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APPENDIX A

Strategies Checklist

This checklist of strategies is adapted from our larger list in Chapter 4. We reduced the list to a more general one in the hopes that you could use it as a brainstorming tool and checklist for strategies you are already using or may enact.

Financial Strategies A: Cut or Control Costs

Analyze purchasing

- Improve purchasing procedures
- Seek in-kind contributions
- Network to get better prices on supplies
- Seek new competitive bids and new suppliers
- Analyze purchases to see if they are necessary
- Simplify paperwork and forms; use electronic files
- Refurbish and reuse supplies

Adjust payables

- Consolidate or restructure debt
- Negotiate delayed or reduced payments
- Barter for needed services

Evaluate facilities and infrastructure

- Share space or maintenance costs
- Delay maintenance
- Save space by moving, reducing size, using home offices, or using split shifts
- Negotiate a decreased rent with your landlord

Modify staffing and related costs

- Reduce hours or workweek
- Cut, freeze, or delay wages;
- Lay off staff; offer voluntary separation; offer unpaid leave; remove poor performers
- Freeze hiring
- Share jobs, consolidate staff, increase workload
- Use volunteers and graduate interns
- Hire temporary staff or consultants
- Remove management layers; don't funnel high performers into management merely to reward them
- Reduce benefits, staff training, and staff development
- Limit or eliminate travel
- Cancel subscriptions; use the Internet and libraries
- Cancel professional association memberships
- Switch to a direct reimbursement status for unemployment compensation

Reduce services

- Analyze your programs and services against your mission and financial goals
- Reduce or eliminate noncore programs
- Limit eligibility for programs; reduce the number of clients served
- Reduce or eliminate core programs
- Temporarily shut down some or all services
- Plan to go out of business humanely

Financial Strategies B:

Increase Revenues

Manage money differently

- Speed the inflow of cash by invoicing promptly or offering incentives
- Try to get grants in the door earlier than the promised date
- Change management of cash reserves to improve unearned income
- Sell assets
- Spend down reserves
- Borrow money
- Diversify your sources of income

Increase fees

- Analyze all the costs of providing a service
- Change fee structure to result in increased income

Initiate or accelerate fund-raising

- Research the larger community and current donors to improve response
- Hire development director or staff
- Add special events, fund drives, charitable gambling
- Increase board involvement in fund-raising
- Increase planned giving
- Build an endowment
- Find new donors and diversify funding base
- Reach out to under-asked populations
- Collaborate on fund drives; join a federated fund drive
- Mobilize everyone in the search for new resources
- Link with a business or credit card company to receive a percentage of sales
- Seek in-kind contributions that can be converted to cash

Expand or add services

- Boost enrollment in or expand offerings of successful services
- Sell staff expertise and time
- Add income-generating product or service that fulfills mission
- Rent office space or equipment to others
- Sell valuable information that others need
- Seek related niche markets
- Charge others for a service you also use (for example, maintenance)
- Develop a catalog of products used by your organization and other nonprofits
- Charge a fee to serve as the fiscal agent for other organizations

Increase productivity

- Provide incentives for productive staff
- Simplify production or service without loss of quality
- Invest in an educated staff; provide training as needed
- Research and implement "best practice" in all functions
- Upgrade staff while cutting back
- Invest in technology that improves productivity

Structural Strategies

Modify the mission

- Reexamine the mission and realign the organization accordingly
- Modify the mission to build clients' capacity to solve their own problems
- Change the mission to enable the organization to respond to rapidly changing conditions
- Move out of direct support services and into prevention services
- Be a pilot site for some foundation, academic, or government program

Modify the organization's structure

- Eliminate programs that are redundant with those of other organizations or combine them to improve services
- Position yourself higher in the "food chain" when intense competition accompanies a changing environment

- Merge with or acquire a competitor's or an ally's program
- Relocate with a group of related organizations to form a one-stop shop
- Become a for-profit; add a for-profit subsidiary; be acquired by a for-profit

Modify the organization's culture

- Enlist the support of potential funders as you modify your programs, and then request funds to support changes
- Share resources and expenses with other organizations that have similar needs
- Make your services more culturally sensitive
- Educate the board of directors to make them more effective
- Mobilize everyone in the organization to help market its mission, message, services, and needs
- Tear down bureaucracies that interfere with the creative flow of ideas
- Replicate rather than reinvent
- Link with a complementary but different organization to bring resources into the organization
- Take a more entrepreneurial approach to accomplishing your mission

Engagement Strategies

Engage other nonprofits

- Work with state and national nonprofit associations
- Form associations to negotiate with contracting agencies as a block
- Establish cooperative programs with other nonprofits to increase the number of stakeholders in each other's organization
- Collaborate with like-minded nonprofits; seek funding to support collaboration
- Develop a bartering resource system among nonprofits
- Create a nonprofit organization to insure nonprofits; return surplus income to policyholders
- Pool funds with other nonprofits to get a better return on the investment of capital
- Acquire or merge with another nonprofit whose services complement yours
- Establish national goals and standards for nonprofits to increase sector quality, public

- Find ways to work with local providers of educational services at all levels

Engage the community

- Seek funding to help those constituents least able to represent themselves have a voice
- Involve all members of the community in teaching children the value of community involvement and philanthropy
- Connect with local media to inform the community about issues related to your mission
- Show the community that your crisis is a community crisis
- Hold community issues forums; discuss community goals

Engage the business community

- Form partnerships with businesses; find a host that will provide space, staff, funds, resources, or technical assistance
- Advocate for your organization's values and goals while seeking business involvement
- Know the people, values, and goals of the businesses you are engaging
- Share your vision of the future with businesses so they can see how they and their community will benefit
- Link with businesses that will benefit from the positive public relations your organization's cause will generate
- Network with small and midsize businesses with a personal stake in the local community
- Show businesses how to get involved in community issues that affect them
- Collaborate with businesses and other nonprofits to create "incubators" for new, innovative organizations
- Form nonprofit/for-profit partnerships to advocate for common interests

Engage the public/government sector

- Advocate for tax incentives that encourage businesses to be involved in community efforts
- Use the public schools to teach philanthropy; set up student-operated philanthropies at schools and universities
- Seek ways to work with educational institutions at all grade levels, public and private, nonprofit and for-profit.
- Advocate for a nonprofit contribution