

INFP

**The Importance
of Media Relations**

**More Nonprofits Use
Social Networking Websites**

Cutting Costs While Maintaining Critical Services

A tough economy can be especially challenging for managers of nonprofits, who may find that the demand for their organization's charitable services is growing as donations are declining and government funding is waning. While there is no easy solution to these challenges, there are steps your organization can take to help weather an economic downturn and to make your services available to clients most in need.

Not-for-profit organizations around the country are experiencing the negative effects of the economic climate and are therefore required to make difficult decisions about which programs to scale down or eliminate altogether. In December 2008, United Way of Metropolitan Atlanta released the results of a survey of 240 of its community partners. The survey showed that 80% are experiencing

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The Importance of Media Relations

When considering your organization's marketing and fundraising strategy, don't overlook the role media coverage can play in raising public awareness of your organization and the valuable work it performs in the community. Compared with other forms of marketing, media publicity can be an effective and low-cost means of reaching potential donors, volunteers, and the community.

Crafting a media relations strategy entails far more than hiring a staff member or public relations agency to issue news releases and talk to the press. Start by developing a media relations policy that reflects your organization's mission, has the support of your board of directors, and is broadly understood by all managers and staff. In the policy, outline who is responsible for distributing news and responding to media inquiries. Also, specify what types of information may be released to the media and what is to remain confidential. If your organization decides to work with an agency, look for one that has an understanding of the specific needs of the non-profit sector. Some agencies may offer a discount or even pro bono services to charities.

In press releases or when talking to reporters, provide contact information for clients served by or volunteers who assist at your organization who are willing to comment to the press about the services your organization provides to the community. If a related issue is attracting attention in the news, such as proposed legislation on poverty or health care, consider drafting a press release stating your organization's work in that area and the view of your organization on the proposed legislation. An offer to write a guest column in the local paper may be welcomed by editors looking for fresh perspectives from the community. By addressing issues critical to the mission of your organization, you are both raising the profile of your organization and furthering its goals by educating the public about an important cause.

While nonprofits need exposure, positive exposure is key. Failure to respond adequately and knowledgeably to questions from the press can result in negative press coverage. This is why preparing for press inquiries in advance is so important.

Ideally, all spokespersons for your organization should receive media training. Such instruction can help you learn how to choose your words carefully when talking to reporters, as well as communicate your message succinctly and effectively. Whenever possible before speaking to the media, familiarize yourself with the issues likely to be discussed and prepare your responses to possible questions. You may want to enlist a media relations officer to accompany spokespersons during important interviews. A PR professional can help to steer the conversation away from controversial topics and toward the messages your organization wishes to emphasize.



Building relationships with key members of the press before their goodwill is needed is a great way to attract positive publicity. Whether speaking to reporters as part of a formal interview or chatting during a social occasion, always strive to treat members of the press courteously and professionally. Even if you disagree with a reporter's or editor's perspective, use persuasion, rather than argumentation, to make your point. When seeking to correct an error or omission, do so politely, with the assumption that the mistake was likely unintentional.

The media can play an important role in your marketing strategy, helping you to promote your organization and your mission through its coverage. Developing a media relations strategy can help you reach potential donors, volunteers, and the community. ✧

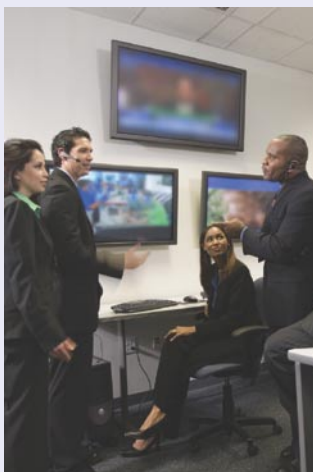
CUTTING COSTS WHILE MAINTAINING CRITICAL SERVICES

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unprecedented requests for help, but less than one-quarter (24%) are able to meet the demand. In an effort to trim costs, 60% of the organizations surveyed have already reduced non-personnel expenses, and about 20% have reduced staff hours, laid off employees, or reduced services.

Analyze Expenses

Given the current economic conditions, it is especially important to monitor your organization's overhead costs. If a review of your office lease reveals that you are paying above market rates, you may attempt to renegotiate the terms of the lease or consider relocating. Agreements with suppliers and providers, such as IT vendors or courier services, can also be checked regularly and renegotiated, as needed. Staff may be asked to limit their travel, conducting meetings by phone or videoconferencing, rather than in person. Find ways to reduce energy costs, such as purchasing highly efficient equipment and encouraging employees to make saving energy a priority. It may also be possible to lower the costs of mailings by using lower-weight paper or by communicating electronically.



The largest expense for most nonprofits is personnel. Cutting salaries outright is difficult, but you may find that some staff members actually welcome the opportunity to reduce their hours in exchange for more free time or to take a "sabbatical" to pursue personal goals, such as travel or education. These options can be presented as attractive perks that can prove useful in recruiting and retaining staff seeking work-life balance, while also making it easier to trim the payroll during lean economic times.

A review of your organization's benefits package could reveal opportunities to trim expenses, without cancelling core health care and retirement programs that workers have come to depend on. Start by cutting back on or eliminating fringe benefits that are less crucial to employees. If, however, it becomes clear that more radical benefit cuts are necessary, think about switching to a less expensive health care plan, increasing employee contributions to health insurance, or

moving to a high-deductible plan linked to tax-advantaged Health Savings Accounts (HSAs).

Before making changes that will have an impact on employees, it is essential to communicate clearly the reasons for the reductions and to inform employees that these are temporary measures intended to carry the organization through difficult economic times.

Stay Connected with Donors

While raising additional funds may be tough in a tight climate, be sure to take every available opportunity to remind donors that their support is more critical than ever. In fact, a different approach to fundraising may be necessary. Scaling back on lavish promotional events or reaching out to a wider group of small donors may make sense in an economic downturn. Consider launching a fundraising campaign that focuses on the important work your organization is doing to help people during this time of struggle. Don't hesitate to use the personal testimonies of clients whose lives have been disrupted by the downturn to illustrate to potential donors why their immediate help is needed.

Consider Partnerships

Another useful strategy may lie in partnering with other charities or businesses in the community, both in raising money and in sharing resources, when feasible to do so. Remind donors that your organization is doing what it can to trim expenses and to manage money as carefully as possible. Hard fiscal times could provide an opportunity to assess your organization's programs and services. You may choose to cut back or eliminate those that are least cost-effective, while focusing your resources on the projects that offer the maximum assistance at a minimal price.

An economic downturn can provide an opportunity for nonprofits to make a significant difference in the lives of struggling individuals. By evaluating your costs and cutting them where possible, your organization may be better positioned to further your mission within the community. ✧

More Nonprofits Use Social Networking Websites

Social networking sites are becoming increasingly important marketing and fundraising channels for the nonprofit industry, according to a survey sponsored by software service provider ThePort Network, nonprofit technology provider NTEN, and interactive agency Common Knowledge.

The survey of 978 nonprofit professionals found that four-fifths of nonprofits are committing at least one-quarter of a full-time staff member's schedule to their social networking efforts. Results also showed that around one-third of nonprofits have built one or more "house" social networks, and of these, 86% host communities of 10,000 members or less. In addition, most not-for-profit organizations maintain a presence on commercial networking sites, with nearly three-quarters having a community page on Facebook. Other social networks, as well as Twitter, were less popular, but they are also used by many nonprofit organizations as marketing tools.

At the same time, however, while social networking sites are gaining in popularity, nonprofits continue to prefer more traditional marketing strategies—such as their own website, e-mail lists, and events—to build and maintain social networks.

"More nonprofits are recognizing the value of social networking as a way to better engage and energize supporters online," said Bob Cramer, CEO of ThePort. "While many nonprofits are taking advantage of commercial networking sites like Facebook, others are seeing even more distinct benefits in hosting their own social communities."

"Social networking is taking hold in the nonprofit sector, with plenty of groups experimenting and some nonprofits growing large online communities," said Jeff Patrick, president of Common Knowledge. "Our industry is beginning to see the potential, and the survey demonstrates nonprofits' commitment to increased staffing and budgets to help realize that potential." ♦

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