

## Cost Vs Value

**By Brydon M. DeWitt, President**

We have heard from childhood the expression: *"You know the cost of everything and the value of nothing!"* All of us know such people – or, at times, are such people. Nonprofit leaders are not immune from succumbing to an overemphasis on the price that must be paid for staff members, offices, materials, etc. In fact, given the challenges of keeping nonprofits fiscally sound, spending must be kept within or below the budget to make certain the organization continues to deliver on its mission.

The purpose of this brief article is to encourage you to stop, at least for a moment, thinking about how much people and things cost and to begin considering the value of your mission, staff members, and programs. It is far too easy to get wrapped up in the financials and not appreciate the value that you are delivering every minute, every hour, to those who would be poorer without the efforts of your organization.

It may help to begin a list of those attributes that represent the obvious valuable services your nonprofit offers. Note the differences in the lives of people you have touched, helped, transformed. Add comments about the staff members who have gone beyond their job descriptions and regular hours to make certain people were helped, mailings were sent, and events were successful. Board members should be on your list, as well. I know, I know, they could do more. But, these men and women have agreed to serve as the organization's owners and champions. Record the positive contributions. You can work on the bad habits they – and probably you – have that can be changed.

When you begin to think appreciatively of your nonprofit and the people who make it strong and effective, you will bring yourself to a better understanding of your role as leader. I believe you will begin to approach your job with freshness and will make certain that your staff members will know that they are valued. Your interaction with your Board members will have a renewed spirit, too.

Bills still need to be paid, to be sure. However, focusing on value should help facilitate the efficiencies of the internal operations and the engagement of those whose financial support is critical.

One of the attributes that we should value is stewardship. This concept has been used and abused that its meaning is too often unclear. I define it this way: *"Stewardship means taking care of something we value so that we enable it to grow. I calls us to take responsibility and to make a contribution of our whole selves – time, talent, and treasure."*

To practice good stewardship requires intentionality about your commitment and your actions to be a positive presence with the people and organizations you value. Along with thinking about and recording the values you have rediscovered within your nonprofit, you may want to take an additional step and conduct a Stewardship Audit. This is a personal and organizational review that can help affirm your and your nonprofit's strengths. You may even identify and remove barriers to fulfilling your mission.

Here are the suggested elements of a Stewardship Audit:

- As the CEO, evaluate your stewardship of your staff members.
  - Are expectations fair and clear?
  - Are the right people in the best positions that utilize their talents?
  - Are staff members consulted before making decisions concerning their areas of responsibilities?
  - Are you taking the lead in creating an environment that is positive and welcoming?
  - Do you encourage a team approach to problem-solving and management?
  - Do you give credit and reward quality staff ideas and work?
  
- Meet with staff members and ask them to consider their approach to the nonprofit and their work.
  - Are you a good steward of your time and organization's resources?
  - Do you look for efficiencies and make your ideas known?
  - Do you give extra time and effort, when necessary, to complete a project?
  - Do you demonstrate by your attitude your commitment to the organization's mission?
  
- With your management team, consider the messages that are being used to define your organization and how you are conveying them to your constituencies.

- Have you defined the key areas/ programs that resonate with your prospects and supporters?
- Are these messages being expressed in terms of how your work meets their needs?
- Are there ways besides giving money that constituents can be connected to your organization?
- Do you have a clear and compelling statement of the case for support of your organization that includes your commitment to be good stewards of the resources you are given and provide in services to you clients/students?
- Are you being efficient and effective in telling your story through the use of new technologies?
- In an appropriate setting, ask Board members to think about their commitment to the nonprofit they collectively own.
  - What strengths do you bring to the Board that will help move the organization forward?
  - Are your strengths being utilized -- and if not, will you be proactive in correcting this situation?
  - Do you view the budget in terms of how it advances the mission of the organization?
  - Do you support the hiring of investment managers based on performance rather than friendship?
  - Do you actively find ways to engage more people in knowledge, appreciation, and support of your organization?
  - Do you insist on sound stewardship in the management of the organization and support the CEO in these efforts?
  - Do you make a financial contribution that is commensurate with your ability and your leadership position?

- Are you providing leadership in planning to set the strategic objectives to ensure the organization has clearly defined its future growth in service?
- Do you insist that each new prospective Board member is committed to make your organization a priority?

Focusing on value and practicing good stewardship begin with an appreciation of their importance and continues as a living part of your organization's culture.

The topic of ways to be better stewards of the organization's resources should be a regular item on staff meeting agendas. Further, updates on the subject should be given at every Board meeting. To be a good steward does not mean becoming parsimonious. Instead, stewardship should be viewed as a means to a more abundant and productive organization that is better able to accomplish its goals of service to society. You will continue to see the **Value** of your nonprofit as opposed to the **Cost**.