RESILIENCY GUIDE

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*Resiliency is the capacity to respond effectively to change, to adapt
successfully to new and unforeseen conditions and circumstances –
and to seize opportunity. It's an essential characteristic of organizations
that are built for ongoing success.*

S. D. BECHTEL, JR.
FOUNDATION
STEPHEN BECHTEL FUND

It begins with dialogue

The S. D. Bechtel, Jr. Foundation has a strong commitment to building and scaling organizations capable of continuing to achieve results after the Foundation's sunset in 2020. The *Resiliency Guide* is an aid for Foundation staff and grantees as they assess an organization's ability to adapt and achieve long-term success in a dynamic context.

The *Guide* begins with a one-page checklist of factors that contribute to organizational resiliency. This checklist can inform conversations and illuminate areas of strength as well as areas that may benefit from additional attention. As a tool for grantmakers, it can help deepen thinking about where, when, and how to invest in capacity building. Plus, conversations with grantees about the dimensions of resiliency can help their organizations prepare for eventual independence from grant funding. *(Note: The **Resiliency Guide** is not a substitute for basic due diligence.)*

The *Guide* features a single page devoted to each of seven resiliency factors.

1 | Culture of Learning

2 | Talent & Leadership

3 | Context (Outside-in Thinking)

4 | Planning & Execution

5 | Reputation & Communications

6 | Partnerships & Alliances

7 | Financial Footing

Each factor is briefly described and accompanied by examples that highlight opportunities to enhance organizational resiliency. Potential action steps and relevant resources are also included.

While the term "organization" is used throughout the *Guide*, this content can be applied to advance the resiliency of a program or unit within an organization – such as a chapter or subsidiary nonprofit, or an institute, school, or department within a university. Much of this content can also apply to public agencies and their constituent units.

Organizational resiliency is the capacity to respond effectively to change, to adapt successfully to new and unforeseen conditions and circumstances – and to seize opportunity. Use the checklist below to better understand dimensions of each resiliency factor, and to identify aspects of resiliency that may need attention. Attach additional pages to explain actions needed, or to note questions, concerns, or follow-up items.

Organization Name

Completed by

Date

RESILIENCY FACTORS

ACTION NEEDED?

1. Culture of Learning

a. Shared sense of values, mission, and vision
b. Optimistic in spite of challenges, and also realistic about what's achievable
c. Encourages experimentation and learning
d. Measures what is accomplished and applies that knowledge to decision-making
e. All aspects of the organization reflect the voice, contributions, and best interests of constituents

2. Talent & Leadership

a. Priorities of the board/governing body and staff leadership well-aligned
b. Board (or other governing body) engaged, effective, and representative
c. Attracts and retains talented and diverse staff
d. Distributed leadership (not over-dependent on a single individual)

3. Context (Outside-in Thinking)

a. Knowledgeable about key players and stakeholders in its field
b. Clear understanding of position, current role, and potential impact in its field
c. Strong in relation to others in its field
d. Assesses external opportunities and threats that may affect the relevance and/or power of its strategy or programs
e. Actively seeks and responds to input from diverse constituencies

4. Planning & Execution

a. Clear strategy for the next two to three years
b. Plans for contingencies and adapts strategy as circumstances require
c. Necessary capabilities and skills to execute
d. Track record of accomplishing what it sets out to do

5. Reputation & Communications

a. Clear and compelling story which is used to communicate mission and impact
b. Actively maintains a strong reputation with key audiences and constituencies
c. Regularly re-examines core messages, audiences, and tactics for communications

6. Partnerships & Alliances

a. Routinely and successfully collaborates, coordinates, and communicates with others in its field
b. Participates in network and/or coalition activities selectively and strategically

7. Financial Footing

a. Reliable and recurring revenue covers the cost of programs and operations
b. Adequate unrestricted funds and cash reserves in place
c. Clear financial strategy promotes long-term sustainability
d. Dependency on S. D. Bechtel, Jr. Foundation funding declining over time

RESILIENCY FACTOR

Culture of Learning

Organizational resiliency is shaped in part by the depth of an organization's commitment to learning, improving, and adapting.

Any of the following indicate that an organization may benefit from assessment or capacity building related to Culture of Learning:

- ☐ Little investment of time or resources in reflection or learning
- ☐ Lack of encouragement/incentives to constructively examine mistakes or missteps
- ☐ Staff confusion about how their work connects to the organization's vision and goals
- ☐ Lack of basic accountability mechanisms (such as performance management systems, dashboards, periodic reporting to board and constituents)
- ☐ Goals/objectives that are consistently out of line with past achievements
- ☐ Limited data collected/analyzed regarding how or whether the programs/projects of the organization are working
- ☐ Inadequate infrastructure for collecting and using data on progress toward goals
- ☐ Little or no investment in external evaluation
- ☐ The results of evaluations are not meaningfully incorporated into decision-making
- ☐ Little opportunity for constituents/beneficiaries to contribute to organizational learning

Approaches to strengthening Culture of Learning:

- ▪ Strategic visioning
- ▪ Training or coaching in measurement and evaluation
- ▪ Review of learning and measurement systems/approaches of other organizations in the field
- ▪ Data systems assessment and/or development
- ▪ Addition of skilled staff re: learning and evaluation
- ▪ Support efforts to advance diversity, equity, and inclusion
- ▪ Regular use of techniques such as Peer Consults and After Action Reviews

LEARN MORE

The Challenges of Organizational Learning. Katie Smith Milway and Amy Saxton. *Stanford Social Innovation Review.* 2011.

Is Yours a Learning Organization? David A. Garvin, Amy C. Edmondson, and Francesca Gino. *Harvard Business Review.* 2008.

FYI for Learning Agility. Lominger International: A Korn/Ferry Company. 2010.

Advancing the Mission: Tools for Equity, Diversity, and Inclusion. Annie E. Casey Foundation. 2009.

Talent & Leadership

Organizations are, first and foremost, collections of people. The skills, talents, and diversity of the team – and a leader's approach to guiding and aligning people's efforts – can enhance or inhibit an organization's resiliency.

Any of the following indicate that an organization may benefit from assessment or capacity building related to Talent & Leadership:

- A charismatic leader with limited management experience/capabilities
- Recent loss of a key leader
- Lack of resources/time allocated to staff development
- High staff turnover and/or consistent difficulty filling key positions
- Board and/or staff lack commitment and accountability to diversity, equity, and inclusion
- Insufficient delegation
- Ineffective use of teams (e.g., unclear goals, lack of accountability for team results)
- Roles of board and staff are unclear or in conflict
- Board members who lend their names but are not actively engaged
- Board members (publicly or privately) express a lack of faith in staff leadership
- Staff (publicly or privately) express a lack of confidence in executive and/or board leadership

Approaches to strengthening Talent & Leadership:

- Management and leadership training
- Executive coaching
- Training/coaching on diversity, equity, and inclusion
- Human resources planning and/or systems development (including performance management systems, review of compensation and benefits, development of employee handbook/policies)
- Board training and development
- Succession planning

LEARN MORE

How Can We Target Our Leadership Development Support? Grantmakers for Effective Organizations. 2014.

Blueavocado.org. Online, quarterly magazine with short articles by nonprofit experts. Searchable by question. Especially good for questions related to human resources or boards.

BoardSource.org. Books, articles, and toolkits on nonprofit governance, and guides to succession planning.

Making a Leadership Change: How Organizations and Leaders Can Handle Leadership Transitions Successfully. Thomas North Gilmore. Center for Applied Research. 2000.

FYI for Teams. Lominger International: A Korn/Ferry Company. 2009.

Step by Step: A Guide to Achieving Diversity and Inclusion in the Workplace, Diversity & Inclusion Initiative. Third Sector New England. 2010.

Context (Outside-in Thinking)

Many elements affect an organization's ability to achieve its goals. In addition to meta-trends – ranging from economic and demographic shifts, to technological advances, and climate change – things that can propel or derail efforts at positive change include shifts in funding streams, changes in relevant policy or regulation, or the work of other actors in a field. Thoughtful consideration of its external context and trends can help an organization prepare for and address potential external threats as well as opportunities, making it more resilient in the face of inevitable change.

Any of the following indicate that an organization may benefit from assessment or capacity building related to Context (Outside-in Thinking):

- ☐ Leaders unaware of key trends in the field and the relevance of these trends to their own organization
- ☐ Leaders not in touch with or listening to the full range and diversity of stakeholders
- ☐ Plans and goals that assume only continuation of the status quo
- ☐ Not practiced at risk analysis or contingency planning
- ☐ Lack of understanding of the organization's place and role in the field or ecosystem of which it is a part
- ☐ Lack of familiarity with the goals and/or business models of other organizations in the field
- ☐ Leadership surprised by external changes that might have been understood or predicted

Approaches to strengthening understanding of Context (Outside-in Thinking):

- ▬ Field scanning
- ▬ Scenario planning
- ▬ Competitive landscape analysis
- ▬ Network mapping
- ▬ Collect and assess demographic-specific data

LEARN MORE

Forty Forces: Strategic Dialogues for Looking over the Horizon and Nine Key Trends Affecting the Charitable Sector. Independent Sector and Monitor Institute. 2015.

What If? The Art of Scenario Thinking for Nonprofits. Diana Scearce, Katherine Fulton, and the Global Business Network Community. 2004.

Scanning the Landscape 2.0: Finding out What's Going on in Your Field. Anne McKinnon and Lisa Philip. GrantCraft. 2012.

The SAGE Handbook of Social Network Analysis. John G. Scott and Peter Carrington. 2011.

4 Planning & Execution

Clarity about goals and desired outcomes, coupled with capabilities that are well-aligned with those goals and plans, is essential to organizational effectiveness and resiliency.

Any of the following indicate that an organization may benefit from assessment or capacity building related to Planning & Execution:

- ☐ Outdated strategic plan, or a plan that merely "sits on the shelf"
- ☐ A new leader with priorities different from those of the previous leader
- ☐ Too many priorities; capacity (staff and other resources) insufficient or stretched too thin to achieve all
- ☐ Unclear decision rights
- ☐ Lack of clarity on how to make decisions when priorities come into conflict with each other
- ☐ Slow to decide
- ☐ Too quick to decide before considering options and alternatives
- ☐ Lack of clear indicators for assessing progress against plans, or indicators that are not useful for managing work and learning from experience
- ☐ History of failure to meet program or organizational goals and benchmarks
- ☐ A sustained or pervasive feeling of stress among staff

Approaches to strengthening Planning & Execution:

- ▪ Strategic planning
- ▪ Business planning
- ▪ Training in project management
- ▪ Executive coaching
- ▪ Information technology (IT) assessments and improvements

LEARN MORE

Ten Keys to Successful Strategic Planning for Nonprofit Organizations. Briefing paper by Richard A. Mittenthal. TCC Group. 2002.

Competitive Strategies for Not-for-Profit Agencies. Chapter by I.C. MacMillan in the book *Advances in Strategic Management,* Vol. 1. JAI Press, Inc. 1983.

Strategic Choice Structuring. Roger Martin. University of Toronto. 1997.

Managing to Change the World: The Nonprofit Manager's Guide to Getting Results. Allison Green and Jerry Hauser. Jossey-Bass. 2012.

Transformative Scale: The Future of Growing What Works. Jeffrey Bradach and Abe Grindle. *Stanford Social Innovation Review.* 2014.

Reputation & Communications

People are more likely to be moved to action by compelling stories than by statistics. And mission-driven organizations rely on reputation (a combination of credibility and track record) when seeking support. Given the number of nonprofit organizations vying for the attention of the public and of donors, communications is an essential and powerful tool for driving results.

Any of the following indicate that an organization may benefit from assessment or capacity building related to **Reputation & Communications**:

☐ Outdated communications tools and messages

☐ Lackluster case statement (too many facts; not enough connection to people or community)

☐ Lack of a functional communications role

☐ Key players in the field are unaware of the organization or its work, or have a negative impression of it

☐ Materials do not reflect the quality of the organization

☐ Negative media coverage

☐ Ineffective or outdated website

☐ Limited or no social media presence

Approaches to strengthening **Reputation & Communications**:

▪ Training in strategic communications

▪ Media training for spokespersons

▪ Communications assessment

▪ Communications planning and development

▪ Investment in communications tools and infrastructure

LEARN MORE

Storytelling and Social Change: A Strategy Guide for Grantmakers. Paul Van de Karr. 2013.

Twenty-First Century Communications versus the Illusion of Control: An Epic Battle. Ruth McCambridge. *Nonprofit Quarterly*. August 27, 2014.

SmartChart 3.0 from Spitfire Strategies. Free, online communications planning tool.

The Goodman Center offers resources on storytelling and communications, and an excellent newsletter about social benefit communications called *Free Range Thinking*.

6

Partnerships & Alliances

The work of an organization is never accomplished in isolation and, in fact, no single organization has all the talent, resources, and influence to effect durable change in a field or a community. Nonprofit organizations are increasingly working with and through networks to address big goals. Partnerships and strategic alliances can bring credibility, strength, and versatility to the work of an organization, further enhancing resiliency.

Any of the following indicate that an organization may benefit from assessment or capacity building related to **Partnerships & Alliances**:

- ☐ Limited engagement in partnerships (failure to be aware or take advantage of real opportunities)
- ☐ So much time spent on partnership work that it is interfering with the ability to implement important program goals
- ☐ Partnership work or networking that is not mission aligned
- ☐ Key staff and board not experienced in collective leadership
- ☐ Unable or unwilling to share power and responsibility
- ☐ Lack of attention to assessing/evaluating the results of partnerships, alliances, and/or participation in networks

Approaches to strengthening **Partnerships & Alliances**:

- ▬ Field scan to identify potential partners
- ▬ Training or coaching in negotiation and/or facilitation
- ▬ Legal and other consulting services related to mergers or other strategic alliances
- ▬ See also Factor #3: **Context (Outside-in Thinking)**

LEARN MORE

Working Better Together: Building Nonprofit Collaborative Capacity. Grantmakers for Effective Organizations. 2013.

Partnerships: Frameworks for Working Together. The National Resource Center. 2010.

Catalyzing Networks for Social Change: A Funder's Guide. Monitor Institute and Grantmakers for Effective Organizations. 2011.

The Nonprofit Mergers Workbook. David LaPiana. LaPiana Associates. 2008.

7 Financial Footing

An organization on a strong financial footing has adequate cash reserves as well as reliable and recurring revenue that covers the real cost of programs and operations. It also has foresight, strong systems for oversight and reporting, and the capability to make good use of these systems and to reframe financial projections as circumstances change.

Any of the following indicate that an organization may benefit from assessment or capacity building related to **Financial Footing**:

- ☐ Significant reliance on one or a few funders
- ☐ Difficulty identifying new funding sources; fundraising targets consistently missed
- ☐ Significant fluctuations in key funding sources
- ☐ Year-over-year deficits
- ☐ Inadequate or diminishing cash reserves
- ☐ Chronic reliance on a line of credit to pay for programs or operations
- ☐ Loss of a key development staff member, or frequent turnover in development staff
- ☐ Lack of leadership and/or board engagement in fundraising
- ☐ Lack of a viable business model and/or fundraising plan

Approaches to strengthening **Financial Footing**:

- Audit
- Multiple budget scenarios/contingency plans
- Fundraising feasibility studies
- Financial assessments
- Fund development planning
- Board development focused on board member role in fundraising

LEARN MORE

An Executive Director's Guide to Financial Leadership. Kate Barr and Jeanne Bell. *The Nonprofit Quarterly*. 2011.

Linking Mission and Money. Nonprofit Finance Fund. 2010.

On the Money. Grantmakers for Effective Organizations. 2009.

S. D. BECHTEL, JR.
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A VISION FOR CALIFORNIA

The S. D. Bechtel, Jr. Foundation and the Stephen Bechtel Fund envision a productive, vibrant, and sustainable California that is a model of success and a source of innovation.

A COMMITMENT TO NOW

California faces many critical challenges, which require resources and imaginative solutions.

In response to this reality, the Board of Directors decided to invest all the Foundation's assets by 2020. This decision reflects a commitment to identifying lasting solutions for education and the environment sooner, rather than later. The Foundation also invests in building the capacity and resiliency of grantee organizations to leave them positioned to carry on the work of furthering a successful California for decades to come.

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