



Coping in Tough Times

How can you effectively manage on a day-to-day basis, (much less plan ahead), when your income is down, funders are cutting budgets, and your clients need more services than ever? Here are some ideas:

1. **Stay true to your mission.** This is an opportunity to look hard at 'sacred cows' --- programs that may be popular with a few key stakeholders, but are not core to your mission. Schedule a half day session with your board and/or staff to determine whether or not you are meeting the needs of your target populations in the most effective, efficient manner. Ask people to bring any and all ideas to the table.
2. **Shorten your planning horizon.** With dramatic reductions in funding, the key issues are survival and sustainability. For now, your planning horizon should be short term - 6 to 12 months - rather than long term. Even so, it's still important to be aware of the long-term implications of short-term decisions. Once you have attained sustainability and the economy rebounds, will you be structured to take advantage of new opportunities?
3. **Downsize your organization, not your values.** Cutting programs and staff is a difficult and often agonizing process. It's crucial to maintain your (and your organization's) values. For example, if your organization has a commitment to open communication, it will be important to design the downsizing process in ways that honor these values. This can be especially challenging when facing a need for quick decisions. But your organization and your stakeholders will have stronger ties at the end of the crisis if you can stay consistent and pull together through the tough times.
4. **Consider strategic partnerships.** Collaborate with other organizations through strategic alliances, partnerships or (should we say it?) mergers. Offer joint programs, share finance and admin backrooms, combine fundraising campaigns, or regionalize and realign services. You'll be more efficient with the dollars you do have (and you will give funders another reason to continue supporting you). Think about partnerships as a "getting to know you" step in the dance toward potentially more permanent affiliations.
5. **Develop coalitions to secure new funding.** At this moment, the federal stimulus package is a key source of new funding. If you need to scale up to qualify, build a team with other nonprofits. To learn about the funds available in your state and sector, go to www.recovery.gov.
6. **Engage your board.** Challenging circumstances can galvanize your board, if they understand what's happening and how they can help. It's a good time to talk with members and agree on some specific tasks. Also, consider what skills or experience will help you survive and thrive, and then reach out to prospective board members. People are often inspired to serve in a time of greater community need.