flexibility that led to innovation
What challenges will our sector face in the next 18 months?

How best do we address those challenges?
STRATEGIC THINKING

TRUST & ENGAGEMENT

PEOPLE
Predictions
Experiments

Data Collection
Pattern Recognition

Top Down
Shared

5 Year Plan
5 Strategic Issues

Need a Strategic Plan
Need Strategic People

Organizational Strategy: Mindset Shifts


Organizational Strategy:
The Model

Impact

Mission Values

People

Finance
Reaction to the 2020 Pivot: Creating our Impact

Do any of these temporary new programs and delivery methods show promise for the future?

Might they contribute more to the organization’s overall impact than some current activities do?
1. What is our purpose?
2. What can we specifically accomplish?
3. What are others doing that would complement our efforts?
4. How will measure progress?
5. How will we communicate progress?
Revenue Strategy: Paying for Impact

“How do we navigate the economic unknowns & rebuild our revenue strategy?"

“For the first time in nearly two decades, only half of U.S. households donated to a charity in 2018, according to a study released Tuesday. The findings confirm a trend worrying experts: Donations to charitable causes are reaching record highs, but the giving is done by a smaller and smaller slice of the population.”

– The Chronical of Philanthropy

Report: The Giving Environment: Understanding Pre-Pandemic Trends in Charitable Giving, Indiana University’s Lilly Family School of Philanthropy

Charitable giving in the U.S. reaches all-time high in 2020

By HALEUYA HADERO June 15, 2021

Galvanized by the racial justice protests and the coronavirus pandemic, charitable giving in the United States reached a record $471 billion in 2020, according to a report released Tuesday that offers a comprehensive look at...
Pursue (or Prioritize) revenue streams that...

- Align revenue mix with impact
- Produce flexible income
- Leverage the organization’s capacities
Building a more inclusive organization that reflects your community

Trust & Community Engagement

Engaging your community with a real understanding of constituents

Understanding the community from multiple perspectives
What do we mean by Community Engagement?
Boards are disconnected from the communities and people they serve. Almost half of all CEOs said that they did not have the right board members to establish trust within the communities they serve. Only a third of all boards place a high priority on knowledge of the community they served, and even fewer place a high priority on membership within the community they served.

– BoardSource, Leading with Intent

**Priorities in Board Recruitment**

<table>
<thead>
<tr>
<th>Prioritization</th>
<th>High priority</th>
<th>Medium priority</th>
<th>Low priority</th>
<th>Not a priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge of the communities served</td>
<td>32%</td>
<td>46%</td>
<td>17%</td>
<td>5%</td>
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<tr>
<td>Membership within the community served</td>
<td>28%</td>
<td>36%</td>
<td>24%</td>
<td>12%</td>
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Trust in nonprofits has held steady while trust in philanthropy substantially declined over the past year.

“Do you trust X to do what is right?”

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<thead>
<tr>
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<th>Nonprofit organizations</th>
<th>Philanthropy</th>
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<tbody>
<tr>
<td>2020</td>
<td>47</td>
<td>15</td>
</tr>
<tr>
<td>2021</td>
<td>45</td>
<td>4</td>
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Trust in The Nonprofit Sector; Gen Z

<table>
<thead>
<tr>
<th></th>
<th>Low Trust</th>
<th>High Trust</th>
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<tr>
<td>2020</td>
<td>10%</td>
<td>61%</td>
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<tr>
<td>2021</td>
<td>14%</td>
<td>45%</td>
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Net Trust Score (High Trust – Low Trust)

2020 = 51%  
2021 = 31%
1. How are we listening to our community?
2. Who is directly involved in making decisions?
3. How can we engage others?
4. What skills do we need on the board and staff
5. How are we treating our colleagues?
Community-Based Organizations

DEFINITION:

noun

1. a group of people living in the same place or having a particular characteristic in common. “the scientific community”

Similar: group, section, body, company, set, circle, clique, coterie

2. a feeling of fellowship with others, as a result of sharing common attitudes, interests, and goals. “the sense of community that organized religion can provide”

Definitions from Oxford Languages
Our People Strategy: Who should be involved in our strategic decision making?
To bring change, our sector must become a model for smart people strategy, and much of this starts with effective and equitable personnel policies.
What capacities do we need to deliver on impact?

What are our current strengths?

Where are there gaps?

How will we fill them?

<table>
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<th>What capacities do we need to deliver on impact?</th>
<th>What are our current strengths?</th>
<th>Where are there gaps?</th>
<th>How will we fill them?</th>
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STRATEGIC THINKING

- Shifting away from ‘traditional’ planning processes with so many unknowns in the next 18+ months
- Understanding our impact and strategy to meet that during a crisis
- Being more strategic and better understanding revenue

TRUST & ENGAGEMENT (AND LACK OF TRUST)

- Rebuilding trust as needed
- Being intentional in understanding and engaging our community

PEOPLE

- Do we gain feedback from all necessary voices?
- Have we assessed the skills and capacities needed to bring in revenue, create impact, and understand our community?