



CULTIVATE

an incubator for nonprofits

POWERED BY





Overview of Concept: **CULTIVATE**

In 2018, Next Stage Consulting ('Next Stage') is launching an incubator for nonprofits designed to provide expert strategic supports to emerging social cause organizations based in Mecklenburg County. Entitled **CULTIVATE**, the incubator will focus on **increasing capacity** for emerging nonprofits to sustain operations and **building social capital** toward achieving their missions and visions.

CULTIVATE launches in January 2018 with four (4) participating nonprofits selected by a panel of community leaders, who will consider applications based on an in-depth RFP process. Organizations selected to participate must demonstrate a unique approach to addressing a challenge facing Charlotte and commit to a 12-month program designed by Next Stage.

The curriculum for **CULTIVATE** includes one-on-one work and personalized coaching with the Next Stage consulting team, assignments managed through an online learning management system, small group workshops for the four participating organizations and activities designed to increase social capital.

Core monthly topics covered by the incubator will include:

- Aligning Mission, Vision & Values
- Building Program Fidelity
- Strengthening the Board of Directors
- Sourcing Volunteers and Staff
- Seeking Partnerships That Make Sense
- Building a Pipeline of Individual Donors
- Mastering Grantsmanship
- Leveraging for Sponsorship
- Onboarding Earned Revenue
- Designing Online Communications
- Appealing to the Media/PR
- Refining the Strategic Business Plan

In addition, participating organizations will have access to a variety of drop-in spaces throughout Mecklenburg County where they will be encouraged to engage with stakeholders and prospective constituents. Organizations participating in **CULTIVATE** will be encouraged to bring their missions and programs to neighborhoods across Charlotte and dialogue with local leaders on their own turf.

The goal of **CULTIVATE** is to dramatically increase the likelihood of success for four nonprofits in Mecklenburg County through hands-on support that encourages collaboration, critical thinking and goal-setting and results in the development and implementation of a roadmap to future success.

Statement of Need

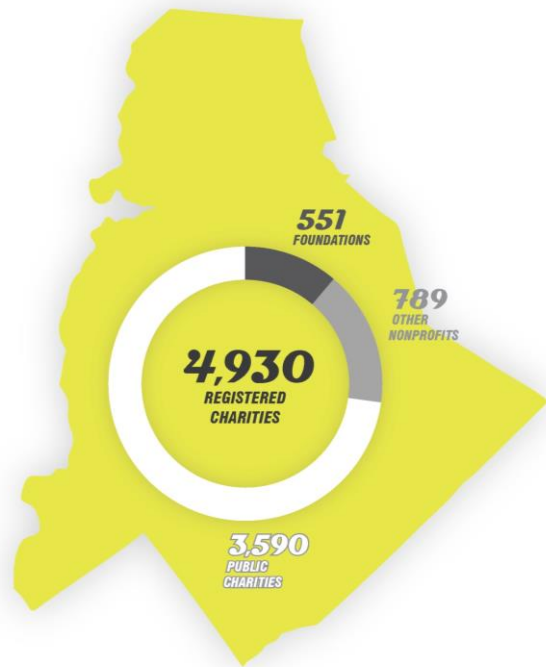
Mecklenburg County has experienced an **explosion of nonprofits** over the last twenty years. While the population of the county has roughly doubled since 1997, the region has seen the charitable sector triple during that same period of time (1).

There are reasons to be concerned about the efficiency and effectiveness of a nonprofit sector growing at this rate. That said, there are also reasons to champion the founders of emerging nonprofit organizations who are charting **new and dynamic ways** to meet the needs of the community. But given the volume of new nonprofits founded each year, it can be difficult to identify the entrepreneurs who are truly deserving of elevation.

The Charlotte region has undergone a shift in community leadership at the same time as this growth in the nonprofit sector. Whereas residents could look to the city's corporate institutions for civic leadership in the years leading up to the economic downturn, a more **egalitarian model** has emerged in the years since. Leaders now look inside their companies for direction from the employee base.

The years of counting on a small group of leaders to set the city's civic agenda have waned. As a result, nonprofits are pressed like never before to develop new relationships to drive their missions. With an average of over 100 people moving to Charlotte each day (2), nonprofits are encouraged to 'stop hitting up the same old people' and instead find ways to **engage new residents**.

This is particularly difficult for nonprofits that are struggling just to keep their operations afloat. Executive Directors must count on volunteer boards to serve as their **brand ambassadors**, a role where they don't always succeed. This requires the nonprofit founder to spend an inordinate amount of time 'friend-raising.'



NATIONAL CENTER FOR CHARITABLE STATISTICS AS OF SEPTEMBER 2015

Nonprofits simply lack the **social capital** needed to implement their programming effectively.

Given this, it should not be a surprise that the nonprofit sector experiences such a high burnout rate (3). Some consider this a natural response to the high number of nonprofits coming online, and they are not wrong. But what of the emerging social entrepreneur with a methodology deserving of community buy-in? If that individual is not identified early and provided supports during the all-important climb **from founding to sustainability**, Charlotte may lose a bright light who could have made a sizable long-term impact.

The Charlotte region is in need of new ways to source the independent sector **champions and leaders of tomorrow**, ensuring that they attain the social capital and organizational know-how needed to achieve lasting nonprofit success.

Next Stage's Approach – The Community Portfolio

Next Stage Consulting was founded in 2013 to ensure all nonprofit organizations in the Carolinas have access to affordable, high-quality consulting services to help them “get to the next level.” The firm's Founder and Managing Director Josh Jacobson has directly managed engagements with more than 160 nonprofit organizations since 2009, including organizations of every size and mission, from emerging organizations with no income streams to large nonprofits with \$20+ million budgets.

This work has informed the firm's philosophy that a healthy city must feature a variety of nonprofit organizations working in concert to address community needs. And just as a healthy stock portfolio is diversified, so too should exist a curated portfolio of community resources that service a region.

Next Stage suggests that all nonprofit organizations should fall into one of five categories:

1. Emerging Startups – The nonprofit sector is ripe for disruption, and social entrepreneurs with new and different ways to achieve success are needed now more than ever. Sometimes these individuals should be encouraged to align with already-developed nonprofits, but other times there are good reasons to launch a new 501c3 endeavor.
2. Niche Organizations – The vast majority of nonprofits should be in pursuit of niche status – that is, owning their space. This requires identifying an organization's core value proposition and striving to lead in that space. A niche organization must have a plan for maintaining its role as a leader and adapting to a changing community.
3. Imported Nonprofits – Organizations that demonstrate fidelity and an evidence-base should be encouraged to scale. Communities must be willing to embrace organizations with demonstrated impact that can scale to provide programming that is locally informed and delivered.
4. Blue-Chip Institutions – In Charlotte, roughly 75% of financial resources are generated by the top 100 nonprofit organizations with budgets topping \$4 million. These organizations should be encouraged to collaborate with organizations in the preceding three categories, leveraging their revenue and assets in service to increased community impact.
5. Foundations – It can be easy to forget, but private foundations are nonprofits as well and they play an incredibly important role in providing resources to fuel social impact. Working with individual donors, foundations should strive to curate a community portfolio of nonprofit resources to ensure a healthy and vibrant community.



With **CULTIVATE**, Next Stage endeavors to meet the needs of emerging start-ups deserving of support as they pursue niche organization status. Rather than work with founders one-on-one in engagements that are duplicative and inefficient, Next Stage believes this incubator will also empower participating organizations to learn from each other, thus leveraging their involvement.

The annual curriculum for the incubator will be delivered via one-on-one meetings and small group workshops, with monthly assignments made and tracked via an online learning platform. Participants will be expected to participate in all learning modules and complete assignments in a timely manner.

MODULE I

Aligning Mission, Vision & Values

Early growth nonprofits often struggle from the start with statements of purpose, direction and principles. Well-developed mission, vision and value statements are a necessary first step, and are vital to establishing the case for support. This learning module begins with a self-assessment of mission, vision and values through a local lens, encouraging clarity and differentiation.

Topics

- Articulating mission as response to need and opportunity, creating a process for evaluation and modification
- Understanding enduring vision vs. time-limited vision, importance generationally
- Considering values as building blocks of guiding principles
- Mastering stakeholder engagement in defining brand and onboarding

MODULE II

Building Program Fidelity

Once mission, vision and values have been defined, a nonprofit must ensure all programs and operations are carefully aligned to advance its goals. To attract community support, programs must serve an identified need and be implemented with fidelity. This learning module begins with a local needs assessment, followed by program design, logic model creation and assessment planning.

Topics

- Identifying and evaluating priority community needs related to mission
- Designing new or refining existing programs in service to identified needs
- Creating a logic model linking intended short- and long-term outcomes to program activities and processes
- Building an organizational culture of program assessment and evaluation

MODULE III

Strengthening the Board of Directors

The board of directors has governance authority over a nonprofit – not a role to cast haphazardly. A well-designed board provides access to valuable skills while also increasing the organization's social capital. As such, the board should be viewed as a team, with unique players bringing specific expertise and relationships. This learning module helps leaders 'manage up' to strong board.

Topics

- Identifying the unique governance needs of each participating nonprofit
- Building a strategy to source quality leadership volunteers
- Being clear on expectations and messaging needs effectively
- Orienting and on-boarding new board members, ensuring clear understanding of expectations from the start



MODULE IV

Sourcing Volunteers and Staff

As a continuation of the focus on human resources, this module tackles structure and alignment in service to sourcing volunteers and staff members. An organizational chart should provide clarity on the roles and responsibilities of those involved in the nonprofit, with a clear chain of command. With that in place, strategies to source talented and effective human resources will be further developed.

Topics

- Delineating roles and responsibilities for volunteers and staff/contractor roles
- Designing a multi-year plan for developing human resources and theory of growth and change
- Identifying methods of identifying and recruiting volunteers
- Evolving the organization to include paid contractors and staff

MODULE V

Seeking Partnerships That Make Sense

A chief concern of funders is a general lack of collaboration between nonprofit organizations. Too frequently, partnerships are designed to “chase the money” as opposed to deepen the impact of programming or efficiency of operations. This module aims to make partnership-building a strength of each participating organization, instilling a culture of collaboration and problem-solving.

Topics

- Conducting a comparative screen to understand the local landscape
- Identifying opportunities to deepen programming and make operations more efficient
- Engaging in partnership development and negotiating collaboration
- Assessing the impact, reporting on results and developing next steps

MODULE VI

Building a Pipeline of Individual Donors

The lifeblood of any nonprofit are the charitable contributions given by individuals who believe in the mission. Donations from individuals total more than two-thirds of all donations to nonprofits, yet many nonprofit organizations do not have a defined individual donor fundraising strategy. This module helps participating organizations create a plan for increasing individual donations.

Topics

- Understanding the individuals who already support the organization and creating constituent profiles
- Building a case for support and messaging plan
- Orienting fundraising activity to acquisition and retention
- Engaging in peer-to-peer and crowdfunding strategies

MODULE VII

Mastering Grantsmanship

The lure of grants is the intoxicating concept that a nonprofit can secure outsized investment by simply applying for it. Too many think of it like submitting a credit card application, but the application is typically the final activity, not the first. This module provides insight into the grantmaking process and suggests ways for organizations to find, cultivate and successfully solicit grant funding.

Topics

- Conducting effective grant research and knowing what to look for
- Cultivating grant sources and determining a suitable match
- Creating a grant narrative and supporting material and segmenting language for ongoing pursuit
- Reporting on the use of funds and positioning for continued support

MODULE VIII

Leveraging for Sponsorship

Sponsorship funds are an earned revenue stream for nonprofits focused on marketing, public relations and employee engagement. Nonprofits must demonstrate value and a return on investment to successfully land sponsorship dollars. This module demystifies the process of pursuing sponsorships, encouraging participants to be savvier and make more effective, sponsor-oriented pitches.

Topics

- Taking stock of assets and designing a holistic sponsorship platform
- Creating effective custom sponsorship materials
- Training on the sponsorship pitch and coaching on maximizing the initial meeting
- Sponsorship fulfillment and the art of staying in touch

MODULE IX

Onboarding Earned Revenue

With the future of tax reform anybody's guess, nonprofits must prepare for a time when the charitable deduction may not be the organization's primary competitive advantage. Increasingly, nonprofits are seeking earned revenue streams that are mission-connected. This module explores how earned revenue strategies can drive revenue and build new constituencies.

Topics

- Understanding the implications of earned revenue strategies
- Conducting an asset assessment to identify potential avenues for earned revenue development
- Brainstorming concepts and building a business plan
- Piloting concepts and assessing long-term viability





MODULE X

Designing Online Communications

Digital communication isn't the future – it is the present. Effective online communication is essential to building awareness and acquiring new constituents. Content creation is key to telling a story and engaging audiences. This module will help participants create a multi-channel messaging plan designed to attract new audiences and maintain connection with already-established constituents.

Topics

- Identifying priority audiences in alignment with organizational needs
- Exploring communication channels and determining an appropriate mix
- Developing a cohesive “voice” for all communication efforts
- Creating sample content and a content calendar to guide activity and tracking results of communications strategies

MODULE XI

Appealing to the Media/PR

While social media is a critical component of grassroots marketing, so too is traditional media that continues to drive community engagement. Like all things, a strong media platform is based on relationships and understanding the needs of the broadcast, print and digital media partners. This module will train participants on best practices in public relations and how to pursue coverage.

Topics

- Identifying appropriate media outlets and prioritizing outreach
- Building relationships with media gatekeepers and understanding deadlines
- Creating a platform for PR communications
- Developing and implementing a media relations plan

MODULE XII

Refining the Strategic Business Plan

Increasingly, stakeholders want to understand not only *what* you do, but *how* you do it. A well-structured strategic business plan helps volunteers, donors and the broader public understand how the organization achieves its goals and ways they can be supportive. This culminating activity for the incubator will place all work accomplished to-date into context, resulting in a polished strategic business plan.

Topics

- Creating measurable, multi-year goal statements across strategic areas
- Aligning objectives and strategies in service to the goal statements
- Defining a quarterly calendar of tactics with specific deadlines and assignment
- Marketing this framework to stakeholders and gatekeepers

CULTIVATE SYLLABUS

CULTIVATE is constructed as a set of thematic activities over four weeks (Introducing, Deepening, Socializing & Finalizing). Each month introduces a new topic, with discussion, engagement and assignments made in service to fully exploring the topic.

Requirements for participating organizations:

- Select one representative to serve as the primary participant (typically the founder)
- Set aside 12-15 hours per month to participate in CULTIVATE
- Prioritize participation, completing assignments and meeting milestones

The following outline of the week-by-week structure provides a guideline for engagement:

Week #1

- Next Stage will lead a half-day (3.5 hour) workshop as an introduction to the monthly topic
- For some topics, a guest co-facilitator will participate in the workshop, offering expertise and unique perspective
- The workshop will feature a review of knowledge-building content and encourage small-group discussion – peer engagement is a hallmark of these workshops, leveraging the participation of each nonprofit leader
- Monthly assignments will be made, which will include the review of additional material, completion of worksheets and exercises, and external engagement with current and prospective stakeholder groups
- A memo will be produced by Next Stage following each session, highlighting content and detailing next steps and activities to complete

Week #2

- Next Stage will conduct the first two-hour intensive coaching session with each participating organization, which may include the participation of additional board members, volunteers and/or staff
- The firm will further explore both the monthly topic and near-term strategic needs of the organization, serving as an in-depth coaching partner
- In month's that feature a guest co-facilitator, one-on-one sessions (e.g. one hour in-person or phone) can be scheduled to further explore the topic

Week #3

- External outreach in service to the monthly topic will be prioritized, encouraging participants to test theories and share learnings
- Beginning in spring 2018, week #3 will also include participation in a topical networking series hosted by Next Stage and encouraging the development of social capital by nonprofit organizations

Week #4

- Next Stage will conduct a second two-hour intensive coaching session with each participating organization, which may include the participation of other stakeholders
- The firm will further explore both the monthly topic and near-term strategic needs of the organization, serving as an in-depth coaching partner
- Recommendations for additional activity in support of the monthly topic may be made

About Next Stage

Next Stage Consulting ('Next Stage') is a strategy and implementation firm founded in 2014 that serves nonprofit organizations and social cause startups throughout the Carolinas. The firm provides organizations access to affordable, high-quality consulting services to help them "get to the next level." Next Stage is well known for providing effective support to organizations of all sizes, from start-up social enterprises seeking a level of sustainability to well-established nonprofits aiming to realign in service to a bold vision.



CULTIVATE represents a shift for Next Stage, which is seeking to reframe its value proposition to meet the needs of an evolving Charlotte community.

JOSH JACOBSON, CFRE – MANAGING DIRECTOR



Josh specializes in strategic positioning and tactical design, helping nonprofits develop the platform and tools necessary to support effective operations and fundraising activities. His expertise is in strategic planning, volunteer development, annual and capital fundraising, executive and development search, case strategy, and succession planning.

As a consultant, Josh has worked in-depth with every nonprofit sector, including arts and culture, children and families, primary and secondary education, higher education, faith, environment and science and health and human services. This wide experience provides a useful perspective for client services, bringing new ideas into every engagement.

Over the last seven years, Josh has directly managed engagements with more than 150 nonprofits. Josh graduated magna cum laude from Flagler College in St. Augustine, FL. He is a Certified Fund Raising Executive (CFRE) and an active member of the Charlotte chapter of the Association of Fundraising Professionals (AFP) where he is Incoming Board President for 2018.

CAYLIN VIALES – PROJECT DEVELOPMENT MANAGER



Caylin Viales joined Next Stage Consulting as an Associate in January 2017. She provides client management support and spearheads the firm's data gathering and analysis. Caylin has had leadership roles with recent Next Stage clients including About Face CLT, Carolinas Latin Dance Company and Community School of the Arts, and has provided meaningful contributions to the firm's work with Carolina Raptor Center.

Before relocating to Charlotte, Caylin worked as a Program Associate with the GreenLight Fund, a philanthropic organization with roots in the venture capital community. Over a three-year tenure, she supported the selection and launch of five high-performing national organizations in Philadelphia.

Prior to GreenLight, Caylin spent six months as a fellow at the national consulting firm Frontline Solutions, working with the Philadelphia office in their efforts to enhance the impact of nonprofit and public sector programs. Caylin received her BA in Urban Studies from Bryn Mawr College and spent her freshman year in Costa Rica, where she researched the role of gender in community development while working for the Costa Rican Humanitarian Foundation.