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Spring 2008

Building Credibility Pyramids More than Keeping Up Appearances

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During the last few months, we've heard scores about the credibility of presidential nominees. Who has it, and who doesn't— is front-page material. Successful nonprofits, as well as successful candidates enjoy credibility. To receive individual and grant donors support you must be credible. What is credibility? What creates it? And, why is nonprofit credibility so fragile that it shatters like crystal, seemingly with one negative incident? What common credibility problems do nonprofits experience? Finally, how can you grow or enhance yours?

What is Credibility?

Credibility is the power to inspire belief. What creates nonprofit credibility? Most organization's grow theirs by providing consistent quality results over time. Many slow but sure steps build credibility pyramids. "For the last 25 years, we've provided first-class care to community families."

Why is Nonprofit Credibility So Fragile?

An executive director calls to inquire about a planning session. In answer to my questions, he states that his organization faces no serious problems. They just want to fine-tune their future. After the call, I insert the

organization's name into Google. The first ten hits list articles about their board upheaval. Their credibility, or at least, his, is history.

Why is credibility built stone by stone, but ruined by such incidents? While discussing a current nonprofit board crisis, two potential donors immediately compare the current situation to a crisis that took place in *another* organization. The incident, they recall, took place five years and two executive directors ago. Negative incident seem to hold the potential to extract the cornerstone from nonprofit credibility pyramids.

The famous fundraiser, Henry Russo helps to point out why. "Our institutions exists because of our constituents. We plan for the future of our organization, raise funds to support their programs/activities, and market to those constituents so we may continue to serve them." And, people believe nonprofits

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are good. Nonprofits are built on trust for public good. The public connects with nonprofits. People talk about “our ballet,” “our Habitat” and “our food bank” even if the “our” is only buying a ticket once, donating five dollars or a jar of peanut butter. Unless they have an extensive connection with your organization, the public bases their beliefs about you on limited information “stones.” Because, their understanding is built on so little, a single negative episode automatically downgrades you from great to troubled or even to scam. What gives people such long memories? Their connection. They feel personally betrayed by negative incidents.

Three Nonprofit Credibility Challenges

Nonprofits typically encounter three credibility challenges:

1. You Have Great Credibility, But... The good news is that many non-profit groups have fabulous credibility. Over the years, they worked diligently to produce outcomes to change lives. However, for a number of reasons, they keep their credibility in a safe places, almost like passbook savings accounts. To benefit from credibility you must share it. The more you explore your story, the more materials you will have to share with the public and your potential donors. You will find it is a joy to work with dormant credibility.

You can benefit by learning how to wisely use your credibility. Try this. Pick out one specific new action to publicize your work each month. For example, share a success story about how a recent customer resolved their financial crisis. Use the same story until you tell it in at least ten different settings. The more you share in this and other ways, the more “stones” people will have to build their understanding about you.



(For ideas about how to include more credibility in written documents, see the back article.)

2. You're New. A second nonprofit credibility challenge occurs when your organization is new or first active. In this case, you have limited quality outcome results. If you can't wait to grow your credibility, consider adopting someone else's by:

- Forming a joint venture with an existing group. Can you work with the local high school service club to collect food for abandoned pets?
- Relying on the experience of someone else. A nonprofit decides to start a ceramics program. They hire a new staff member to create a Community Ceramic Center. His background includes running a for-profit center for 25 years in Boston. While this is a new venture, the group builds their credibility by hiring the right person.

3. The Crisis. A third credibility challenge is the crisis. Hopefully, you will avoid one your whole nonprofit career. However, you may start a new job as the storm breaks. You discover employee fraud. Or, the board elects to take a disagreement public. Even if they are not catastrophic, every organization faces setbacks. A dissatisfied customer writes a letter to the editor of the local newspaper. A client starts a fire in your rental housing unit. Or, your optimism leads you to over-project the number you will serve. While

fully resolving a credibility crisis is beyond the scope of this article, start by considering this three-prong response:

1. Create a plan for how you will avoid the situation again. Decide what you learned and how these new actions will strengthen you.
2. Agree on how you will talk about the situation.
3. Rely on your pyramid. If you built it, it still there, even if its hidden in the fog. Continue to build.

How to Grow and Enhance Yours

Building credibility is an ongoing task. Here are five building tools:

Building Tool 1: Tell the Truth.

Live in the zone where you offer a positive spin, but a spin based on truth. To illustrate the strength of community commitment to her new effort, a woman shared that over \$300,000 had been invested developing a product for disabled adults. In a second presentation, she revealed that two-thirds of the amount was her time. While her time has value, counting it the same as cash to imply wide fiscal support eroded her credibility. Now when she cites the \$300,000, she also notes that much of it was donated.

Building Tool 2: Learn. Plan to overcome major roadblocks faced by similar groups. When an expert informs you that you need a stronger board, go directly to the library or Amazon.com. Read a book on board development. Don't stop there. Share the book with board members. Invite a consultant to lead a retreat. Attend a workshop. Ask for more advice.

Building Tool 3: Consistent Ethical Choices. Act as if every decision you make will end up on the front page tomorrow. If it did, would you alter your decision? Each ethical decision add stones to your

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pyramid, especially when your decisions are not in your immediate best interest. even if they never become public.

Building Tool 4: Your Word is Good. If you promise to call, call. And, if you promise to write, write. Envision following through on your commitments as the little stones that make up the corners and trim of your pyramid.

Building Tool 5: Provide Value. When people can help in meaningful ways, you increase both their credibility and your own. What people need to know is the specific activities that will help them make a difference. Your credible nonprofit can offer these opportunities.

When you go the polls in November, you will vote for the candidate with the most credibility. When people look for a nonprofit to support, after finding missions with which they can connect, they seek one with the most credibility. By using the credibility tips discussed here, you can grow your own great pyramid. It will be admired from afar.

8. **Logical.** To get from a to c, you must pass thru b. Illustrate how your plan leads to the outcome predicted. "We will grow our membership from 100 to 100,000" is not a single step. To increase your credibility, list the action steps you will take. Reveal the details of your extensive marketing plan.
9. **Recipe for Success.** Share what you will actually do. "We take staff, equipment, time and money and mix them to create this result." Include how your approach is different from others. This includes both, less successful and as -successful groups with different approaches.
10. **Professional.** Eliminate obvious mistakes. Proofread. One national grant, I was sent as an example last month repeated the same sentence on the first page. Eliminate these and other in-a-hurry-errors.
11. **Good Housekeeping or Otherwise Approved.** Cite awards and recognitions. "In 2007, our peers recognized us as the leaders in the field by granting us the Gold Award."
12. **Google Proofed.** Be aware of today's most common credibility test—the Google search. If people will find "it" with Google—address "it." "Last year, the organization experienced a painful board conflict. Since that time, board and staff participated in extensive training. The result? An even stronger organization."

Learn More

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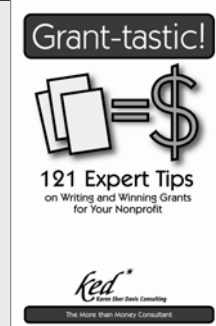
Grant-Link Writing for Credibility

Use these tips in all of your written documents, not only grants, to increase your credibility:

1. **Time Tested.** Share how you have been doing an activity for a long period.
2. **Name-Dropping.** Offer names. Quote people. "All kinds of experts, like Betsy Ross and George Washington affirm our excellence."
3. **Scientific Protocol.** Show how research supports your approach. Cite studies. Use footnotes to share the journal's name, scientists, year and other information that is awkward (or boring) in the narrative.
4. **Statistics.** Give data, numbers and results. Share your sources. "The 2000 Census found 312 households in this zip code where people raising children are not their parents."
5. **Success Stories.** Stories are fun to read and memorable. And, when you choose them well, they make your key points with few words.
6. **Their Word.** With permission, use quotes from your customers. "This was the best show ever."
7. **Other Donors.** Find some matching funds. Match is not only about having enough funds to complete a project; its about credibility. "Here are some other donors that support our young local dancers."

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Grant-tastic! Tip of the Month



#64 You often need a team to complete large applications. One recent application required the help of more than 30 people. To obtain the help you need, ask for it early. Provide clear, realistic deadlines and friendly reminders.

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