

Ten years of nonprofit know-how

NEW looks ahead to next decade

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In 2003, Nonprofit Enterprise at Work celebrated its 10th year of serving area nonprofit organizations. NEW was created in 1993 to manage the New Center, a facility at 1100 N. Main St. that provided office space and shared equipment for nonprofit organizations. The center currently houses the administrative offices of 21 nonprofits.

Susan Katz Froning, NEW's president and chief executive officer, talked about the past and plans for the future as NEW enters its second decade.

Q: At what point after NEW began did the board decide to offer services to nonprofit organizations?

A: Quickly. When NEW first opened, it was just a building. NEW didn't have services. But it didn't take long for the board and staff to envision something more. So they added on a management support organization.

Q: How important has the management support organization been to nonprofits?

A: There has been more demand for MSO over the last few years for multiple reasons. For one, the economy became very tight and some nonprofits had to look at new methods to raise funds and improve their financial oversight. Two, funders started to push more to make sure that organizations had the resources (like information technology) to make the nonprofit succeed. Third, I think people have learned about what we can offer. So we're finding every year we're expanding our reach to nonprofits we haven't worked with before, and that includes nonprofits outside of Washtenaw County.

I also think there's a lot more professionalism in nonprofit organizations. Nonprofit managers have become very professionalized over the years (because) people are viewing nonprofits as organizations that should be well run.

Q: What are the most popular workshops NEW offers?

A: Hands down, the most popular workshop is fund raising. Last year we had a workshop with (fund-raising expert) Terry Axelrod called "Raising More Money," and we had to keep changing locations because we couldn't accommodate people. We also brought in Emil Angelica, who (co-)wrote, "Coping with Cutbacks: The Nonprofit Guide to Success When Times are Tight." People are still talking about it. Another popular one is ZingTrain (a business consulting component of Zingerman's). They teach management

principles that have made them successful, such as giving great customer service. All of those management principles apply to the nonprofit world as well.

Another one is our board training, where we go on-site and train board members. We customize it to whatever issues they have. The demand for that is increasing.

Q: Why is the demand increasing?

A: I think board members have recently become more aware of their fiduciary duties, and that's because of what happened in the for-profit world, like what happened at Enron. Attorneys general are starting to engage in higher and closer scrutiny of nonprofits. At the same time, there have been more high-profile nonprofit scandals like the United Way in Lansing and the United Way in Washington, D.C. Most boards are dedicated to the organizations they run and to their volunteers, so they're coming to the table knowing what they're required to do.

Q: What else did the NEW board do in its 10th year?

A: Our board used the 10-year anniversary as an opportunity to review what we're doing. We stepped back and asked, "What do we need to be doing? What impact are we making? If we went away tomorrow would anyone care?" We reviewed a lot of our services against our mission (to help nonprofits succeed) and looked at the quality of our programs, the uniqueness of our programs, and whether we were duplicating programs.

Q: What were some of the things the board decided?

A: We also decided to retire our Nonprofit Excellence Awards that ran for eight years. We were proud of the organizations that won, but it had run its life-cycle. We wanted to focus more on management skill building. We want to bring higher-impact resources in the community to support nonprofits at large, not just one-on-one like the workshops. For instance, we want to bring in legal services program for the nonprofit community. We could be the catalysts for these kinds of resources, but we don't need to run them.

Q: If you had to give a "State of the Nonprofit Community in Washtenaw County" address, what would you say?

A: I think the nonprofit community is segmented. There are a large number of nonprofits who remained financially healthy and haven't had to adjust.

So they're strong and really haven't felt the economic change other than they might have had to push a little bit harder in the fund-raising area. Usually, those are nonprofits that didn't take on a lot of debt and had multiple revenue streams and didn't rely on government funding. At the other end of the spectrum, we're seeing a small group of nonprofits that are really struggling. Not all of them are small, but most of them are. In some cases, it's because they were relying too heavily on a single source of revenue.

In the middle are a group of nonprofits that are critical to our county's vitality, the arts and environment, and they are really having to be resourceful. They are learning new techniques and trying to get new donor bases. Nonprofits in the middle segment are having to work very hard and it's important for their individual contributors to stay the course.

Q: What's ahead for NEW?

A: We're being pulled to provide services to the southeast Michigan area and collaborate on the state level. In the next 10 years, we have to decide what we are going to be. That's why we're looking at bringing in higher-impact resources. Our board is very concerned that we add value to our programs.

For more information about NEW, visit its Web site at www.new.org.

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