

**Sharing Back Office at Small Nonprofits:  
A Case Study of  
Conservation Organizations  
in Rhode Island**

Presented by:  
Infrastructure Collaborative of the  
Rhode Island Land and Water Partnership

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A report of our experiences to  
Third Sector New England, Rhode Island Foundation and to the greater  
community of nonprofit organizations

**SHARING BACK-OFFICE AT SMALL NONPROFITS:  
A CASE STUDY OF CONSERVATION ORGANIZATIONS IN RHODE ISLAND**

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# SHARING BACK-OFFICE AT SMALL NONPROFITS: A CASE STUDY OF CONSERVATION ORGANIZATIONS IN RHODE ISLAND

## EXECUTIVE SUMMARY

*“The idea of all the small land trusts and watershed organizations developing shared back office systems seemed so simple. I told potential recruits that we’d meet once a month for about 9 months or a year at the most.*

*“Here we are 6 years later still working on this project. It’s hard to believe how complex it has been to implement this idea and how long it has taken.”*

- Rupert Friday, Director, Rhode Island Land Trust Council

In the summer of 2004, a willing collaboration of grassroots land trusts, watershed organizations and technical assistance providers in Rhode Island formed a learning network to consider how we might pilot a model for sharing services that could improve the administrative and fundraising capacity of small conservation nonprofits like ours.

We launched our project with hope, conviction and grant funding from Third Sector New England. At the time, there were relatively few successful models of shared back office services for low budget, low-staff and all-volunteer organizations.<sup>1</sup>

We named ourselves the “Infrastructure Collaborative (IC) of the Land and Water Partnership”(LWP). Operating on roughly \$18,000 a year in grant funding and an enormous number of volunteer hours, we explored and experimented with shared approaches to improving our fundraising and use of volunteers.

### **As of 2010, what has our pilot program accomplished?**

- Most of us have improved our data/donor management systems, converting our home-grown databases to more sophisticated, web-hosted platforms of commercially available software customized for easy adoption by small organizations, and are sharing our lessons and challenges with each other.
- All of us have introduced improvements to our donor/member solicitation and retention practices and a number of us have experienced real increases in funds raised.
- We have increased our social capital by sharing information, using similar systems and deepening our trust and relationships with each other and with other grassroots conservation organizations.
- We continue to disseminate our learnings both in RI and across our networks e.g. by sharing resources and information on the Land and Water Partnership website.
- We have sparked an ongoing exploration among other organizations and individuals in RI to develop more efficient ways to better serve the back office needs of small, grassroots and start-up nonprofits.

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### **What didn't happen?**

- We were never able to implement the shared back office staff (and with it know-how) for fundraising nor sustain it for volunteer management.
- We only had limited results in building increased volunteer capacity, and weren't successful in increasing volunteers for non-program areas.
- We'll never know how much more capacity we could have built from this project if we'd been able to successfully roll out and develop all aspects of the project.

### **What else have we learned about building capacity in small nonprofits?**

- In the smallest organizations, capacity is in individuals and their institutional knowledge, not organizational systems. When inevitable transitions occur, built capacity can quickly be lost. Attention must be paid to building sustained people capacity somewhere in the network. Transitions often occur at a rate that prohibits capacity building.
- Small groups need either a large organization with significant built capacity already on their team or they will need a much larger cash investment to buy what they lack.
- Small nonprofits live in the moment, focused on the urgent needs that caused their formation. Rarely planning for financial or operational sustainability, at the extremes they can be alternately overwhelmed by or overlook even key short-term administrative tasks.
- Leadership matters. We never would have moved forward without the steady guiding hand of our two organizers. At the same time, leadership changes among our members shifted organizational commitments.
- Hiring staff and vendors is always risky, even with very diligent screening. A bad selection can thwart the best plans, undermine confidence in a project and create fatal delays in implementation.
- Research and development investments need to be much bigger to allow experimentation, buy better solutions, and include enough cash to fail, learn and recover. The investment needed for small nonprofits to launch back office services was much larger than we originally estimated.

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## DEVELOPING SHARED BACK OFFICE SERVICES

### How our experiment in shared back office services got started

This project started with two people: long time environmental advocate Meg Kerr, then the appointed volunteer chair of the Rhode Island Rivers Council, a state commission with no authorized operating budget, and Rupert Friday, Director of the RI Land Trust Council, a program under the fiscal sponsorship of The Nature Conservancy's RI office. Both Meg and Rupert had been separately and together providing technical assistance and other supports to Rhode Island's small conservation organizations: Meg assisting local river, stream and watershed protectors and Rupert local land trusts.

Most of the organizations we worked with – 12 watershed councils and over 40 land trusts – had few or no staff and operating budgets well under \$50,000 (with a few exceptions). Meg and Rupert had firsthand experience of the difficulty these small organizations had undertaking routine administrative, financial and fundraising tasks for their organizations. These groups had few material resources and little time to divert from their program work to protect the land and water resources of their communities from rapidly accelerating development.

Sharing their concerns was Gayle L. Gifford, then volunteer President of the Rhode Island Chapter of the Association of Fundraising Professionals (AFPRI) and an organizational development consultant. Gayle shared their passion for and experience with small nonprofits and a desire to see some experimentation in Rhode Island to develop low-cost shared back office services for small organizations.

Shouldn't there be a way, they thought, for small groups to avoid the inefficiencies and costs of redundant systems and share the back office supports they needed?

The opportunity to launch that idea came together in 2004 when Third Sector New England (TSNE), a grant maker, technical assistance provider and knowledge disseminator headquartered in Boston, Massachusetts, announced a unique initiative to create learning networks of community groups in Massachusetts and Rhode Island. TSNE was offering small planning grants of \$4,000 to explore ideas for learning networks. If interested, these networks could compete for grants of up to \$25,000 to implement their learning network plans.

At the same time, AFPRI had secured a strategic grant from the Rhode Island Foundation to help boost its activities to strengthen fundraising in the nonprofit community, including funds to assist small and grassroots organizations. As a small organization itself (annual budget of about \$80,000 and a part time administrator), AFPRI also had much to learn from this experiment.

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Meg and Rupert recruited a few interested constituents, and with AFP, this budding collaborative applied for and was awarded a planning grant to explore the world of shared back office services. (See the attachment “Project at a Glance” for a list of participants.)

With this grant, an exploratory network was formed that would include two small watershed organizations (Salt Ponds Coalition, Wood-Pawcatuck Watershed Association) two small land trusts (Barrington Land Conservation Trust, The Westerly Land Trust), Meg, Rupert, and Gayle representing AFPRI. In a series of three meetings over the summer of 2004, our Infrastructure Collaborative was born, outlined a plan for our network, and applied for a \$25,000 grant from TSNE.

In late 2004 we were awarded that \$25,000 grant from TSNE to launch our network.

In January 2005 we issued two requests for consultants: one to help us design what our shared fundraising program would look like and one to help us design our volunteer management system. Contracts with consultants were formalized by March 2005, launching us into the work.

### *The state of our back offices starting out*

Most nonprofits in Rhode Island, like the rest of the USA, are very small. In 2004 according to IRS data from the National Center for Charitable Statistics, over 77% of the 141 RI environmental organizations had budgets below \$100,000, 90% had budgets below \$500,000. (By 2010 there were 40 more organizations with roughly the same distribution by revenue level.)

Many all-volunteer land trusts are successful in raising significant project funds to conserve land and some watershed councils have been successful in securing government grants and contracts for monitoring or restoration programs. Yet all of us struggle to raise operating dollars and volunteer time for our administration, financial reporting, public education, advocacy, and, for the land trusts, ongoing land stewardship.

Most of us had a very limited knowledge and ability to apply best practices in fundraising, especially organizations that depended entirely on volunteers who usually lacked technical expertise in these areas. None of us had comprehensive fund development plans guiding our activities. Our constituent records were housed in homegrown databases such as Access or Excel, in accounting programs like QuickBooks or even on file cards, few of which were developed enough to support strong fundraising and membership activities.

While most of us were successful recruiting volunteers for popular programs such as river or trail clean-ups, our all volunteer organizations in particular were struggling to recruit and retain volunteers willing to do “staff work.” Some of us had difficulty recruiting board members, especially board officers who had

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huge job responsibilities as critical administrative and financial activities defaulted to them. Critical tasks were often overlooked, delayed and sometimes left undone.

### *The improvements we hoped to achieve*

Our big goal was to improve the capacity of grassroots and small environmental organizations in RI to grow their revenues, operate more efficiently, and engage more individuals in their work.

Though we brainstormed and held focus group to identify possibilities for shared back office services, from bookkeeping to communications, in the end, we settled on our need for more money and more people.

We believed that we had the potential to be much more successful in our fundraising if we could manage our donor, member, supporter and prospect data better and share trained staff to more regularly mail out and follow up on membership renewals, appeals, and informational materials.

Multiple research studies had already demonstrated that organizations with paid volunteer coordinators were much more successful at recruiting, deploying and retaining qualified volunteers. We wanted to test sharing a volunteer coordinator as well.

### *The state of our learning network starting out*

*“I don’t think I’ll forget the first meeting of the Infrastructure Collaborative. The leaders of two watershed organizations and two land trusts reluctantly attended the meeting as a favor to us. It was immediately apparent that they expected the discussion to be a waste of time.*

*“As we went around the room, each leader told the same story -- huge conservation challenges, extremely limited funding, small and somewhat disengaged boards, etc. By the end, the mood had totally shifted. People were excited about working together to create shared and improved administrative functions.”*

– Meg Kerr, Narragansett Bay Estuary Program and Co-Coordinator of Rhode Island Land and Water Partnership

At the beginning, despite Rhode Island’s small size, we did not have a lot of experience working together. Most of us – a mix of executive directors and unpaid board members – didn’t even know each other. Though we saw the potential for mutual gain, we really weren’t sure what to expect from these strangers.

We were adamant that whatever systems or staff we shared, donor information from each of our organizations had to remain proprietary and never commingled.

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We were pretty skeptical that it would be possible to share a volunteer coordinator who would need to work across multiple locations in a state as geographically independent as tiny Rhode Island. (There are 39 cities and towns in a statewide population of just around 1 million, in a land area of just 1,045 square miles. You can drive from the farthest end of the state to the other in just under an hour).

We also knew from the start that we would have a challenge convincing our organizations to invest in these projects once the grant money ran out. We hoped that the pilot would generate enough new money to justify the expense (and future promise) of shared donor management. We were very unsure that we could ever find a way to pay for shared volunteer management – the returns from new volunteer capacity would need to be obvious and significant.

What became clear in a short time was that we would benefit from working together.

It was extremely comforting to know that our peers were struggling with many of the same problems. Those of us who were volunteers realized we were limited in our knowledge of local resources, e.g. discovering that RI had a Volunteer Center that could help post opportunities or a community foundation that provided small grants for building organizational capacity.

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### OUR EXPERIMENT WITH SHARED BACK OFFICE SUPPORT FOR FUNDRAISING

#### How we decided what we needed

With grant funding in hand, in early 2005 we contracted with The Prospero Group of Newport and worked with lead consultant Michael Balaban, who had significant fundraising experience but also hands-on nonprofit experience serving as the executive director and chief fundraiser of a small historic preservation foundation with a budget just under \$1 million.

Through surveys and interviews with RI watershed organizations and land trusts in 2005, Michael confirmed three fundamental needs we all shared:

- We needed plans – both strategic and fund development – to guide our path to growth.
- We would benefit from outside, continuing technical expertise that could be tapped along the way as clearly we had very limited internal expertise in fundraising and planning for growth.
- We had the potential to make substantial gains from deploying better systems to manage and capitalize on constituent and donor data.

Based on Michael's recommendations, we decided to pursue a four-pronged approach to try to meet these needs. We would:

1. Purchase **one donor management software system** that would satisfy our common and diverse needs. This software would be web based to provide remote access because many organizations do not have offices. Also, because our program design included a shared back office provider that would not be housed in any one group, remote access was essential. The software also needed to be very low cost as groups were not now spending any money on software. It needed to be user friendly. And, it had to keep donor information from different organizations separate and private.
2. Contract with a **virtual office provider** for back office support and database management on a shared system that could meet the diverse needs of all the groups at an affordable cost. Ideally, this person would have experience in good practices for renewing, stewarding and soliciting members/donors. Volunteers or staff in each organization would also be trained on the system to enable timely access to information and input, but the "heavy lifting" would be performed by the virtual officer provider.
3. Develop **partnership forums** to build our technical knowledge and help with planning. We could share our own solutions and engage outside experts to train us.

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4. Create a **loaned executive program** with AFP-RI where senior fundraising professionals could mentor our organizations. This would develop from a pilot mentoring program AFP RI had tested and was looking to reactivate.

### *The software saga*

After much searching and significant review of software options, including building our own system, in late 2005 we decided to purchase iMIS, a software used by many association management organizations. While not a web-based application service provider (ASP), we were assured by iMIS's reseller that it could be hosted on an online platform.

We selected iMIS because of its ability to handle membership, fundraising, events and conferences. To the consultants at least, it did not appear too difficult to use, especially with the assumption that most of the technical work would be handled by a shared back office provider who could also serve to train and support a few individuals within each group who would also need to access the database. The deal clincher on iMIS was the promise by the reseller that we could run all of our groups as separate companies under one license, a huge advantage in both upfront and ongoing costs. Add in a second sweetener, the presence in nearby Massachusetts of a skilled virtual office provider with iMIS experience, and we were sold on iMIS.

Right from the start, we began experiencing problems. We struggled to get promised documentation and attention from the iMIS vendor we had contracted with. When the potential Massachusetts virtual officer provider failed to answer inquiries in a timely manner, we decided to hire a service provider in Pennsylvania who came highly recommended by our iMIS vendor. After a short time, it was clear the Pennsylvania provider did not have the systems in place to provide back office support nor the fund development expertise that we desired.

Nevertheless, because we had paid for the system and thinking these setbacks were temporary, we persevered. Over the course of 2006 we began to convert our donor bases to iMIS and participated in training workshops. By the summer of 2006, two of our organizations, the Wood Pawcatuck Watershed Association (WPWA) and the Westerly Land Trust (WLT) were actively putting iMIS to work.

As iMIS was not designed as a web-based application, technical "bugs" resulted in numerous shut-downs. After much research, there was the possibility that we might be able to solve this by hosting the system on our own server.

Then we were told that the licensing cost structure we were sold, a fundamental reason for choosing iMIS, was not accurate and that we could not run multiple organizations under one license. And, as our organizations began to implement iMIS, most of our volunteers were finding it too complex to use without either experienced back office support or sufficient time to invest in training.

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Though WPWA and WLT were making iMIS work – WLT had realized a 15% increase in its giving by better donor management and WPWA liked the increased functionality – with the changed cost structure and repeated problems with the vendor, we would either need to invest significantly more money to stay with iMIS or we could abandon this investment and start all over again.

In early 2007, we ended our agreement with the iMIS vendor and went back to square one on donor/member management.

After conducting our own research and testing of other online systems, in early 2008 we chose Salesforce, the web-based customer relations management system that had recently been giving 501 (c)3 nonprofits free licenses to its customized nonprofit starter pack. (In 2004, Salesforce had just released its first version of the nonprofit starter pack and it was not yet widely used by nonprofits.)

We hired Idealist Consulting, a technology company with significant expertise in Salesforce, to develop and help us roll out a simplified and easy to use template. During 2008 we converted databases and trained our members on its use.

Meanwhile, WLT, having experienced the benefits of a comprehensive system, decided not to wait for a group solution and used its own funds to purchase the readily available DonorPerfect Online. David Francis of WLT shared his research into alternative online providers with us and kept us up-to-date on how WLT was improving its membership management.

WPWA, though an early adopter of iMIS and a strong proponent of shared systems, had never abandoned the use of its Access database, keeping Access updated as a precaution. They abandoned iMIS along with the rest of us because their executive director Lori Urso was committed to a shared solution. However, when Lori moved on, WPWA decided not to convert to Salesforce because they could not afford to invest time in yet another new system while they were also undergoing a change in executive directors.

### *How we learned together*

We intentionally thought about how we might learn together. Our capacity to carve out time and people to learn new systems was very limited, because we are low-staffed or all volunteer organizations.

Our monthly meetings were an incredible learning opportunity as we learned more about fundraising practices, donor management systems, volunteer management, local resources and what all of us were doing.

We never formalized a relationship with AFPRI to launch the fundraising mentoring program. Gayle's term ended on the board. AFPRI's office administrator, who also participated in our sessions, left her

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position. The commitment to this project from AFPRI's own volunteer leadership did not continue and AFPRI did not restart its grassroots mentoring program as it had initially planned.

However, mentoring and coaching were still essential to our forward progress. We just secured it in different ways. For example during the two years Gayle represented AFPRI, she readily shared fundraising advice, training and resources within our group meetings. Helen Tjader of the Barrington Land Conservation Trust, first as a volunteer and then through her new business Acorn Nonprofit Solutions, filled that role for those of us using Salesforce.

When we desired more formal training, we recruited the staff of other organizations or hired experienced local consultants who understood small conservation organizations to conduct training sessions.<sup>2</sup>

Any workshops we held were always open to and included conservation organizations beyond the members of the IC. Topics included fundraising planning, best practices in donor and membership programs, asking for gifts, improving appeal letters, using customer relationship databases, retaining donors, and case studies from IC members or local organizations.

Copies of the materials from all of these sessions are available on our website.<sup>3</sup> The web site includes Salesforce tip sheets developed by Helen Tjader and materials developed for the volunteer management pilot.

After Gayle was no longer formally participating in the IC, we contracted with Cause & Effect Inc. to provide four of our organizations with one-on-one consultations in fund development planning, fundraising analysis or priority planning.

### *Final results of our donor management experiment*

*"The Land Tracker application – which wasn't in the initial design of this project – has become a powerful tool for our stewardship committee .... It's hard to believe we ever operated without it."*

- Helen Tjader, Acorn Nonprofit Solutions and Past President, Barrington Land Conservation Trust

- As of early 2010, 26 conservation organizations are using our customized template in Salesforce, including three of the original and four new members of the pilot.
- Our pilot organizations are reporting better donor and member fundraising practices and some are seeing improved fundraising as a result.
- A "land tracker" module developed with our guidance by Idealist for use by land trusts is being used by about two dozen organizations around the U.S. This module integrates land data with information recorded about donors, abutters and volunteers.

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- Helen Tjader, past president of the Barrington Land Trust and one of our founding members, launched a private business, Acorn Nonprofit Solutions (ANS), to guide organizations in their ongoing use of Salesforce.
- Groups report increased knowledge and results from their training and direct technical assistance. For example, this past December the South Kingstown Land Trust doubled its revenues and donors from its year end appeal and WRWC increased giving by 25% with its appeal after adopting some of the techniques recommended in a fall workshop. WLT reported doubling its revenues in two years after converting to donor management software.<sup>4</sup>
- We abandoned the virtual office provider concept as getting this up and running would have added another layer of complexity, significantly more work, and another cost we no longer had funds to support. Though available from ANS, only one of us is outsourcing our fundraising back office.
- The mentorship program through AFP RI never developed as commitment changed with changes on their board and part time staff.

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### OUR EXPERIMENT WITH SHARED VOLUNTEER MANAGEMENT

*“I attended one of the focus groups held by VCRI. The group was asked to brainstorm how they might expand their use of volunteers. A typical list developed: clean ups, monitoring, trip leaders. When the facilitator asked, ‘what about your board? How about office support? fund raising?’ there was silence.*

*“Then people began calling out – ‘we could use help with filing’ or ‘we could use help with maintaining our membership lists’ or ‘we want to track all new residents in the watershed and need a volunteer to help.’ “I don't think they had really thought about using volunteers to support the business side of their organizations.”*

– Meg Kerr, Narragansett Bay Estuary Program and Co-Coordinator of Rhode Island Land and Water Partnership

#### How we decided what we needed

We hired Kelly Nevins, the Executive Director of the Volunteer Center of Rhode Island (VCRI) as our planning consultant based on her experience and her engagement with volunteer programs across the US. Kelly held focus groups to assess our common volunteer needs and challenges.

The focus groups confirmed what IC members had experienced. Most groups had little problem attracting volunteers for specific programs such as trail management or water quality sampling. But they had not even considered other ways volunteer or a volunteer coordinator could help. They simply couldn't imagine finding *self-managing administrative* volunteers who might serve as board members or provided special skills such as finance, bookkeeping, tax preparation, public relations, constituent communications, fund development or office administration.

It became very clear that most groups might benefit from someone who understood the potential of volunteer support for small non-profits and who could help recruit, train and manage a volunteer corps.

After searching for shared models like the one we imagined and talking to colleagues across the US, Kelly was unable to uncover an existing model where multiple organizations were paying a volunteer coordinator who worked for each of them.

#### An encouraging start

Kelly suggested that we consider two options: hire a staff member directly or ask each individual organization to contract independently with a consultant to develop their volunteer program.

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None of our members wanted or had the capacity to take on a staff member on behalf of the IC. So working with a budget of just \$15,000 for a part time volunteer coordinator, we worked out an arrangement with the VCRI to hire and house the volunteer coordinator and we would contract with them for her services. We relied heavily on the volunteer management expertise at VCRI. They were excited about the potential for creating a new program model for the VCRI.

We interviewed and then hired in May 2006 an AmeriCorps volunteer who was already working at VCRI to serve as our part-time volunteer coordinator. Meg agreed to serve as her coach/supervisor/liaison for our groups and the director of VCRI would serve in that capacity on technical volunteer knowledge.

Over the year, the volunteer coordinator and Meg met with each of our boards to keep them informed and committed to the project. Our volunteer coordinator developed a “tool kit” of resource materials including organization specific volunteer handbooks, volunteer job descriptions, and various other resources. She also distributed a monthly e-newsletter highlighting volunteer opportunities and worked directly with each group to help recruit volunteers, largely for events.

### *The setbacks*

With premature optimism at the launch of this aspect of the pilot, we applied for and were awarded in November 2006 a highly competitive national grant of \$50,000 to hire a full time volunteer coordinator who would be housed at VCRI.

At the same time, we had commissioned Cause & Effect Inc. to complete a six month review of the volunteer coordinator experiment which we received and discussed in February 2007.

This feedback revealed that while most of us felt the project was off to a good start, no one felt that it was yet delivering significant benefits. We expressed doubts (or just realism) that our organizations could receive enough benefit from the volunteer experiment before the grant funding ran out to justify paying for a volunteer coordinator from our own budgets.

We soon encountered a number of road blocks. Some individuals within our organizations were resistant to formalizing our volunteer programs through the use of handbooks and job descriptions and thus they went unused. As we had little experience directly recruiting non-board volunteers to take on management functions, we didn't fully understand the extent of organization development needed to make this successful.

Nor did our young and inexperienced volunteer coordinator. While we appreciated all of the work she did for us, we realized that in addition to more time, we needed a more seasoned (and thus more costly) coordinator who could craft a volunteer management model very different from the traditional VCRI service approach.

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Meanwhile, the Executive Director of VCRI who had been our conceptual partner left in 2006. The new interim ED, coping with difficult financial challenges herself, had a different concept of what we needed -- which wasn't hiring a seasoned coordinator at a higher pay scale. This led to an impasse with VCRI on how the new grant would be distributed.

Facing irreconcilable differences with VCRI and the unwillingness of the funder to adjust the named grant partners, we concurred with our fiscal sponsor WPWA that our only option was to return the grant funds. WPWA did that, effectively ending this program when the initial TSNE grant ran out.

### *Final results of our shared volunteer manager experiment*

Despite a promising start, we were unable to sustain a volunteer coordinator position.

With no new funding and insufficient return to pay for this position out of our own budgets, the shared volunteer coordinator pilot ended in May 2007. We tried one last effort to recruit volunteers under the auspices of the paid volunteer manager of one of RI's large environmental organizations, Save The Bay. Unfortunately, even that effort faded as our member organizations, faced with their own leadership transitions, lacked a continuing commitment to and capacity to for this type of volunteer recruitment.

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**OTHER RESULTS AND LESSONS LEARNED**

*“When I became the new Executive Director of the Woonasquatucket River Watershed Council, I was glad to learn this collaboration existed. Of course I’d participate. I couldn’t imagine why everyone else in the state wasn’t taking advantage of all this partnership had to offer.”*

-- Alicia Lehrer, Executive Director, Woonasquatucket River Watershed Council

*Significant capacity needs to already exist in the system in order to share services or else there needs to be sufficient funds available to buy it.*

Every single organization involved in this partnership was small and had limited capacity in the two focus areas. No one group was capable of offering services to the others beyond fiscal sponsorship, though many thought about it. Projects took a long time to develop and roll out because all of the individuals at the table, with the exception of contractors, were volunteering their time to this project. In hindsight, the amount of funding available for project development and implementation limited options and was insufficient to develop significant new capacity, like developing a virtual back officer provider from scratch.

*In very small organizations, capacity rests in individuals and their institutional knowledge, not in internal systems. Attention must be paid to sustaining capacity somewhere in the network if not addressed within the organizations themselves.*

Even the successful parts of this project are still extremely fragile. The best donor management system is worthless if no one is using it, not enough expertise exists within the local community to replace trained personnel or technical support is not readily available at an affordable cost. Most small organizations have little redundancy built into their operations, few formal policies and procedures, and no one tasked with maintaining the integrity of built systems to withstand shifts in people. In hindsight we wish we had intentionally added into the project design more coaching and mentoring which we subsequently recognized the need for and groups benefited from.

*People will change. Commitments fluctuate with those changes. Steady central leadership matters as does enabling the contributions of situational leaders.*

At several key junctures, personnel changes altered organizational intentions and efforts. During the life of this project, three executive directors left their positions. The terms of two board member advocates for the project expired, reducing the influence they had within their organizations.

The partnership effort would never have survived without the steadfast leadership of Meg and Rupert who drew from their years of collaboration on a number of efforts, including running an annual summit for RI’s small

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watershed and land trust organizations (along with the RI Association of Conservation Commissions). Their dedication, expertise and years of networking helped to guide and sustain the collaborative.

The other partners each made a significant investment, perhaps even more than they received in return, to undertake this learning process. Lori Urso (WPWA) and David Francis (WLT) were early adaptors of iMIS, enthusiastically embracing the power of donor/member software despite the technical challenges, significant organizational investment and set backs. Lori was an enthusiastic and vital champion of working collaboratively. David and Rupert researched software options. Bruce Hooke (WRWC) used his extensive technical expertise to advise us on our software plans and provided significant support for the volunteer project. Helen Tjader (BLCT) led the way on implementing volunteer management practices. She worked with the volunteer coordinator on trainings, developed volunteer management materials and demonstrated how a robust volunteer program can build a small organization. WRWC Executive Directors Jenny Pereira and then Alicia Lehrer participated fully in the project, devoting hours to meetings, conversations, research and implementation. Finally, Gayle Gifford provided stalwart support for the project, generously sharing her extensive expertise and knowledge of helpful resources with the group, and guiding groups as they expanded their fund development knowledge and expertise.

Compared to initial meetings, there is now a network of collegiality and trust among the collaborative partners and other groups participating in the broader efforts. We hope this will continue at least on an informal level. The RI conservation community includes many committed volunteers and staff who often serve a variety of small organizations throughout their careers providing an opportunity to continue the benefits of the knowledge they have gained and will share in the future even without a formal ongoing structure.

*Major returns require major investments, including enough cash to develop, fail, learn and recover.*

With just an average of \$18,000 per year to spend, the IC had no margin for risk. When plans didn't work out on the first attempt, they were significantly scaled back or abandoned. The funding for the IC was never sufficient to hire a person with strong skills in either donor or volunteer management or to invest in training such an individual very quickly.

*Hiring staff and vendors is always risky, even with very diligent screening.*

A bad selection can thwart the best plans, undermine confidence in a project and create fatal delays in implementation. Despite extensive due diligence, poor vendor service and misrepresentation doomed the first attempt to develop a shared database. The only way to cope with risk is to accept it and budget and plan for recovery. This is especially heightened in an all volunteer effort where it's harder to rebound from setbacks.

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**IN CLOSING**

*"When I got involved in this project, I knew of many of the other watershed groups around the state but my contact with them was very limited. I knew even less about the land trusts. Now, as a result of this (and some other) projects, I work much more closely with both watershed councils and land trusts across the state and know the people and organizations so much better."*

- Bruce Hooke, Board Member, Woonasquatucket River Watershed Council

Despite the setbacks, we are very grateful to the participants, to Third Sector New England and to the Rhode Island Foundation who invested in this experiment. While all did not go as planned, *working together created social capital that is hard to value in the short term.*

All of us learned a lot as a result our involvement. We developed relationships with each other and with organizations that were at first strangers to us.

As a result of coming together, we learned of existing resources that we could take advantage of. The experiences we had in this group are fueling new experiments in Rhode Island to support other small nonprofits. At the time of this writing, 20 conservation organizations outside of RI are now using the Salesforce template we developed. It will be interesting in a few years to come back and revisit the people, organizations and systems that resulted from this project to assess any lingering impact or advances.

We also appreciated the formal need to provide reports back to TSNE and other funders. In particular, the TSNE grant design was set up to focus us on what we were learning together, above delivery of a specific outcome. This provided a reason to reflect on our progress and we had the funds to contract some consultant support for our reflection. We now wish to use this final report as an opportunity to share our experiences and lessons more broadly with our colleagues in the nonprofit sector.

**Authors:**

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**FOOTNOTES**

<sup>1</sup>The Meyers Foundation report “Outsourcing Back-Office Services in Small Nonprofits: Pitfalls and Possibilities” wasn’t released until 2009.

<sup>2</sup> For example, Gayle’s firm Cause & Effect Inc., provided a few trainings for us at a deeply discounted fee.

<sup>3</sup> For a nominal fee, we contracted with Bruce Hooke of B.G. Hooke Consulting to develop and maintain the website. Bruce is a board member of the Woonasquatucket River Watershed Council and has been active with the IC and understood its objectives.

<sup>4</sup> The Westerly Land Trust first used iMIS, then Donor Perfect Online. Their increases in revenue must also be attributed to organizational growth. In December 2007, they hired their first Executive Director and became much more focused on major acquisitions and their urban program. During this period of growth, they received excellent coverage in the local press.

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**Project at a Glance**

	<b>Planning Process 2004</b>	<b>Start Up 2004-2006</b>	<b>Roll-out 2007-2008</b>	<b>Final Stages 2009-2010</b>
<b>Infrastructure Collaborative Participants</b>	RI Rivers Council Meg Kerr, Chair	RI Rivers Council Meg Kerr, Chair	Narragansett Bay Estuary Program and Land and Water Partnership Meg Kerr	Narragansett Bay Estuary Program Land & Water Partnership Meg Kerr
	RI Land Trust Council Rupert Friday, Director	RI Land Trust Council Rupert Friday	RI Land Trust Council & Land and Water Partnership Rupert Friday	RI Land Trust Council & Land and Water Partnership Rupert Friday
	Association of Fundraising Professionals, RI Chapter Gayle Gifford, past president	AFP RI Gayle Gifford Amy Heege, Chapter Administrator		
	Westerly Land Trust David Francis, Treasurer	Westerly Land Trust David Francis, Treasurer	Westerly Land Trust David Francis, Board Member	
	Salt Ponds Coalition Vic Dvorak	Wood Pawcatuck Watershed Association Lori Urso, Director	Wood Pawcatuck Watershed Association Lori Urso, Director	Wood Pawcatuck Watershed Association Chris Fox, Director
	Barrington Land Conservation Trust Helen Tjader, Board President	Barrington Land Conservation Trust Helen Tjader, Board President	Barrington Land Conservation Trust Helen Tjader, Board President Claire Durst, volunteer, database coordinator	Barrington Land Conservation Trust Claire Durst, volunteer, database coordinator
	Woonasquatucket River Watershed Association Jenny Pereira, Executive Director	Woonasquatucket River Watershed Association Jenny Pereira, Executive Director	Woonasquatucket River Watershed Association Jenny Pereira, Executive Director Bruce Hooke, Board member	Woonasquatucket River Watershed Association Alicia Lehrer , Executive Director Bruce Hooke, Board member
			Helen Tjader, Acorn Nonprofit Solutions	
<b>Grants Awarded</b>	Third Sector New England Planning Grant \$4,000	TSNE Capacity Building Fund 2004: \$25,000  Rhode Island Foundation: 2005: \$30,000; 2006: \$20,000  National Human Services Assembly/UPS Foundation 2006: \$50,000	National Human Services Assembly: (\$48, 535 returned in 2007)  TSNE 2008: \$25,000	

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**Project Goal:** To investigate the development of shared support systems that could improve the capacity of grassroots organizations to grow their revenues, operate more efficiently, and engage more individuals in their work.

<b>2004 Objectives</b>	<b>Strategies</b>	<b>2010 Outputs</b>	<b>2010 Outcomes</b>	<b>Setbacks/ Challenges</b>
<p><b>1. Develop common solutions to donor and member management</b></p>	<p>Groups convert to a shared, internet-based donor management software</p> <p>A shared virtual office provider will manage the database and ensure a base level of fundraising operations</p>	<p>One organization converted to DonorPerfect Online after initially converting to iMIS</p> <p>Six organizations using Salesforce nonprofit starter pack for some part of their fundraising and donations management</p> <p>One partner reverted to its original Access database after initially successfully converting to iMIS &amp; lacking energy to convert again to Salesforce</p> <p>A virtual office provider was hired for iMIS and rapidly terminated for insufficient performance and service.</p>	<p>The organization using DonorPerfect doubled its annual revenues each year for two years.</p> <p>Groups using Salesforce report better understanding of fundraising outcomes and better management of donor data</p> <p>It is unknown what improvements could have been realized if this had been implemented.</p> <p>A founding partner creates a consulting business to provide technical support for</p>	<p>First database abandoned due to vendor problems and difficulty of use without benefit of an experienced virtual office provider</p> <p>The environment has changed since 2004 as low cost and online products have become more available</p> <p>Finding responsive, available existing technical expertise.</p> <p>Lack of a critical mass of affordable local technical expertise.</p> <p>Meyers Foundation<sup>1</sup> report on shared services</p>

<sup>1</sup> *Outsourcing Back Office Services in Small Nonprofits: Pitfalls and Possibilities.* A Study Conducted by the Management Assistance Group In Partnership with the Eugene and Agnes E. Meyer Foundation

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<b>2004 Objectives</b>	<b>Strategies</b>	<b>2010 Outputs</b>	<b>2010 Outcomes</b>	<b>Setbacks/ Challenges</b>
			Salesforce, but not the comprehensive donor management the project initially envisioned.	for small organizations not released until 2009
	One or more volunteers or staff in each organization will also be trained on the system	Trainings held on use and application of databases and Salesforce in particular  Seven users on Salesforce  One technical assistance provider	Groups report improvements in their fundraising practices and donor management	The investment in training required in the technical and fund development aspects of donor management may be too high for small organizations to sustain over time.  Local capacity needs to be developed to ensure the availability of replacements
<b>2. Find common solutions to volunteer management</b>	Share a paid volunteer coordinator to manage the volunteer programs of participating organizations	A part time volunteer coordinator was hired for one year through the Volunteer Center of RI.	The volunteer coordinator pilot was ended in 2007 when funds expired.	Unknown benefits if the leadership at VCRI hadn't changed and the program had the opportunity to develop longer  Volunteer center (DOVIA) model was not sufficient for this project
	Develop volunteer job descriptions common to multiple organizations	A Tool Kit was created for groups including volunteer handbooks, job descriptions, and other resources but not being used	No significant improvements have been sustained at participating organizations without a dedicated coordinator	

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2004 Objectives	Strategies	2010 Outputs	2010 Outcomes	Setbacks/ Challenges
	Collaboratively recruit and deploy more volunteers especially for operational and governance needs	Volunteer coordinator recruited volunteer through VCRI networks. Volunteer opportunities from member groups were collected monthly and sent out in an eNewsletter highlighting opportunities For a time after loss of the Volunteer coordinator, Save The Bay sent out notices for volunteers	Collaborative recruiting activities have not been sustained nor did we succeed in recruiting volunteers for back office  Groups still find it challenging to recruit volunteers to serve management and fundraising needs	Commitment to sharing volunteer resources was very specific to individual leaders
<b>3. Learn together to enhance organizational effectiveness</b>	Share training and learn together	Multiple training programs on fundraising practices, donor stewardship and data management were held and well attended by IC members and others  Trainings on volunteer management were held though not attended by IC members  One on one technical assistance provided to assist groups in fund development  Web site developed and serves as a free resource	Groups report increased knowledge and better results from fundraising and donor programs  Volunteer practices largely unchanged by IC activities  Overall, groups report useful insights from one-on-one technical assistance  Web site received approximately 2,700	Volunteer resistance to formalizing volunteer practices. It is difficult to find a volunteer to take on the task of volunteer coordination to implement and maintained changed practices.

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2004 Objectives	Strategies	2010 Outputs	2010 Outcomes	Setbacks/ Challenges
		library	visitors in 12 months ending Jan 2010; resource library 1,340 page views	
	Reflect on project implementation	Reporting to funders , especially the unique learning circle design, created the opportunity to regularly review project implementation and record lessons learned	Lessons learned were used to adjust future actions and guide implementation	
	Share knowledge beyond the pilot participants	<p>Trainings have been open to other conservation organizations</p> <p>New Roots Providence, the Swearer Center for Public Service at Brown University, Social Venture Partners RI, Rhode Island Foundation and independent organization development consultants have been meeting regularly to disseminate information on nonprofit joint ventures and</p>	<p>Three organizations outside the IC have adopted Salesforce and 20 outside of RI and it is being disseminated through national networks</p> <p>Organizations outside the IC report improved fundraising results from applying training</p> <p>New collaborations have been formed and are benefiting from lessons learned in this project, both within and without of conservation community</p>	

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<b>2004 Objectives</b>	<b>Strategies</b>	<b>2010 Outputs</b>	<b>2010 Outcomes</b>	<b>Setbacks/ Challenges</b>
		to explore development of additional back office supports.		