Carmichael.

How can new organisations establish themselves in Ireland's nonprofit sector?

Each year, 100s of new nonprofits are established in Ireland. Anyone hoping to establish a new nonprofit should complete thorough research to establish whether there is a need for an additional nonprofit or whether the objective in mind could be better achieved by working with an existing nonprofit. See Carmichael's resource on <u>setting up a new nonprofit</u> for more details.

However, it is often the case that there is a need for a new nonprofit group and these new groups can find it incredibly challenging to establish themselves and secure funding in a sector with more than 30,000 organisations already in existence. Below are some tips to help a new nonprofit standout and stand the test of time.

- 1. Articulate what is unique about the organisation. Clearly communicate what is different about this organisation and why this organisation is needed in addition to those already in existence. There may be other organisations which deliver a similar service, but do not provide these services in the area the new nonprofit operates in. Another nonprofit may have the same ultimate goal as the new nonprofit, but it may have defined a different or narrower mission for itself and will not provide the same services which the new nonprofit will. There is no need to criticise existing nonprofits. Indeed, it can boost a new organisation's credibility when it can say that it has already engaged with established nonprofits and can respectfully acknowledge and even signpost to the services provided by others.
- 2. Collaborate. As mentioned above, there may be established nonprofits which are in some way similar to the newly established nonprofit. It is important to build relationships with these organisations. This can increase the reputation, credibility and brand awareness of the new nonprofit and can also create benefits in terms of peer learning or partnering to deliver certain projects or to apply for certain funding. It is also helpful to engage with networks and resources which exist to support the nonprofit sector. See "Where can nonprofits go for help?"
- 3. Prioritise impact. Ensure that this new organisation can communicate the impact it is making or intends to make. Impact can be demonstrated with quantitative data. This data should go beyond reporting simple outputs like the number of people who engaged with the nonprofit. Instead, it should be able to demonstrate the difference the nonprofit made to those people who engaged. This may be in the form of feedback survey data from service users or measured health outcomes, depending on the activities of the nonprofit. Qualitative data such as testimonials and case studies can also be very powerful. Be wary of overemphasising the positive impact the organisation has for those who volunteer with or work for the organisation (unless they are the target beneficiaries of the nonprofit). The greater focus should be on the beneficiaries.
- 4. Take advantage of agility. Newer organisations are often smaller and therefore more agile than larger organisations. The relevant levels of approval required to implement a change can be obtained faster than in an organisation which has more people and longer processes. This can mean that newer organisations may be in a better position to apply for grant schemes with short deadlines or react to an emerging need in the community. Be conscious of the danger of mission drift when taking advantage of this. Changes should be in line with the organisation's mission and strategy and the organisation should ensure it does not overextend itself when

© Carmichael Guiding nonprofits

Carmichael.

- applying for grants or projects which may require more than the organisation can deliver at this time.
- 5. Set high standards. A focus on meeting the highest standards possible across the organisation can help ensure that the nonprofit is sustainable in the long-term and can be presented as a very credible organisation from the outset. Excellent governance, organisational structure, financial controls and service delivery will be relevant to all nonprofits. Other elements such as fundraising standards and safeguarding of children and vulnerable people may be relevant depending on the organisation's activities. Excellent internal processes and structures provide the solid foundation needed for a nonprofit to survive.
- 6. Recruit a strong and balanced Board. It is natural when an organisation is first established for the Board of Trustees or Board Directors to be composed of those who helped to found the organisation or who are very closely connected to the purpose of the nonprofit. However, it is likely that the nonprofit will soon require skills or experience from beyond this initial group. It is also good practise to have term limits of no more than 9 years (or, more often, a limit of no more than two 3-year terms) for any Director or Trustee. For new organisations establishing themselves it is important to build a strong and balanced board to provide direction and oversight and to ensure the nonprofit continues to meet the high standards it sets for itself. A clear commitment to good governance practices and a strong Board can help to attract supporters (volunteers, staff and board members) and funding.
- 7. Harness the power of ambassadors. Every person involved in the organisation, whether a Board member, staff member, volunteer or service user, can act as an ambassador. It is worth ensuring that as many people as possible understand the purpose and strategy of the organisation. If every person involved is able to communicate what is unique about the organisation, what impact it makes and how well the organisation is run, this can create a large pool of people who can raise awareness of the organisations and build relationships so that the nonprofit can continue into the future.

Róisín McGuigan Services Manager November 2023

© Carmichael Guiding nonprofits