



Don't Just Survive. Thrive!

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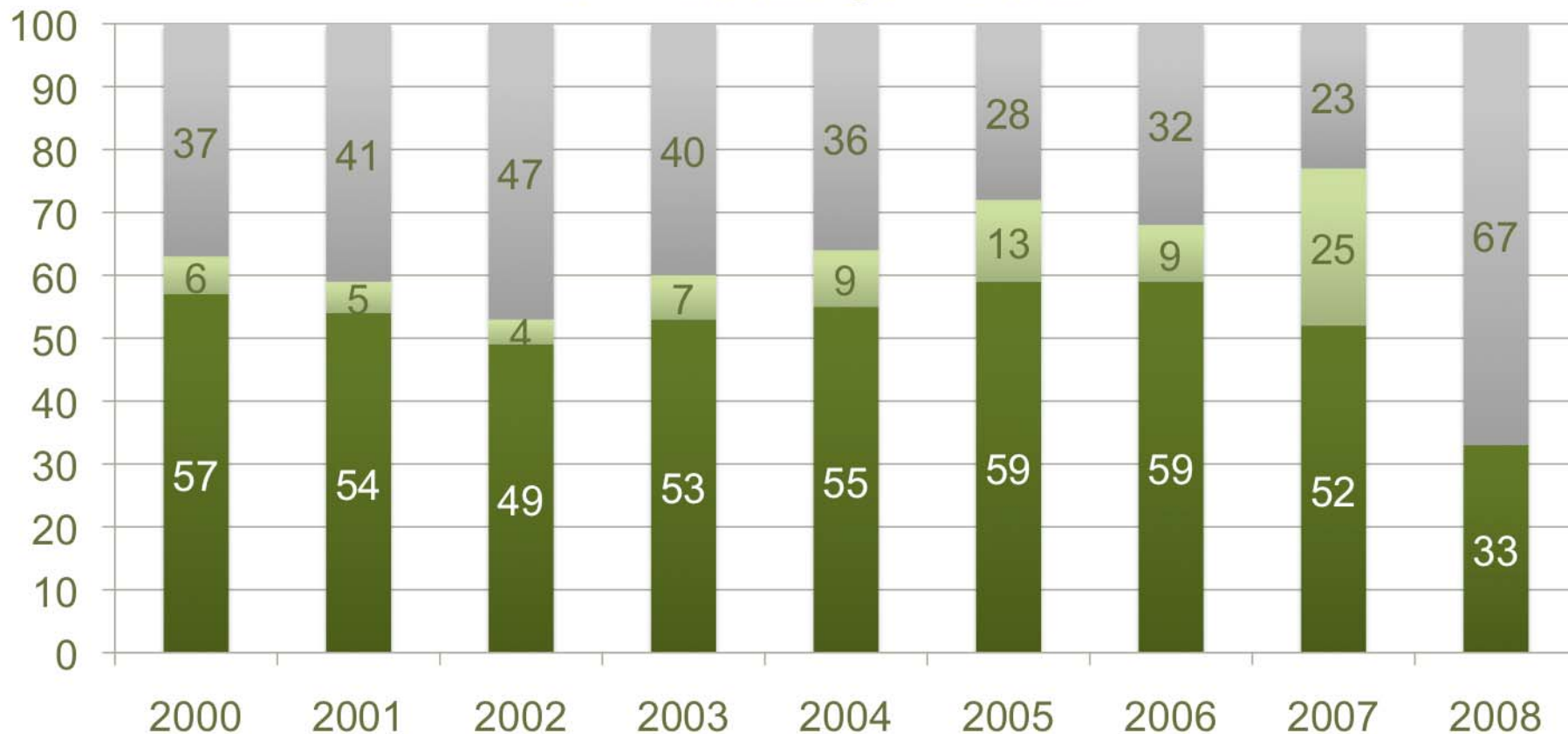
Nicole Simoneaux
Nonprofit Finance Fund

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Benefactor Group

Every year, some thrive while others whither

Reported Change in Revenue from the Prior Year

■ UP ■ No Change ■ DOWN



Thriving starts with a frame of mind

Not this

Scarcity

Problems

Persuade

Hoard

Entitled

Thriving starts with a frame of mind

Not this	This
Scarcity	Abundance
Problems	Solutions
Persuade	Engage
Hoard	Share
Entitled	Grateful

How do COSI & DCHS Thrive?

- COSI
 - New leadership = a fresh start
 - PPPI Initiative
- Dakota County Historical Society
 - Advocacy (county, state)
 - Collaborations

Shifting financial models

Organizations that thrive:

- Understand and communicate their financial story
- Are proactive
- Are willing to change and think boldly
- Use capital to fund growth and change

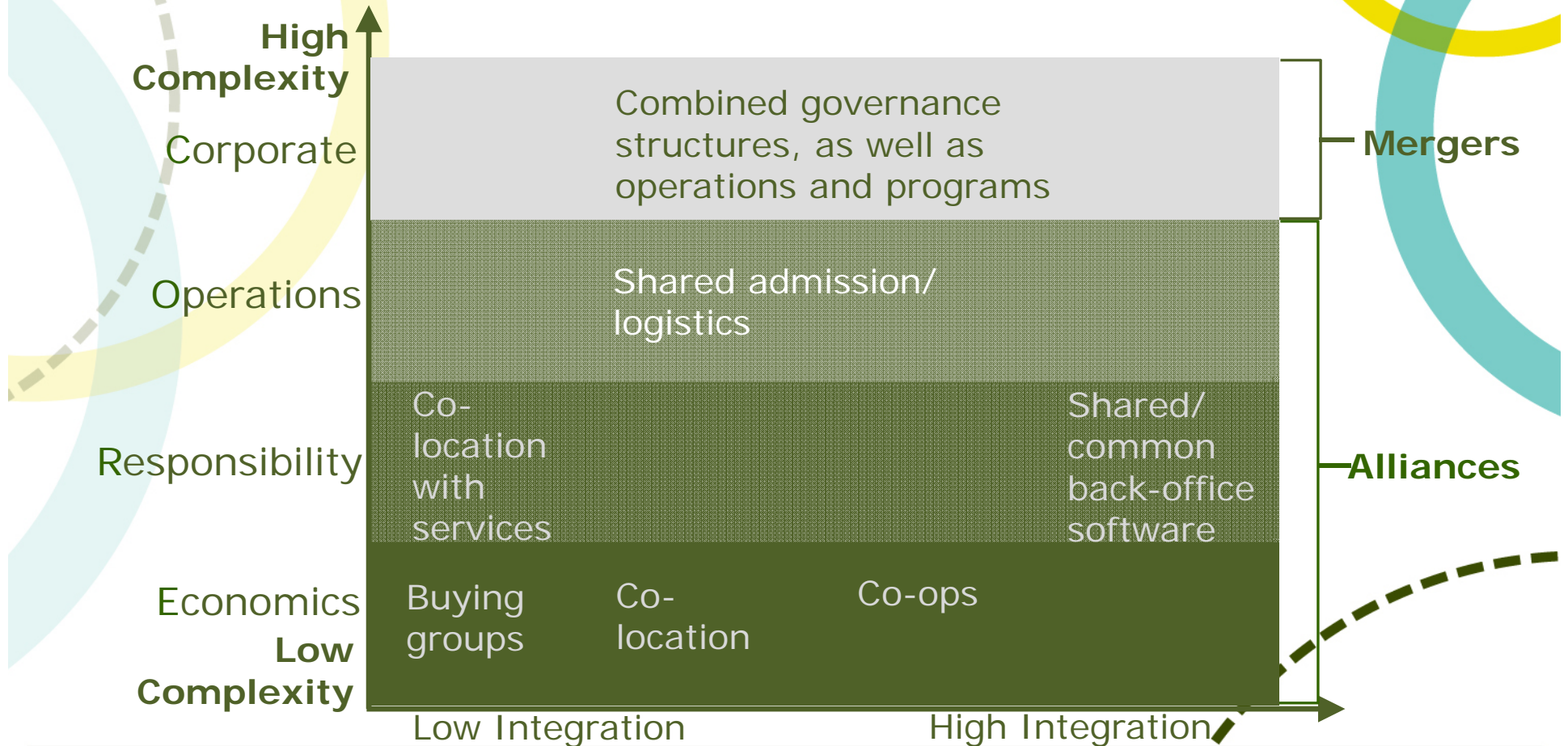
Examples: Scenario planning, Program Profitability Model, The CORE Continuum, Strategic use of reserves

Program Economics: Linking Money to Mission

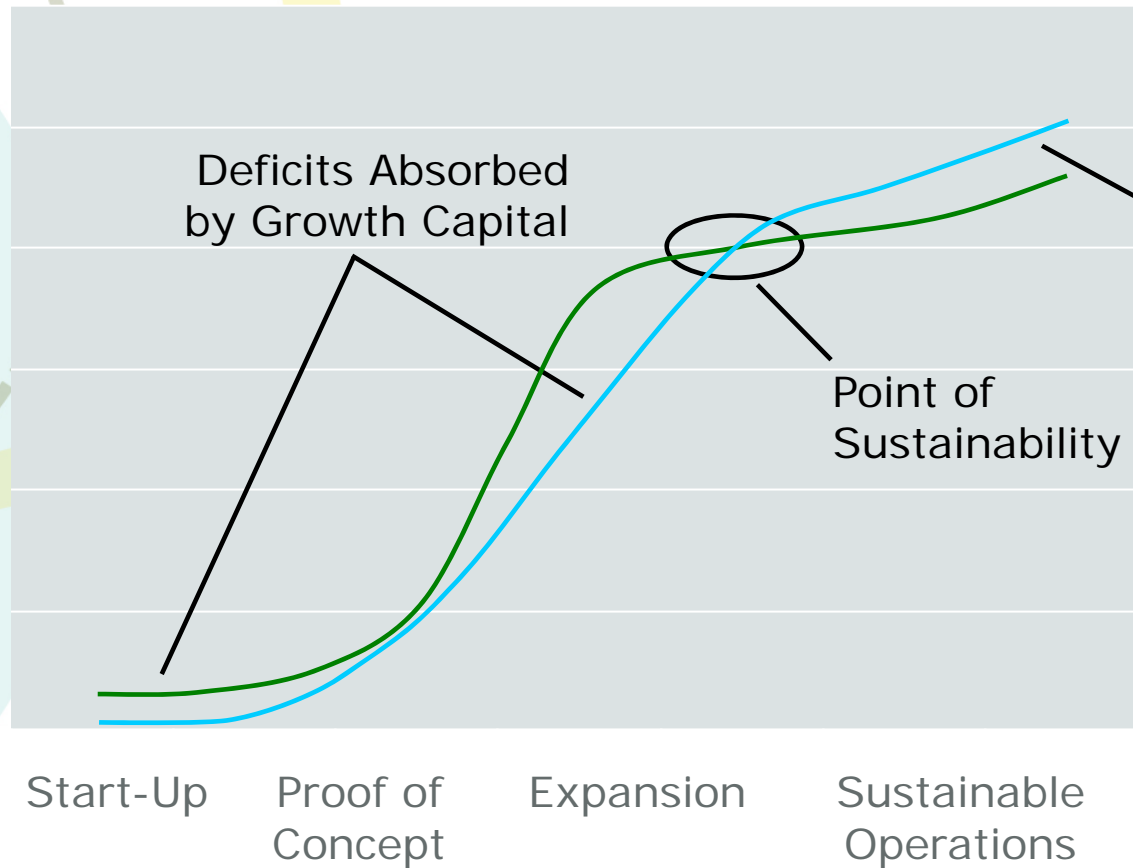
Money Contribution + \$ - \$	High \$, low mission Assess threat of 'drift' Opportunity to align with core programs? Non-financial costs?	High \$, high mission What can we cultivate and preserve? Are there opportunities for growth?
	Low \$, low mission Relevance to the organization? Legacy? One-off? Opportunities for strategic realignment?	Low \$, high mission Potential to cut costs? Can the revenue model change? Does subsidy exist elsewhere in the organization?
	Low Impact Mission Alignment High Impact	

Adapted from "Costs are Cool: The Strategic Value of Economic Clarity." The Bridgespan Group. 11/19/08.

Mergers and Alliances: C.O.R.E. Continuum



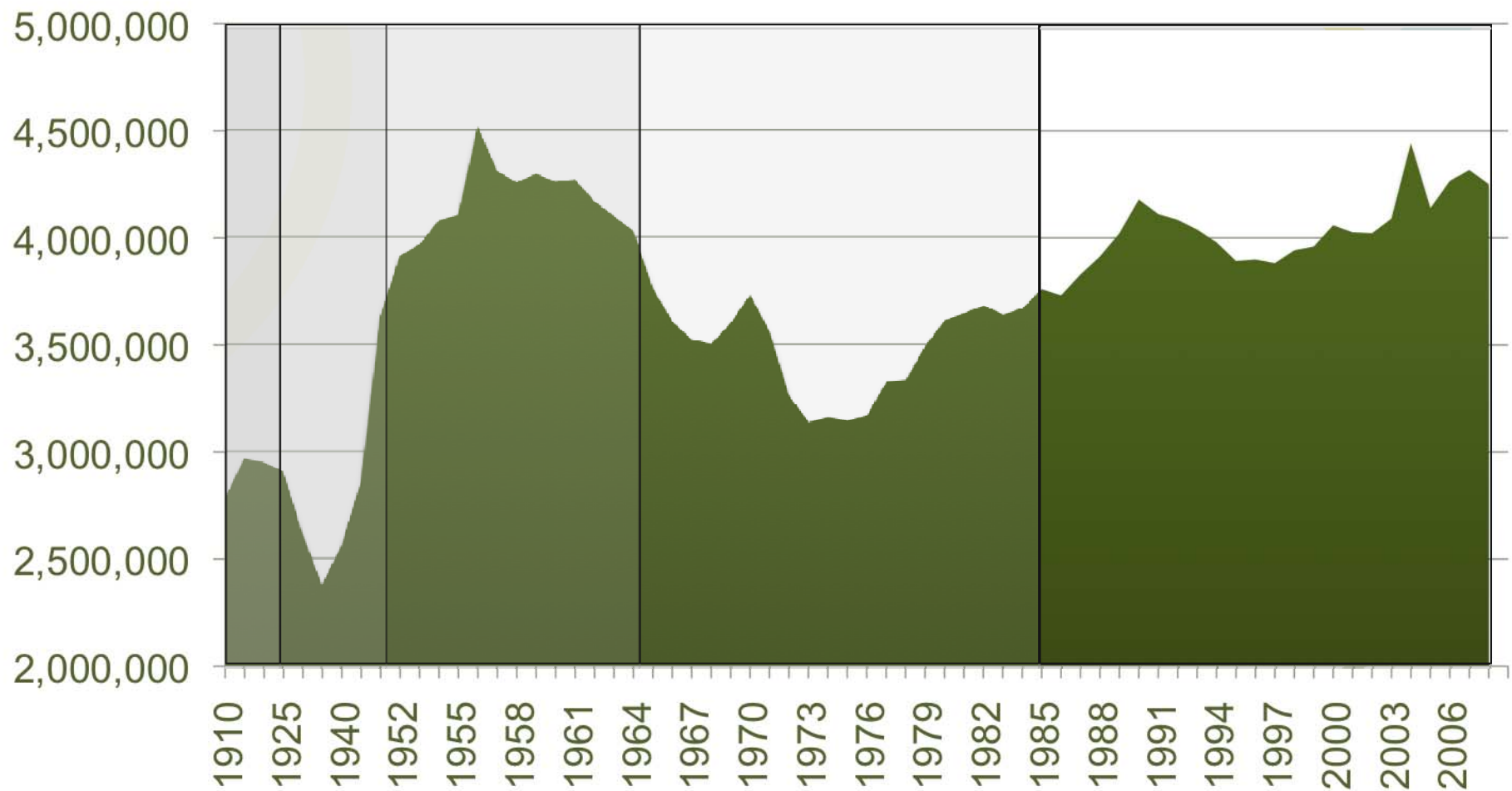
Growth Capital



Surplus:
Reinvested
towards future
growth and / or
quality
enhancement

— Recurring Revenue
— Expense

Shifting with the generations



Shifting behaviors

Cohort	G.I.	Silent	Boomers	Gen X	Gen Y/ Millennial
Birth Years	Pre-1924	1925 – 1945	1946 - 1964	1965 - 1984	1985 - 2000
Primary Trait	Civic	Adaptive	Idealistic	Reactive	Civic
Message Style	Rational and constructive with an undertone of optimism	Sensitive and personal with an appeal to technical detail	Meditative and principled with an undertone of pessimism	Blunt and kinetic	Instant and uncritical
Financial Style	Cautious	“Save a little, spend a little”	Refocusing on non-materialistic values	Money is for enrichment, not status	Responsibility is cool

Adapted from “Pinpointing Affluence in the 21st Century: Increasing your share of major donor dollars” Judith Nichols, Ph.D., CFRE.

Factors to Thrive

- Take the lead – be a resource for others
- Embrace cooperation, not competition
- Refuse to duplicate services
- Consider sharing staff & other resources
- Support community-oriented programming

Public Partnerships

- Build relationships at all levels of government
 - Elected officials – school board, township, city, county, state, federal
 - Staff in mission-related divisions/departments

Thrive!

- Embrace change
- Keep moving
- Solicit ideas from everybody on your team...
...and then everybody else
- Have a plan – and adjust it frequently
- Increase communication

Shifting tactics

Defense

- **Cut costs**
 - Cut staff, programs, events, programs, publications
- **Bunker down**
 - Reduce contact with stakeholders
 - Eliminate innovation
- **Fear competition**

Offense

- **Invest wisely**
 - Measure ROI, not just expense
- **Reach out**
 - Sustain relationships with donors, stakeholders
- **Act responsibly**
 - Do more
- **Embrace collaboration**

How will you thrive?

Market conditions	Defense	Offense	Aggression
Long-term recession	Short-term survival	Survival	Disaster
Mild recovery in 2010-2011	Stagnation	Poised for the future	Recovering from the blows
The market soars. Now.	Squeaking through	Stability	Soaring

Adapted from "Fundraising in Tough Times," Mal Warwick Associates.
www.malwarwick.com/learning-resources/e-newsletters/december-2008.html#fundraising_in_tough_times



Discussion