

Nonprofit Safety Net Workshop

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Host: The San Francisco Foundation, Navin Moul, Social Justice Fellow

What changes have you seen with the economic downturn?

- Long-established relationships are cutting back
- Clients can't afford to pay for services
- Increase in demand for services from low-income people

The basics:

When things get rocky, it is essential to rely on a solid strategic plan and overall communications strategy.

Audiences (3 chosen for simplicity)

1. Internal audiences
2. Clients
3. Funders/donors

Internal Audience:

- Be open about your challenges
- Convene a special meeting for staff/board
 - Provide updates on an on-going basis
 - Example: A nonprofit asked its board to allocate specific unrestricted funds to help with expected lower revenue
- Provide updates on fundraising at regular staff meetings
- “Share your worries” – tell staff what’s happening
- The board should be engaged now more than ever
 - They don’t need a “soft-sell”
 - Give them all the info up front and ask them to contribute (time, phone calls, money, etc).
- Front-line staff needs to have a consistent message to deliver to clients
- Historically, the public has maintained giving levels
 - Even during the Great Depression the percent of household income donated stayed the same
- Foundations and large funders are trimming back the giving levels
- In a downturn, nonprofits must stick to the “tried and true”
 - Spend more energy holding on to what donors you have instead of finding new, untried donors
 - Identify your key donors
 - Send out tailored, specific messages
 - Prioritize how you contact all donors
 - Not just one email/ call/ letter
 - “Shoe leather trumps mail.”

Communications principles and practices

- Send out customized notes
- Front-line staff should know the major funders
- Add metrics to show donors specifically how their contribution is having a positive impact for your organization
- Make sure you say “thank you”
- Keep donors informed about your successes
- Find the stories and messengers that have the most impact and put them in front of donors

Comments during general discussion:

- Foundations are cutting back on their funding due to lowered endowments.
- Do keen research to stay up to date on funder news (know what’s changing at the organization – where are resources being focused?).
- Highlight that your organization, 1) meets the funder’s mission and, 2) can do a good job with the funder’s money.
- Identify new ways to collaborate – funders are looking to organizations that can work together to maximize grant money.
- Change the narrative from “we need more” to “we are doing great things”; everyone wants to give and be aligned with winning, positive organizations.
- Identify the primary and secondary targets for your message so that you can diversify your messages and be more effective.

Not all business will suffer the same in an economic downturn. Some may be active philanthropically, even in nontraditional ways. Industries to consider in a downturn:

- Health care
- Education
- Environment
- Energy
- Security and law enforcement
- International business

Look at possibilities for tapping into small businesses and their resources as you expand your funding opportunities.