

## SIX PRACTICES OF HIGH IMPACT NON-PROFITS

What enables the best non-profits to create lasting social change? This tool, excerpted from “*Creating High-Impact Non-profits*” published in the Stanford Social Innovation Review,<sup>1</sup> lays out six attributes shared by the most successful non-profit organizations. The secret to their success lies in how they mobilize every sector of society – government, business, non-profits, and the public – to be a force for good. In other words, greatness has more to do with how non-profits work *outside* the boundaries of their organizations than with how they manage their own *internal* operations.

**1. Serve and Advocate:** High-impact organizations may start out providing great programs, but they eventually realize that they cannot achieve large-scale social change through service delivery alone. So they add policy advocacy to acquire government resources and to change legislation. Other non-profits start out by doing advocacy and later add grassroots programs to supercharge their strategy. Ultimately, all high-impact organizations bridge the divide between service and advocacy. They become good at both. And the more they serve and advocate, the more they achieve impact. A non-profit’s grassroots work helps inform its policy advocacy, making legislation more relevant. And advocacy at the national level can help a non-profit replicate its model, gain credibility, and acquire funding for expansion.

**2. Make Markets Work: Realizing the power of harnessing market forces for social change.** High-impact non-profits have learned that tapping into the power of self-interest and the laws of economics is far more effective than appealing to pure altruism. No longer content to rely on traditional notions of charity, or to see business as an enemy, these non-profits find ways to work with markets and help companies “do good while doing well”. They influence business practices, build corporate partnerships, and develop earned-income ventures to achieve social change on a grander scale.

**3. Inspire Evangelists:** High-impact non-profits build strong communities of supporters who help them achieve their larger goals. They value volunteers, donors, and advisers not only for their time, money, and guidance, but also for their evangelism. To inspire supporters’ commitment, these non-profits create emotional experiences that help connect supporters to the group’s mission and core values. These experiences convert outsiders to evangelists, who in turn recruit others in viral marketing at its finest. High-impact non-profits then nurture and sustain these communities of supporters over time, recognizing that they are not just means, but ends in themselves.

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<sup>1</sup> By Heather McLeod Grant & Leslie R. Crutchfield, Fall, 2007.

**4. Nurture Non-profit Networks:** Although most non-profits pay lip service to collaboration, many of them really see other groups as competition for scarce resources. But high impact organizations help their peers succeed, building networks of non-profit allies and devoting remarkable time and energy to advancing their fields. They freely share wealth, expertise, talent, and power with other non-profits not because they are saints, but because it's in their self-interest to do so.

**5. Master the Art of Adaptation:** High impact non-profits are exceptionally adaptive, modifying their tactics as needed to increase their success. They have responded to changing circumstances with one innovation after another. Along the way, they've made mistakes and have even produced some flops. But unlike many non-profits, they have also mastered the ability to listen, learn, and modify their approach on the basis of external cues. Adaptability has allowed them to sustain their impact. Too many non-profits have highly innovative ideas but can't execute. Other non-profits are so mired in bureaucracy that they lack creativity. But high-impact non-profits combine creativity with disciplined systems for evaluating, executing, and adapting ideas over time.

All high-impact non-profits master what we call the *cycle of adaptation*, which involves four critical steps. First, they listen to feedback from their external environments and seek opportunities for improvement or change. Next, they innovate and experiment, developing new ideas or improving upon older programs. Then they evaluate and learn what works with the innovation, sharing information and best practices across their networks. They modify their plans and programs in a process of ongoing learning. It's a never-ending cycle that helps these non-profits increase and sustain their impact.

**6. Share Leadership:** The leaders of high-impact organizations surveyed in this study all exhibit charisma, but they don't have oversized egos. They know that they must share power in order to be stronger forces for good. They distribute leadership within their organizations and throughout their external non-profit networks, empowering others to lead. Leaders of high-impact non-profits cultivate a strong second-in-command, build enduring executive teams with long tenure, and develop large and powerful boards.