



E-Newsletter for Nonprofits



May 2008

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Nonprofits Feel Pressure to Increase Stakeholder Involvement

By Kaitlyn Smith, Research Intern

According to the article "The Participatory Revolution in Nonprofit Management", studies have shown that due to the rising levels of education, changing values, and increasing use of computer technology, stakeholders possess a greater capacity to be more involved with the decision-making processes of the nonprofit organizations they give back to. Not only are they more capable of providing valuable contributions to the organization, but they are also expressing a greater interest in taking a more active role.



Although many organizations do encourage stakeholder participation by requesting their input, it is often done to justify a decision that was already made, rather than asking for input on how their organization should approach a current situation. People who invest their time, money, and ideas really want to see that their efforts will make a positive difference to the future success of the organization and the stakeholders they serve. It is important to make sure a certain degree of contribution is given to stakeholders who desire a deeper level of participation because they could potentially form a new organization when the existing one doesn't allow them to contribute at the level they would like to. The article states that for this very reason, "we will continue to see a rise in the number of personal foundations, where founders are able to take a decidedly active role in decisions".

In order to make sure your non-profit organization allows opportunity for high engagement, this article suggests that nonprofit leaders follow the "bottom-up" approach by collaborating with stakeholders at all levels when developing ideas

Useful Links

[The Triple P's of Pitching to the Media](#)

Help your nonprofit get better coverage and solve your PR problems

[Building Board Enthusiasm for Fundraising](#)

Learn how to psych up your board members with a new perspective on fundraising - "making friends," not "asking for money."

[One Northwest](#)

New tools and strategies for engaging people in protecting the environment

[More On Us](#)

Featured Article

[Email Donor Lists Growing, Open Rates Dropping](#)

Open rates from email campaigns and fundraising messages have declined for the past three years, but those who have provided an email address are starting to churn out at a slower rate.

Did You Know?

and making decisions. It also advises, "Though stakeholders will not care to participate everywhere, nonprofit managers must be prepared to accommodate rising participatory demands".

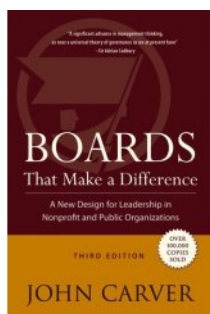
Perspectives Consulting Group, Inc. can provide insight to nonprofit organizations as to how they can increase engagement among their stakeholders by identifying their specific needs and wants through customized stakeholder surveys. For more information, contact Michelle Sears at msears@perspec.com, or by phone toll-free at (800) PCG-9994. Feel free to visit our website page about [stakeholder surveys](#).

Source: "[The Participatory Revolution in Nonprofit Management.](#)" The Public Manager Journal. Spring 2005.

Look at this Book!

Boards that Make A Difference John Carver, Jossey-Bass Inc.

By Gary M. Goscenski, Director of Consulting Services



[Boards that Make a Difference](#) was first printed in 1990, but the intervening 18 years have not diminished any of its relevance or importance as a seminal work in addressing deficiencies in governance.

There are two basic concepts outlined in the book. The first explores the essential role of the board. According to Carver, a board only has three critical

responsibilities: linkage with ownership, development of explicit governing policies, and assurance of executive performance. All of the other things that board members do are not their responsibility. For example, Carver says boards should not have committees that do specific work; the board should only work as a whole, and speak as one. He advocates the elimination of all of the traditional board committees like finance, personnel, and executive committees.

The second concept is the use of policies to guide the actions of the organization. There are four categories of policies a board should create: ends - or rather, what will the organization accomplish, executive performance - how will the executive be evaluated, a board-executive relationship which outlines how the board and executive will interact, and executive limitation policies which give the executive guidelines as to how to achieve the ends they want to be accomplished.

These policies are the core of the policy governance theory as promoted by Carver. [Boards that Make a Difference](#) clearly outlines each of these areas with examples and clear reasoning to explain the purpose of each one. The book

• "Wired wealthy" donors have been using the Internet for an average of 12 years, and are online an average of 18 hours a week ("wired wealthy" are donors who donate at least \$1,000 to a single charity during the past 18 months and who had an email address on file with one or more nonprofits).

• 42 percent of "wired wealthy" donors responded that they are somewhat more likely to give if they received email communications.



• 18 percent of "wired wealthy" donors are a lot more likely to give again to a charity if they receive an email with news of recent accomplishments.

• 33 percent of "wired wealthy" donors are a lot more likely to give again if they are sent an email about how their donation was spent.

To read the rest of this report about "wired wealthy" donors and their donation habits, [click here](#).

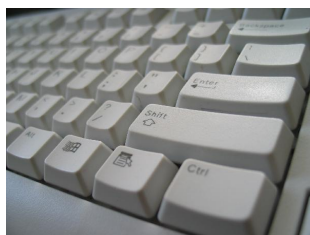
Featured Nonprofit

discusses why each policy is important and recommends a process for developing policies within your organization. Carver goes as far as to explore how policy governance can be modified to address the specific needs of schools, governments, nonprofit organizations, etc.

Carver is one of the leading authors and speakers about policy governance and offers training on policy governance. If reading [Boards that Make a Difference](#) excites you about the potential for policy governance in your organization, you may want to attend one of Carver's training sessions. Having personally attended his training in Atlanta several years ago, I fully recommend his sessions as a good next step after reading [Boards that Make a Difference](#).

If your board is not working the way you think it should, or if it is not working at all, revisit this classic book and make a difference today.

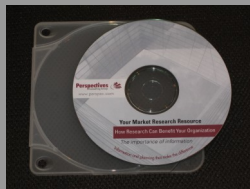
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Featured Blog

[How do your Benchmarks Compare?](#)



Posted April 24, 2008
By Amy Sample Wardon

"The ladder of success is best climbed by stepping on the rungs of opportunity."

-Ayan Rand