

How We Work Isn't Working: 5 Principles to Help Improve Culture and Effectiveness at Your Nonprofit

By Fran Brown, Managing Partner and Stan Reiff, Partner

As a nonprofit leader working day in and day out to serve your constituents while coping with the results of the Great Resignation and the repercussions of a global pandemic, you have more than enough concerns. Although it may feel like it is becoming increasingly difficult to provide your services to those in need with a dwindling and exhausted workforce, there is hope!

Integrating these five principles into your strategic planning can have a drastic impact on your organization's culture and effectiveness:

1. Understand and Manage Expectations

It is crucial to not overlook the significance of the mission alignment nonprofit employees feel toward and contribute to your organization. Your employees did not just stumble into your organization because of flashy financial benefits. They joined your team to be part of something bigger than themselves and to help meet a specific need or serve a community. This alignment feeds into their overall fulfillment in their work and ultimately could be even more powerful than compensation packages.

However, while this shared "why" builds the bond between employees and a nonprofit, organizations must recognize and adapt to the unique needs of employees, particularly in the current climate of the Great Resignation.

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Although many organizations were very abruptly forced into remote work environments in March 2020, they were still able to accomplish their mission. Employees and leaders alike recognize the new possibilities that have arisen, and nonprofit leaders must look beyond the way things have always been done in exchange for more flexibility.

2. Leverage Workflows

Both new and existing employees face a learning curve when adjusting to remote and hybrid work, and the assimilation process is an important touchpoint. Rather than being able to see employees in person to gauge their workloads, attitudes towards certain assignments, interpersonal dynamics, and potential issues, leaders must find alternatives for communicating and maintaining the organization's culture, and this should start from day one. Different organizations may find success in various formats and elements of the onboarding process, so planning for this must be intentional.

The advent of the gig economy and its potential for outsourcing and specialization is an additional workflow consideration. A small church or nonprofit no longer has to hire a full-time accountant or communications director. There are numerous firms and freelancers who offer fractional services to fill these needs.

3. Incorporate Systems

One of the biggest mistakes organizations can make is to retain the status quo for so long that they lose touch with best practices. Professional services employees, particularly those in financial positions, should pursue continuing education opportunities and stay current on the latest trends and industry updates through conferences, webinars, articles, and networking with others in similar positions. They should also be responsible for an annual assessment of the organization's financial systems in light of growth and changing needs.

4. Lead the Exponential Enterprise Forward

A recent [Deloitte report](#) presented a strong case for what they call the “exponential enterprise.” Exponential enterprises are differentiated from other types of organizations by their intentionality, focus on strategy, understanding of the needs of those they serve, and continuous improvement. This effort should be undertaken by everyone in the organization consistently and discussed frequently. It is imperative that these types of strategic conversations take place internally to ensure that your external work is as effective as possible.

5. Measure Outcomes, Not Activity

Most organizations in the for-profit sector focus on key performance indicators (KPIs) such as ratios, quotas, sales, and conversions, but nonprofits are dependent on the generosity of donors and the grants they receive. Since nonprofits measure and value success differently, these for-profit KPIs are irrelevant. Instead, nonprofits should emphasize the measurements of lives changed inside and outside of the organization. [This article](#) highlights several key nonprofit outcome metrics and how to use them.

These five principles can help your nonprofit recruit and retain talented employees, maintain a focused, supportive culture, and effectively accomplish your mission.

Please [contact us](#) with any questions or to discuss how we can help support and empower your nonprofit.

About the Authors

Fran Brown, Managing Partner

fbrown@capincrouse.com
o 505.50.CAPIN ext. 1801

As Managing Partner of CapinCrouse, Fran leads the firm and guides the implementation of strategic plans and objectives. He is also involved in client acquisition meetings, significant board meetings, and representing the firm nationally. Fran has more than 35 years of experience providing audit and management consulting services to a variety of nonprofit entities, including colleges and universities. Fran previously led the New England Higher Education and Not-for-Profit Practice at Grant Thornton and was partner-in-charge of the not-for-profit practice at CCR LLP. His expertise includes strategic planning, budgeting, financial statement preparation, exempt-organization tax filing, real property sales and leases, board training, and enterprise risk management (ERM) training.

Stan Reiff, Partner

Professional Practice Leader – Consulting

sreiff@capincrouse.com
o 505.50.CAPIN ext. 1306

Stan’s professional experience includes over 35 years in ministry operations, public accounting, government accounting, and international missions. He provides strategic leadership of the firm’s professional advisory and consulting services, including research on emerging issues in the faith-based nonprofit sector and the development and implementation of products and services in response to those needs.

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