Latino Board Leadership Academy: The Board's Role in Sustainability

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Nonprofit Coaching, Consulting, and Leadership Development
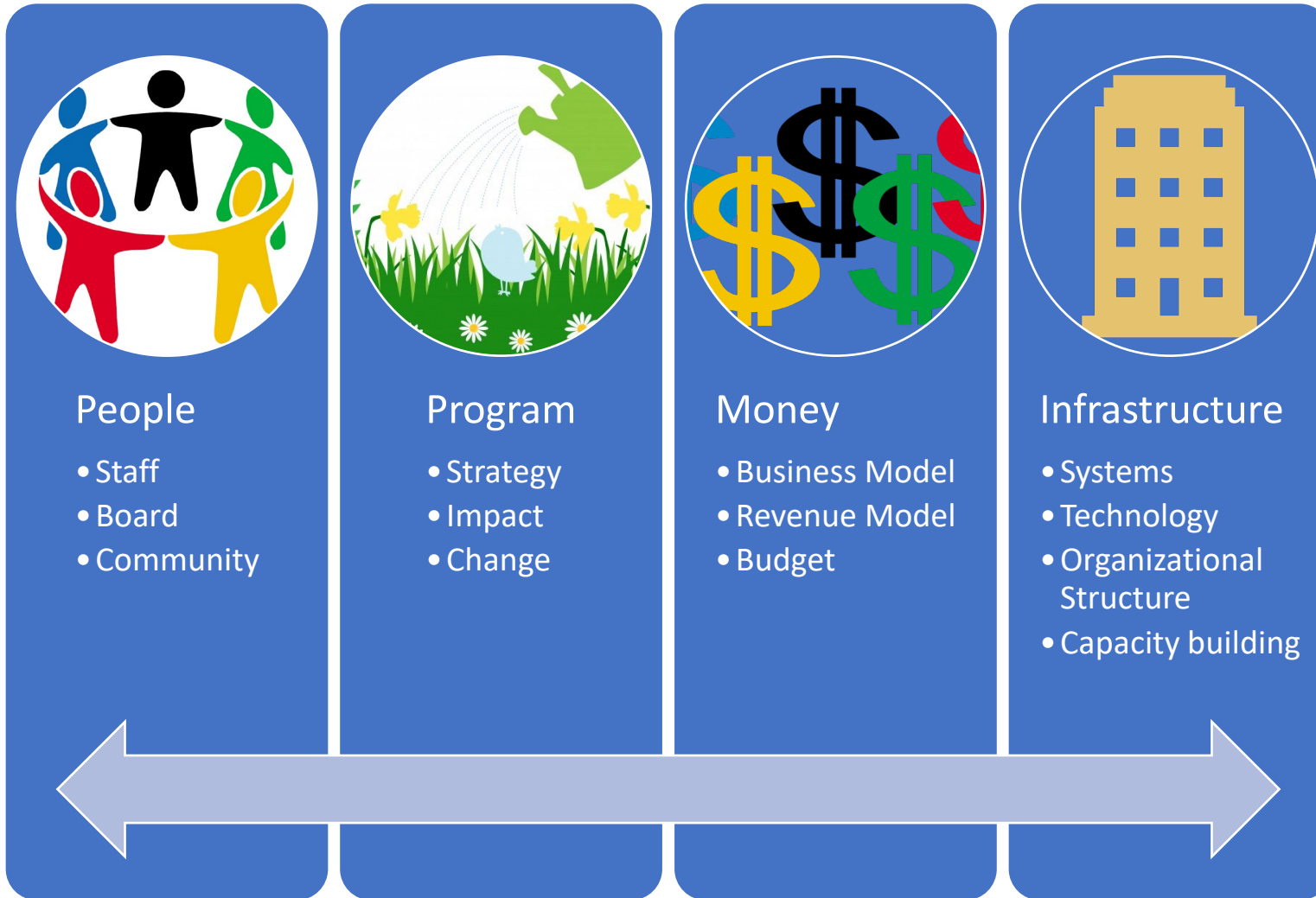
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WHAT IS
SUSTAINABILITY?

SUSTAINABILITY encompasses
the financial *and*
the programmatic *and*
people *and*

infrastructure

The Four Pillars of Sustainability

People
- Staff
- Board
- Community

Program
- Strategy
- Impact
- Change

Money
- Business Model
- Revenue Model
- Budget

Infrastructure
- Systems
- Technology
- Organizational Structure
- Capacity building

Adapted from CompassPoint's Boards & Sustainability presentation 2015

FINANCIAL SUSTAINABILITY:

the ability to generate resources to meet the needs of the present without jeopardizing the future

PROGRAMMATIC SUSTAINABILITY:

the ability to develop, mature, and cycle out programs to be responsive to constituencies over time

PEOPLE SUSTAINABILITY:

the ability to support and sustain people to work at their highest and thrive AND to attend to the inevitable transition in and out of the organization

INFRASTRUCTURE SUSTAINABILITY:

the ability to invest in the organization so they can maintain and protect what they currently have AND support the organization's ability to have the capacity to thrive in the future

The Four Pillars of Sustainability

Exceptional **programming** drives strong financial results AND attracts people

Strong **financial** results drive exceptional programming AND attracts and sustains people and supports infrastructure

People drive exceptional programming AND support financial results AND builds infrastructure

Solid **infrastructure** sustains strong financial results and supports exceptional programming AND   sustains people

People   Program   Money   Infrastructure
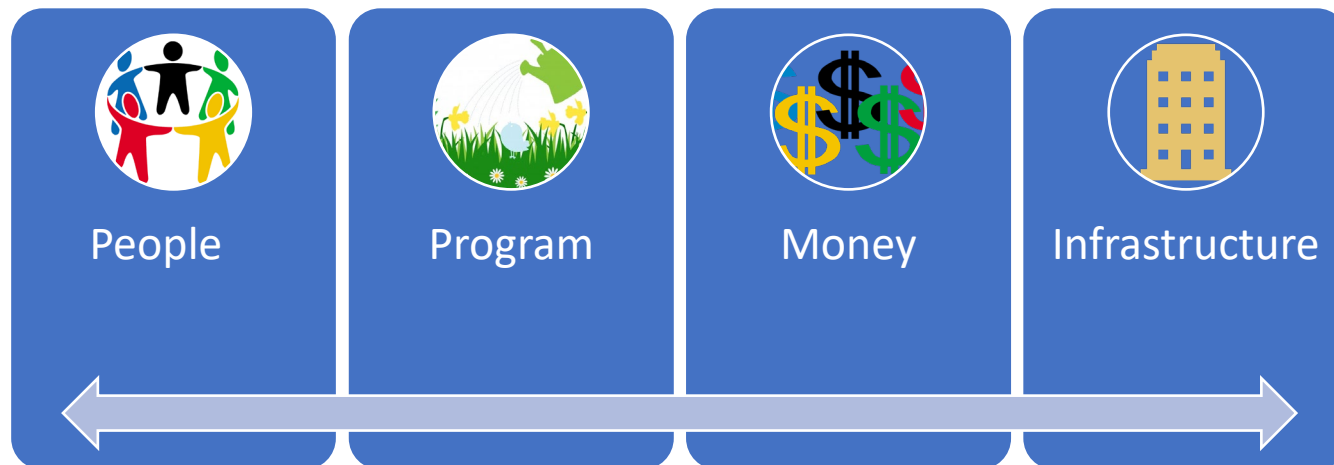
SUSTAINABILITY is an orientation

not a destination.

Adapted from CompassPoint's Boards & Sustainability presentation 2015

Case Study

Take 1 minute to review the case study.

2. Go around and everyone gets **1 minute or less** to make an opening comment or reaction (please take turns keeping time)

3. Open discussion – make sure you make space for each other.

Introducing your board (role play)

Nelson Layag as CEO

Board Members:

Taking Action

Demand and invest in the *financial literacy* of the entire leadership (board AND staff)

{ 1 }

Normalize the assumption of *profit*.

Many community-based nonprofits achieve profitability—that is, consistent annual surpluses—through a mix of earned and donated income.

{ 2 }

Name, know, and study the performance of *business lines*.

{ 3 }

Be a <u>collaborative partner</u> with staff and fellow board members.

{ 4 }

Apply your strengths and talents AND know your limits and weaknesses.

{ 5 }

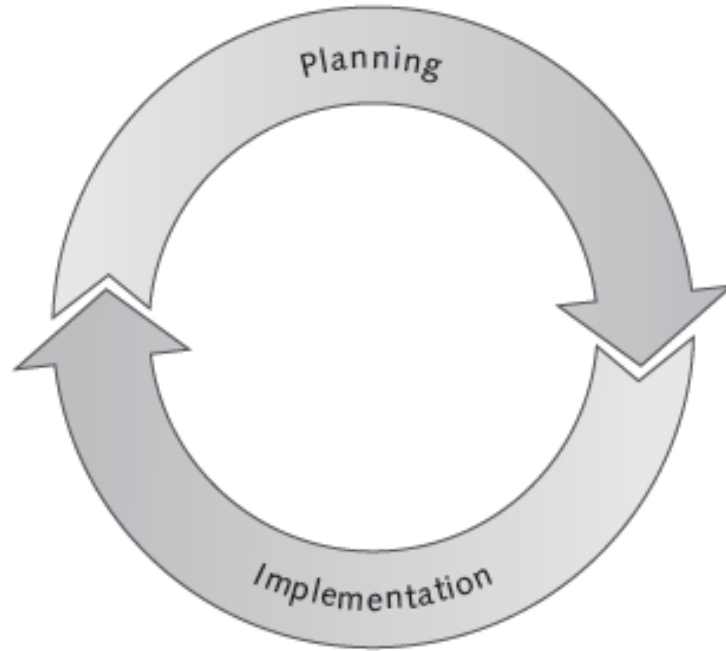Know your nonprofit *business model and your lines of business*

{ 6 }

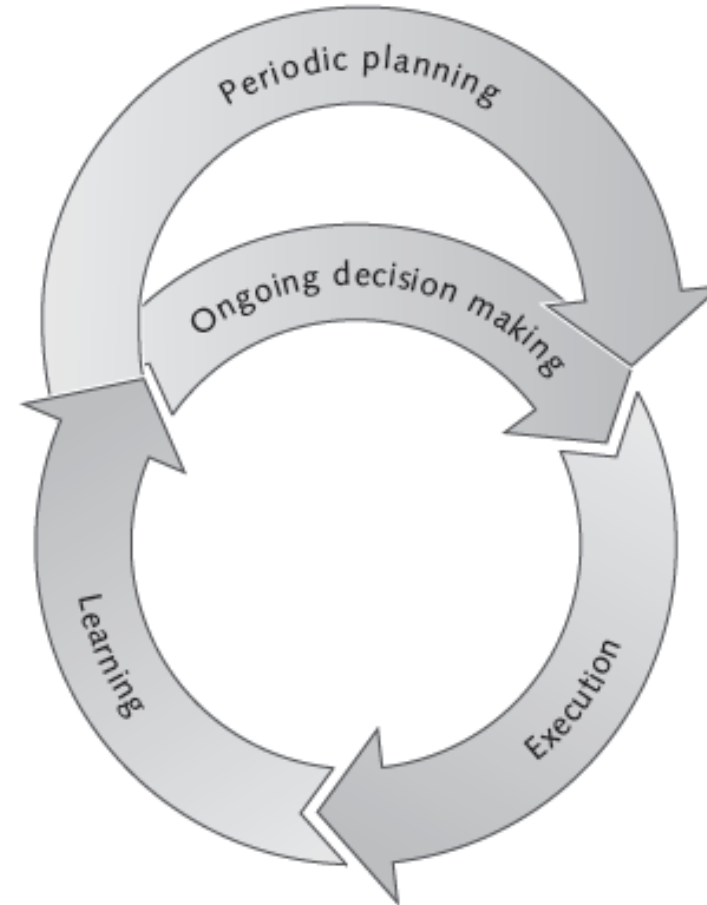Shift from episodic planning to real-time *strategic decision-making*.

7

Re-think Planning

OLD

Planning

Implementation

NEW

Periodic planning

Ongoing decision making

Learning

Execution

- <u>Nonprofit Sustainability</u> by Jeanne Bell , Jan Masaoka and Steve Zimmerman

Focus on the *fifth, sixth, seventh quarter*.

$$\left\{ 6 \right\}$$

Develop an understanding of program/organizational evaluation.

7

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Nonprofit Evaluations

➡ **Outputs:** These are the activities done by the nonprofit.

➡ **Outcomes:** These are the observed effects of the outputs on the beneficiaries of the nonprofit.

➡ **Impact:** This is the degree to which the outcomes observed by a nonprofit are attributable to its activities.

Your Wicked Question

How can I participate in strategy and sustainability . . .

AND NOT . . .

have deep programmatic or financial expertise?