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Nonprofit Strategies



SAN LUIS OBISPO COUNTY COMMUNITY FOUNDATION

Signs Your Organization May Be Failing

By Barry VanderKelen

If you observe two or more of the following in your nonprofit, your organization may be in failing health. This list was developed with Florence Green, co-founder of IdeaEncore Network, an organization dedicated to improving nonprofits (www.ideaencore.com).

- An increasing number of board members don't complete their terms. Talented people walk away frustrated because their ideas are ignored. But when someone only makes outlandish ideas, letting them walk away is a good thing.
- Board members and senior staff don't attend professional development programs. Healthy people and organizations are committed to continuous learning and self-improvement. Every nonprofit has access to quality programs at affordable prices, especially through membership in professional organizations or the Nonprofit Support Center (www.supportcenter.org).
- There's quick turnover in the executive director position. Maybe the reality is bleaker than the search committee portrayed. Or the organization has difficulty recruiting appropriately talented people.
- Staff turnover is high. People may not see advancement potential, both within the nonprofit and in the field, by working for the organization.
- There's negative whispering in the community about the organization. Negative whispering turns donors and volunteers off, especially if it comes from board and staff members. Nonprofits live and die by their trustworthiness and reputation.
- Committees are less and less willing to reach out to others to complete their work. A "silo mentality" prevents new ideas and perspectives from reinvigorating the organization.
- There always seems to be a budget crisis. Financial statements aren't ready for board meetings and no one scrutinizes them when they are.
- The executive director and the board chair are not working together. This relationship is the most important one at the organization. Everyone takes a cue from how well these two people work together. Work on this relationship and the organization will improve.

Barry VanderKelen is executive director of the San Luis Obispo County Community Foundation. He can be reached at barry@slocf.org.

Resource Use

- Support nonprofit leadership
- Board development/training
- Strategic planning

Nonprofit Business Column of The Tribune

The San Luis Obispo Tribune publishes a column every other week in the Business section dedicated to the business practices of nonprofit orgs. Barry VanderKelen, Executive Director of the San Luis Obispo County Community Foundation writes the bi-

weekly column to help strengthen nonprofit organizations in the community. Each column is reprinted here as a one-page handout for use by local organizations. Barry can be reached at 543-2323 or by e-mail at barry@slocf.org.