

OHIO



Nonprofits

The Newsletter of the Ohio Association of Nonprofit Organizations

What's Inside

The State Budget Crunch

OANO will host a roundtable on January 29 in Columbus with policymakers and nonprofit executives on state budget cuts and their effect on Ohio nonprofits. For more information, contact Jennifer Campbell, director of public policy, at 614-280-0233.

Your Primary Partnership

The partnership with the board is the central relationship in the work life of an executive director. Develop a productive relationship and even difficult times will be rewarding—fail to nurture it and watch difficult become impossible. A lively, interactive workshop with Maureen Robinson, author of *Nonprofit Boards That Work*. January 30, Columbus.

Strategic Compensation

Learn strategies to compensate your key employees within the regulations and how to implement a total rewards program to retain your staff and support your organization's goals. February 12, Columbus.

Develop Diversity

Strengthen your ability to work with all people and thus fortify your organization. Attendees will create personal and organizational action plans with consultant Lisa Hughes of Worklife Associates. February 18, Columbus.

Intellectual Property Laws

What steps should you take to protect your organization's intellectual property? Join us January 24 (Cleveland) and February 28 (Columbus) for an informative discussion. Call Lindsay Grinwis at 216-274-2390.

OHIO ASSOCIATION OF NONPROFIT ORGANIZATIONS

42 East Gay Street, Suite 1010
Columbus, OH 43215-3119
Phone: 614-280-0233, Fax: 614-280-0657
www.ohiononprofits.org

PAGE 2 • TIPS AND TOOLS

Coping with Cutbacks

As a result of the economic slowdown, many nonprofits are being asked to do more with less. In its 1997 publication *Coping with Cutbacks*, the Amherst H. Wilder Foundation outlined several strategies for coping with reduced resources.

PAGE 3 • MANAGEMENT

Is Outsourcing an Option?

In the for-profit sector, outsourcing back office functions has become a common strategy for managing costs and increasing efficiency. Outsourcing some operations can help nonprofits to focus on their missions.

PAGE 4 • WHAT'S IN A NAME?

To™ or Not to™?

What is the difference between trademarks (™) and service marks (SM) and what are their proper uses? We attempt to clear up confusion about the use of these symbols that are key to protecting your organization's intellectual property.

PAGE 4 • SECTOR REPORTS

Charitable Giving and Public Confidence

Overall the public has confidence in the missions and management of nonprofits, and a surprising 89% of Americans say they contributed to charity last year. Have September 11th and its aftermath changed their giving habits or plans?

PAGE 5 • PUBLIC POLICY

Best Practices Guide for Screening Volunteers Working with Children

The Ohio Community Service Council, with support from OANO, has released the *Best Practices for Screening Volunteers who Work with Children in Ohio* guide in response to S.B. 187.

PAGE 8 • THE LAST WORD

Changing Landscapes of Philanthropy

Lynn Helbling Sirinek, president of the Ohio Grantmakers Forum, urges grantmakers and charitable nonprofits to look for opportunities created by the current climate of economic uncertainty; she challenges the entire sector to create new ways of working and investing in our communities.



Gallagher Chosen for National Post

United Way of America, the national organization responsible for leading the United Way movement, has chosen Brian Gallagher, president of United Way of Central Ohio, as its new president and CEO. Gallagher shares his vision for United Way and insights into the challenges faced by nonprofit organizations in the wake of September 11 and the worsening economy.

FROM THE DIRECTOR



Over the past few months, I have had the opportunity to speak with many of you about the current environment for Ohio's nonprofits. You've shared concerns about the recession, the events of September 11, state and local funding cutbacks, and increasing business costs for nonprofits.

There are many obvious causes for concern, and some organizations are in jeopardy. In partnership with the Ohio Grantmakers Forum and The Foundation Center—Cleveland, OANO convened regional forums in Cleveland and Columbus in December to discuss the current climate of uncertainty and its impact on nonprofits.

More than 350 funders and nonprofit leaders attended the two forums. What struck me most was the strength, resilience, and commitment of Ohio's nonprofit leaders. The sky is not falling. We all face challenges, but there are also success stories and opportunities.

At its November meeting, OANO's board of directors adopted a revised mission statement that reflects changes in strategy and focus that we have gradually implemented over the past two years. OANO's mission is to provide leadership, education, and advocacy to strengthen the ability of Ohio's nonprofit organizations to serve their communities.

Our mission statement speaks directly to the current challenges we face as a sector. We begin 2002 with a renewed commitment to providing tools and resources to build the capacity of our members. Our work as a state association has never been more urgent.

Richard L. Moyers
Executive Director
rickmoyers@oano.org

P.S. OANO's credibility and viability as a state association hinge on your participation. If you have not yet renewed your membership, please make that investment today.

Tips and Tools

Doing More With Less

The recession, weak stock market, and state and local government budget shortfalls have left many of Ohio's nonprofit organizations in a position of vulnerability—facing flat or declining funding from many sources while encountering increased demand for services and growing community needs.

In 1997 the Amherst H. Wilder Foundation, a leading publisher of organizational development resources for nonprofits, issued *Coping with Cutbacks: The Nonprofit Guide to Success When Times are Tight*. The guide emphasizes the importance of clear strategic thinking and community engagement and includes sample forms and checklists that can help nonprofits frame planning and make decisions when resources are scarce. It also includes a comprehensive list of 185 strategies for coping with cutbacks and funding shortfalls.

Strategies fall into three categories:

- **Financial strategies** to increase revenues or reduce costs.
- **Structural strategies** that involve revisiting vision and mission and modifying the organization's structure.
- **Engagement strategies**, in which an organization broadens its support by strengthening its relationships with the community, other nonprofits, business, and government.

During times of financial crisis, most nonprofit organizations focus on immediate opportunities for cutting costs and increasing revenue. The authors note, however, that structural and engagement strategies

“may ultimately do more to accomplish the organization's mission and preserve its health” than quick-fix financial strategies.

Coping with Cutbacks is available for \$20 from the Amherst H. Wilder Foundation. To order a copy, call 800-274-6024 or visit www.wilder.org. ▶

When Times are Tight

Focus on mission. Review current programs and services in light of your mission. Have you maintained your focus? Are there programs that could be eliminated, narrowed, or shifted to another organization? Can you demonstrate your effectiveness at meeting a documented community need? Do your programs have measurable outcomes?

Communicate. Clear, targeted communication is key to maintaining and broadening support. Decreased communication may save money in the short-term, but visibility and relationships are critical to long-term success.

Diversify. A nonprofit that is overly dependent on a single funder, special event, government contract, or earned income stream is more vulnerable to sudden environmental change.

Invest in people. Committed employees are a nonprofit's most important asset and are essential to effective programs and services. Employee benefits and professional development are easy targets for cost-cutting, but the departure of critical employees will reduce productivity and effectiveness.

Engage your board. For some organizations, the board is an untapped resource—for cash and in-kind contributions, contacts and networks, and solid strategic thinking.

MEAN SALARY OF OHIO EXECUTIVES INCREASED 4.8%

Salaries of Ohio nonprofit executive directors rose from a mean of \$67,700 in 1999 to \$71,000, a new 2001 compensation and benefits survey reports. Case Western Reserve University's Mandel Center for Nonprofit Organizations collaborated with OANO to issue the survey, which was sent to 461 Ohio arts, education, human services, religious, and other nonprofits. Of the initial pool, 219 organizations responded with data. Other findings include the following:

- 58% of executive directors surveyed hold a master's or higher degree.
- 88% of executives have more than five years' experience in the nonprofit sector.
- Mean salaries were highest in the northern third of the state at \$72,500, followed by the south at \$70,300 and the central region at \$66,500.

Copies of the survey may be ordered from the Mandel Center at 216-368-1690. The cost to OANO members is \$60. ▶

Management

Is Outsourcing an Option?

Suppose an executive director was faced with a choice: focus on delivery of services and mission fulfillment or ramp up the accounts payable systems and software?

Nonprofits looking to increase their ability to focus on their mission and strategic goals may want to look at outsourcing some of their non-core competencies to free up money and time to concentrate on higher level planning activities.

Outsourcing is the practice of hiring specialists to address operational needs the current organization cannot meet.

Nonprofits have already outsourced a wide variety of services such as fundraising and telemarketing, lockbox services, facilities management, Web site maintenance, and security.

Finance and accounting, human resources, and information technology are the next three areas for small- and medium-sized nonprofits to look for increased operational efficiency:

■ **Finance and Accounting** Terry Welsh, a partner at OANO associate member Welsh & Welsh, Inc., in Columbus, which offers backoffice accounting services to nonprofits, points out that outsourcing some of the accounting functions “allows the people in the organization to hand off this responsibility and focus on their primary purpose—their mission.” Nonprofit accounting is unique, he adds, so it is important to choose an accounting firm that understands the diversity of revenue that nonprofits typically must manage.

Outsourcing can also include placing employees directly in the nonprofit’s office. Westerville-based Focus Business Solutions, for example, places part-time, high-level professionals in small- to medium-sized organizations that may not need a full-time controller or CFO but need that kind of high-quality talent. “It gives nonprofits access to very experienced people with 10-15 years of experience on a flexible cost basis,” explains president Brad Martyn. For smaller nonprofits, having access to this expertise can provide enormous benefits for strategy and planning, he adds.

■ **Human Resources** In addition to allowing nonprofits to focus on their core competencies, outsourcing HR activities can also help employers keep abreast of constantly changing employment laws. Traditionally, outsourced HR activities include benefits administration, payroll, and temporary staffing. “But we are seeing more organizations also outsource employee hiring functions, employee training, and special HR projects: wage and benefit surveys, policy manual development, job descriptions, organizational assessments, employee opinion surveys, and so on,” says Jane Evans of Evans & Associates in Zanesville, consultants in human resource management for nonprofits.

■ **Information Technology** Outsourcing information systems support is common practice in the private sector and is becoming increasingly important for nonprofits. As the sophistication of technology increases, nonprofits may find their system needs outstripping their staff and volunteers’ abilities to support them. Levels of outsourced support can range from performing basic repairs on an as-needed basis to providing an organization’s complete systems development and support. John S. Farhat of The Technology Group, in Columbus, which provides a range of IT services to nonprofits, explains that working with an IT provider on even a limited basis can provide the groundwork for a more comprehensive solution later. “As your needs change, you can transition in ways that best fit your requirements armed with the full knowledge of your partner’s capabilities,” he says.

If a nonprofit determines that outsourcing fits into its long term strategic goals, a service provider that has experience in nonprofit organizations similar in size, type, or mission is the best bet. Outsourcing should be viewed as a strategic rather than functional approach to solving a set of organizational problems. A service provider should add value to the nonprofit’s mission fulfillment by offering a higher level of expertise than the organization can afford on a full-time basis or by allowing an agency to upgrade to the best or newest systems available without a major investment in hardware and training. ■

Implementing Outsourced Services

The following five considerations, adapted from The Outsourcing Institute’s report, “Midsized Companies Discover Outsourcing,” will help make implementing an outsourcing solution as efficient and effective as possible:

■ **Data** The provider will request a list of documents and information in order to provide the best service possible. Plan on investing significant staff time and other resources in compiling these materials—it will pay off in enhanced service.

■ **Details** Describing the existing procedures and system capabilities in great detail allows a service provider to better replicate and enhance these processes, entailing a smoother transition from current procedures to theirs.

■ **Decisions** Throughout the implementation process, cooperation and quick decision-making is critical. The staff will have to make timely decisions about design and implementation in order for a service provider to proceed effectively.

■ **Deliberation** Taking the time to learn as much as possible about a provider’s systems and capabilities will give organizations the maximum return on their investment. An executive director might try to meet the staff who will be working directly with the organization’s account.

■ **Delight** Implementation can be scary. Handing over a mountain of information to an outsider can seem like a loss of control. But outsourcing can also enable greater control by allowing executives and other staff to focus on analysis and decision-making instead of labor-intensive, daily tasks.

Find The Outsourcing Institute’s services and publications at www.outsourcing.com.

WHAT'S IN A NAME?

To TM or Not TM?

Recently we have observed an increasing tendency to use the trademark (TM) or service mark (SM) symbols when referring to products, services, and brand names owned by other organizations. (Trademarks are used for goods and products; service marks apply to services.)

While respect for the intellectual property of others and increased awareness of the value of brand identification in the nonprofit sector are positive developments, repeated use of TM and SM in running text can be visually distracting and may convey an impression of over-commercialization.

The TM and SM symbols are used by the owners of products, services, and brands to provide public notice of their claim of ownership. Use of the symbols does not mean that the marks have been registered with the U.S. Patent and Trademark Office, and your organization does not need to go through the registration process in order to use TM or SM to identify distinctive products or services.

If you are writing an article or simply mentioning someone else's product or service in your newsletter or annual report, you are not obligated to use TM or SM.

However, if you are promoting a product or service in conjunction with your own programs or working in partnership with the owner of the mark, you should use the appropriate symbol along with wording that identifies the owner of the mark. Doing so makes it clear that your organization is not attempting to create confusion in the marketplace or assert ownership.

If you have identified a trademark or service mark once in a brochure, article, or advertisement, it is not necessary to repeat the symbol every time you refer to the mark.

Hahn Loeser + Parks LLP is sponsoring luncheon roundtables in Cleveland (January 24) and Columbus (February 28) to discuss intellectual property issues for nonprofit organizations. To register, call Lindsay Grinwis at 216-274-2390.

Sector Reports

CHARITABLE GIVING AND PUBLIC CONFIDENCE

A surprising 89% of American households contributed money, property, stocks, or other items of value to charity last year—with an average total of \$1,620, or slightly over 3% of annual household income, according to INDEPENDENT SECTOR'S 2001 Giving and Volunteering Survey. These figures are an increase over the 1998 findings, which showed that 70% of households contributed to charity with an average contribution of \$1,075. (Because 1998 included 18-20 year olds, and the 2000 survey started with adults 21 or over, the 2000 data remove from the analysis people at the lower end of the giving scale.)

The survey was completed in June 2001, well before the September 11 attacks and the influx of charitable dollars in response to relief efforts.

Public Confidence in the Sector

Stability is the general trend for public confidence in the nonprofit sector, according to the Donor Expectations Survey released by the Better Business Bureau's (BBB) Wise Giving Alliance. Although donor trust varies with the type of charity—with religious organizations being the type Americans are most likely to trust—overall the public has confidence in nonprofits. Yet over a third of adults say charities are less trustworthy than 10 years ago. The BBB survey puts these results into context by noting Americans' tendency to take a critical view of the moral direction of the country as a whole.

The BBB survey concludes that close to half the public believes that charities do not divulge enough information to prospective donors about their activities:

- More than three-quarters (79%) of American's say it is very important to know the percentage of spending that goes toward charitable programs.
- 70% of respondents say it is hard for them to know a charity is legitimate.
- 72% of people surveyed say they would be at least somewhat likely to use a charity's internal self-assessment if it were available.

The BBB's Donor Expectations Survey found that although the public sees the BBB as an authoritative source of information when compared to other outside sources, the good news for nonprofits is that more than half of survey respondents put "charities themselves" at the top of the list. Over 40% believe it would be very helpful if an independent organization evaluated charities and awarded a seal to those meeting certain ethical and accountability standards.

Response to September 11

Financial contributions to various relief agencies in response to the September 11 attacks total over \$1.34 billion, though only \$204 million has been distributed. According to INDEPENDENT SECTOR'S report, "A Survey of Charitable Giving after September 11th, 2001," seven in ten Americans contributed money, blood, or time to support the disaster relief and recovery efforts.

Nonprofits around the country are watching these contributions closely, as many struggle to understand how the outpouring of financial support for disaster relief will affect their own donations. But three-quarters of those who contributed financially to relief efforts say they will contribute as much or more money as they normally do to other charities.

Great Lakes region respondents were more likely than those in any other of eight regions to answer affirmatively the statement "I don't think I will have much more to give to other charities this year" (26%). However, more than half (53%) of Great Lake respondents say they will continue to give as much as they usually give to other charities.

The greater negative impact on charitable giving appears to come from the economic slowdown, not redirected giving. Almost half (48%) of all Americans in INDEPENDENT SECTOR'S giving survey say they would at least somewhat reduce their charitable giving in the next six months if the economic slowdown worsens. ■

Inspired Leadership for Challenging Times

OANO's eighth annual conference will be held May 9-10 at the historic Westin Great Southern hotel in Columbus. Watch for early bird registration information arriving in January!

Public Policy Watch

OCSC Issues Best Practices Guide for Screening Volunteers

The Ohio Community Service Council (OCSC), working with a statewide work group of volunteers and volunteerism professionals, has produced the guide *Best Practices for Screening Volunteers who Work with Children in Ohio*, supported by funding from OANO.

In March 2001, Amended Ohio S.B. 187 became law. The legislation's purpose is to help ensure that youth-serving organizations that place volunteers in positions requiring "unsupervised access to children on a regular basis" use appropriate screening methods. OCSC was mandated to develop a set of best practices for organizations to use as standards when evaluating their own management of volunteers. After a series of meetings, the work group issued the guide to explain the law and to provide a list of best practices. Organizations are encouraged to evaluate their risk levels and consider using some or all of the practices in order to protect the children they serve and decrease the liability for the organization and its volunteers. Although the law does not mandate fingerprint checks, it does say that fingerprint checks must be suggested as a best practice.

Six general best practices (not in order of applicability or endorsement) were finalized and published in the best practices guide:

Conduct Criminal Background/ Fingerprint Checks

While the law does not require fingerprinting for each volunteer, it does recommend that certain situations—such as volunteers who have unsupervised access to a child on a regular basis—call for more stringent criminal checks. Organizations may also request a county, an FBI, or DMV records check, and may review the sexual predator database for those volunteers.

Develop Policies and Procedures

Comprehensive volunteer policies might include your agency's requirements for volunteer background checks, standards for accepting volunteers, and what offenses, if

any, would disqualify a volunteer from service. Policies may also include specific information regarding fingerprint checks and the maintenance of that information.

Create Volunteer Position Descriptions

Not only do position descriptions help volunteers determine whether they have an interest but also they allow administrators to screen candidates based on the basic qualifications needed.

Ask Volunteers to Complete an Application

Written applications can be a valuable tool to assess a volunteer's attitudes and experience, as well as to gain personal information about each volunteer.

Conduct Interviews

Effective interviewing techniques may be used to gain insight about a potential volunteer who is interested in working with children. Organizations should determine what questions are permissible under federal and state regulations.

Ask for References and/or Endorsements

Contacting references can help organizations confirm personal and professional information supplied by the volunteer. Staff should document these conversations and retain the documentation in the volunteer's file.

The OCSC is also in the process of developing educational programming to supplement the Guide for organizations that use volunteers, for parents and guardians, for children, and for volunteers themselves. The complete guide may be downloaded from OCSC's website at www.serveohio.org. ▶

The State Budget Crunch

Join policymakers and nonprofit leaders in Columbus on January 29, 9:00–11:45 a.m. at the Westin Great Southern Hotel for a dissection of the biennial state budget. Ohio policymakers will launch the panel discussion by summarizing the budget cuts and decisions that will affect Ohio's nonprofit organizations. Nonprofit panelists will follow up by outlining how the cuts will impact the sector and by suggesting some strategies to cope with potential funding shortfalls. For more details or to register, contact Jennifer Campbell, OANO's director of public policy, at 614-280-0233.

OHIO Nonprofits

The Newsletter of the Ohio Association of Nonprofit Organizations

Ohio Nonprofits is published quarterly by the Ohio Association of Nonprofit Organizations (OANO), a 501(c)(3) nonprofit membership association dedicated to increasing the effectiveness of Ohio's nonprofit sector.

Ohio Nonprofits is provided to all OANO members. Membership dues for nonprofit organizations are based on annual operating revenue, and range from \$65 to \$500 per year. Associate memberships are available to for-profit firms that serve the nonprofit sector. Group discounts are also available for associations and umbrella organizations.

© 2001. Articles may be reproduced by OANO members for educational purposes.

Board of Directors

James R. Klein (*chair*)

Ohio Community Development Finance Fund
(Columbus)

Jacquie M. Dickinson (*treasurer*)

Camp Ho Mita Koda (Cleveland)

Terri-Lynne Smiles (*secretary*)

Hahn Loeser + Parks, LLP (Columbus)

Bruce Braine

American Electric Power (Columbus)

William Dolan

Ohio Hunger Task Force (Columbus)

Regina Hyldahl

Toledo Zoological Society (Toledo)

Candace Campbell Jackson

Buckingham, Doolittle & Burroughs, LLP (Akron)

Bernadette Kerrigan

United Way Services (Cleveland)

Alice Korngold

Business Volunteers Unlimited (Cleveland)

Mark Light

Arts Center Foundation (Dayton)

Richard Martin

Bank One

Darrell Murphy

The Dayton Foundation

Juliet Coles Rowland

Ohio United Way (Columbus)

Judith Snyder

Capital Venture, Inc. (Canton)

Elaine Woloshyn

Center for Nonprofit Excellence (Akron)

Staff

Richard L. Moyers

Executive Director

Leah D. Hackleman

Director of Programs

Jennifer Campbell

Director of Public Policy

William Livingston III

Administrative Assistant

Leadership

Central Ohio Leader Tagged for National Position

In early November Brian Gallagher, president of United Way of Central Ohio, was selected to be president and CEO of United Way of America, the national organization responsible for leading the United Way movement. More than 1,400 independent local United Ways are members of United Way of America.

A 20-year veteran of United Way, Gallagher has led United Way of Central Ohio since 1996. Prior to moving to Columbus, he held United Way positions in Atlanta, Providence, and Reading, Pennsylvania. United Way of Central Ohio is the 16th largest United Way in the country, with a \$51 million annual campaign.

Shortly after his appointment was announced, Gallagher met with OANO staff to share his thoughts on leaving Ohio and his new role as a national leader.

How did leading United Way of Central Ohio prepare you for your new role?

When I came here in 1996, this United Way was seen as one of the most effective fundraising organizations in the country, and therefore my focus didn't really need to be fundraising. Instead, we needed to focus on creating additional value through collaborative community leadership—working with partners to create a short list of issues that collectively become an agenda for the community, investing resources against the agenda, evaluating results, and becoming defined as being in the business of human and community development. Fundraising wasn't the priority. Getting the vision and purpose and direction right and getting the business of United Way redefined was what mattered. That's the most critical issue for United Way generally, so that's how Columbus prepared me for the next step.

What are the most significant leadership and management challenges facing the United Way system?

We are no longer private organizations. That became true with the Aramony scandal in 1992 and it's even more true if we take on an expanded community leadership role. We're a public resource that has to stay true to its mission while acting in a transparent way and giving people access to leadership. That's the most significant leadership challenge going forward.

What are the major challenges facing United Way agencies?

In both United Way agencies and nonprofits in general there's a significant capacity issue. I've thought this for a long time, and now more than ever. We have too many nonprofits. We can't sustain and we can't invest at the level necessary to create the capacity in our nonprofit system if we're determined to keep adding nonprofits. We have no market mechanism to take nonprofits out of business and so the greatest challenge is going to be for leaders in the nonprofit world to recognize it, say it out loud, create their own mechanism to become more effective, more focused and collapse some resources.

You don't mind being quoted as saying that there are too many nonprofits?

No. I'm not even suggesting that we start with mergers. Start by acknowledging the reality. If the number of nonprofits were directly related to effectiveness then we'd have all our problems solved. Everybody's resources are so thin now that even some of the nonprofits with the greatest capacity are struggling in terms of getting people, being able to pay them enough, and having systems for information technology and program evaluation. There are too many entities for the amount of resources going into them.

While United Way of America was searching for a new leader, the world changed dramatically. How has your new job changed as a result?

It's a very different job in the short term. United Ways raised hundreds of millions of dollars in response to September 11. In the short term, my job centers on accountability to people who made contributions. It's about being transparent in how we do our work and how we

communicate with people—talking honestly about the issues we're struggling with, what we've done so far, and the challenges and decisions we're facing. In the short term, my agenda is making sure that we are comfortable with ourselves and how we're doing this work.



Brian Gallagher has spent over twenty years as part of the United Way. Born in Chicago and raised in Hobart, Indiana, Gallagher holds a master's in business administration from Emory University and a bachelor of science degree in social work from Ball State University.

GALLAGHER, CONTINUED

Long term, this accentuates the direction we're headed. Every community in the country is going to have to answer the questions, "What's different in terms of human need and community and civic involvement since September 11?" and "What do we do now?" You need a mechanism and process to do that in every community. That's United Way. In the long term, it makes even more clear the value we bring.

Are September 11 and the economy two different issues, and which worries you more?

Two different issues. September 11 has focused people, has made people more reflective and thoughtful. Generally speaking, that's a positive thing for philanthropy. The challenge is for those organizations that can't tie their missions not just to the 11th, but also directly to basic human need. That's where people's heads are. Arts organizations, education organizations, and some cultural organizations will have to work hard to make the case that quality of life in communities and therefore human need and human development are affected by their work. And smaller organizations that don't have the wherewithal to reach people are going to be negatively affected. It's going to be the responsibility of organizations like OANO and United Way and public sector leadership to say we should support effectiveness, not just size.

Do you have advice to organizations and leaders about coping with the events of September 11?

People really want to hear about your mission and vision and the value you bring. You can use the events of the day and the current environment to drive home your value, or you can look for excuses. September 11 is not draining all the money away.

However, some good organizations simply don't have the wherewithal to compete with bigger organizations that may not bring the same value but have the resources to hammer their message and reach donors. There are some legitimate cases to be made for small, effective organizations that have been put in a tough spot because of the 11th.

Should funders be open to the idea of providing special support to those organizations?

Yes. Organizations that were effective and valuable before the 11th still are. The needs are still the same. Just as most Americans continue to support what they've supported in the past, funders need to be open to that as well, within their resources. United Way campaigns across the country had that challenge. We postponed the launch of our campaign, but we didn't turn it into a September 11 campaign. We kept it focused on a community need. We trusted that people would get it, and they have. We've seen corporation after corporation and workplace after workplace be wildly supportive of relief efforts for the 11th and also run successful United Way campaigns.

What should the rest of the country know about Columbus?

Philanthropy is wired into the culture of this community. Giving back and volunteering and being involved in the community are expected from business and civic leadership. The people of Central Ohio are open, direct, caring people. The rest of America doesn't understand what a giving place this is and what a successful business climate this is—the strength and diversity of this economy,

which has led to the success of this city and the success of its nonprofit institutions. Just because the community is successful doesn't mean the institutions are going to be successful. But if you show responsible leadership, this city and its leaders rally behind you in a way I've never seen before.

Do you have a farewell thought for the leaders of nonprofit organizations in Ohio?

Be open to opportunity and not afraid of change. Substantial change is ahead—around diversity and cultural competency, regionalization, integration of effort, merging of organizations, and research and evaluation of effectiveness. I know we think that we've been through a lot of change, but we haven't seen anything yet.

Is that positive?

Absolutely. Nonprofits respond to the current economic and cultural and social environment of our communities. If we embrace change, it means we've accepted

"Nonprofits at their best are always ahead of the curve."

the fact that our environment has changed and therefore we're focused on continuing to add value to people's lives. We don't get to dictate what our missions are; we adjust our work to current reality. The city is changing so quickly, mostly in very positive ways, but if our institutions don't adjust and change then we will no longer be valuable in people's lives.

Nonprofits at their best are always ahead of the curve, just like great businesses. Anticipating what comes next. Changing the way people think. Changing the rules of engagement for how people get helped and how people become involved. The leadership required of nonprofit organizations will be more challenging, but therefore more exciting. ▀

The Challenge of Changing with the Times

One Saturday evening this past summer I went to an outdoor concert to see Paul Simon. I played Paul Simon records in college and have watched the evolution of his music and his ability to hold the interest of his fans and generate new ones over several decades.

It was a beautiful evening; we settled into our seats and anxiously awaited the feature performance. The warm-up was Brian Wilson, former lead singer of the Beach Boys. He came out and took a seat at his keyboard. With the exception of moving his arms in swaying motions and occasionally turning his head, he remained immobile. He sang all those great Beach Boys numbers and you could sing along without missing a beat. Not a note, opening, or ending was any different than I'd remembered. Nothing had changed.

I started wondering when Paul Simon would appear, and if he would disappoint as well.

I was *not* disappointed. Simon played great songs from his new album, and others from his 35-year career. The music was familiar, but new twists held listeners' rapt attention. His energy was infectious; he was all over the stage and he did three encores.

In thinking back on the two performances I was struck by the concept of change—adapting to the times. That summer evening seems eons away. Then we weren't hesitant about flying in

airplanes or concerned about opening the mail. September 11 changed our lives, our way of thinking and how we behave. These are uncertain times, the likes of which we may never see again in our lifetimes. These circumstances demand new thinking, a willingness to take risks and to do business differently.

It is a good time to make exceptions. To break the rules. To challenge your board to think in new ways.

In the days ahead grantmakers must be willing to invest in building the capacity of nonprofit organizations. So often grantmakers fund special projects and programs that meet the needs of a particular target populations. These are the things that most nonprofits do best—feed the hungry, train young people for jobs, educate children about environmental issues, conduct spectacular orchestra performances—and it is their reason for being.

We do not focus enough, however, on the backroom skills and expertise that nonprofits need in order to do the most effective and efficient job possible in providing such services. The buzzword is “nonprofit capacity building”—strategic planning, governance, enhancing technological expertise, strengthening financial management, dealing with organizational change, learning how to be public policy advocates, boosting fundraising expertise. Too often, these skill areas are considered the icing on the cake. In these days and times, they are critical areas for philanthropic investment. Strong leadership and effective manage-

ment can no longer be considered the icing—they are essential ingredients.

We don't know what lies ahead. We have seen an outpouring of caring, demonstrated by people's willingness to put their lives in harm's way and contribute financial resources to aid others. People are reaching out to care for each other in ways we have never seen before.

We have an opportunity. As *the* sector that cares about building community, that supports and embraces citizen participation in civic life, we must figure out a way to keep this going. To instill the value of charitable giving among those who have never given before, to foster this looking out for one another beyond this series of tragedies. Grantmakers and grantseekers must work together to educate the public about the benefits of giving and volunteering. How we embrace these challenges will have substantial impact on our communities for years to come.

I believe that Ohio's nonprofit sector has the strength and the vision to change with the times. Like Paul Simon, we will sing the same tunes along with new ones, we'll bring new energy, we'll find new ways of delivering the message, and we will all be stronger for it.

Lynn Helbling Sirinek is president of the Ohio Grantmakers Forum (OGF), a statewide association of more than 200 foundations and corporate funders. This article was adapted from her speech at OGF's recent annual conference.

42 East Gay Street, Suite 1010
Columbus, OH 43215-3119

OANO

OHIO ASSOCIATION OF
NONPROFIT ORGANIZATIONS

Nonprofit Org.
U.S. Postage
PAID
Columbus, OH
Permit No. 7229
