

## Why Nonprofits Should Leverage For-Profit Business Strategies

Most nonprofit employees are truly driven by the desire to serve their mission and constituents. Your purpose matters, and working for a nonprofit is at the heart of what makes you tick. So why would you want to treat your nonprofit like a for-profit business?

Carefully selecting and using some of the tried and true business principles from the for-profit world can help you serve more people and expand your outreach with the same amount of resources. Finding the right strategies to help you gain efficiencies and become more effective at how you serve can only be a good thing when it leads to helping more people and ultimately furthering your mission.



### Strategies You Can Leverage to Get Started:

#### 1. Manage *all* of your relationships, not just donor relationships.

Do each of your organizational functions have separate and distinct “people records”? As an efficient nonprofit, you should be able to easily evaluate and manage multi-dimensional relationships as well as streamline and target your communications based on those relationships.

#### 2. Recognize where you fit in the new social enterprise model.

With the advent of benefit corporations that are for-profit but include a positive impact on society as well as the growth of philanthropic foundations funded by for-profit companies, the lines between nonprofit and for-profit entities are continuing to blur. Nonprofits have more competition than they’ve ever had. Have you honed your mission and adjusted your marketing strategies accordingly?

#### 3. Focus on maximizing Return on Investment (ROI).

Many nonprofits focus on driving down administrative costs, thinking of it as “overhead” instead of an investment that will drive future growth and greater impact in the world. We’ll discuss how investing in efficient processes and systems can help you get more donations, do more business, and ultimately help more people. While how you do this might be different than a for-profit business, the concept of measuring the value generated from your efforts and investments in these areas is still a valuable activity.

#### 4. Leverage sales and marketing techniques common to a for-profit business.

Does *everyone* have good visibility into your development “pipeline”? Are Development and Marketing working from the same playbook and information? As an example you should have a clear understanding of how a potential donor relationship can add value to your mission through other means – whether as a volunteer, member, or otherwise.

**DPT’s experience in the nonprofit sector is helping implement best practices around these strategies and delivering improved performance.**  
**If you want to grow your nonprofit, and do it the right way, please contact us.**