



HAWAII' COMMUNITY FOUNDATION



For 99 years the Hawai'i Community Foundation has worked with donors and government to invest in nonprofit organizations and solutions aiming to improve life for the people and places of Hawai'i. We believe that along with our public and private sectors, Hawai'i's nonprofits are key actors in achieving the positive results we want to see and experience on all our islands. And to be successful nonprofits need the skills, talent and resources to be effective, resilient, connected, and results-oriented.

In just the past 20 years the Foundation has worked with and funded more than 3,600 nonprofit organizations across the state. These have included large, medium and small organizations working in diverse mission areas including arts and culture, education, human services, environment, community engagement, health, and more. This experience and our relationships with these organizations who are striving to make Hawai'i a better place provide us with more understanding about how to support nonprofits in strengthening their organizational performance and leadership.

Starting in 2000, the Hawai'i Community Foundation made focused investments totaling more than \$14M in grants, technical assistance and leadership development programs to help strengthen the nonprofit sector in the state. Everything we learned from this work and the last century of grantmaking has informed our Nonprofit Excellence Initiative, which benefits high performing organizations, as well as nonprofits that are striving to be high performing. The Hawai'i Community Foundation hopes to:

- Increase the number of Hawai'i's nonprofits that demonstrate characteristics of high performance and excellence,
- Increase support for characteristics of nonprofit high performance among funders, donors and philanthropists, and
- Increase the amount of resources that support high performing nonprofits.

The Hawai'i Community Foundation's mission is to support positive change for Hawai'i and help it be a better place for everyone. We know that nonprofits are absolutely critical and key to making sure that we can change the trajectory of negative circumstances and outcomes for individuals and communities, and ensure positive change across the state. Hawai'i Community Foundation's goal is to support nonprofits to be the most effective, impactful and sustainable that they can be. To that end, we are focusing our organizational support and investments across the Foundation on making sure that the donors and organizations we work with understand the foundational behaviors and characteristics that increase the likelihood of success and long-term social good.

# What makes a nonprofit organization high performing?

**High-performing nonprofits achieve results and are the fuel for creating lasting, positive change. They have greater impact in their community because of the following characteristics:**

**C**OMMUNITY CONNECTIONS – Continually learn about the needs of those they serve and the issue they work on

**H**EALTHY FINANCES – Have a realistic business model that provides on-going financial support for their organization

**A**CCOUNTABLE RESULTS – Collect data that helps them understand the results and impact of their work and improve over time

**N**ETWORKED RELATIONSHIPS – Often work with networks of organizations that share similar goals

**G**REAT GOVERNANCE AND LEADERSHIP – Are led by committed and skilled boards of directors and executives

**E**FFECTIVE PROGRAMS – Can demonstrate the importance of their programs and have a clear connection between these programs and the results they seek to achieve



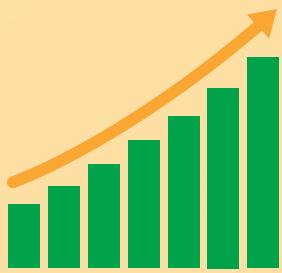
# What are the best practices of a high-performing nonprofit?



**COMMUNITY CONNECTIONS** – Continually learn about the needs of those they serve and the issue they work on. Many nonprofits receive feedback from the clients they serve. High-performing nonprofits use multiple ways of learning about the needs of the communities they serve and issues they care about. High-performing nonprofits also stay informed about emerging trends in their field, and use that information to improve their programs and services.



**HEALTHY FINANCES** – Have a business model that provides on-going financial support for their organization. High-performing nonprofits generate revenues in ways that are appropriate for their size and type of organization. They are also aware of potential changes in their funding landscape and have considered scenarios to address these changes. The goal, as described by Clara Miller, formerly of Nonprofit Finance Fund, should be to “create an enterprise that can reliably attract revenue and deliver quality programs over the long term.”



**ACCOUNTABLE RESULTS** – Collect data that helps them understand the impact of their work and improve over time. High-performing nonprofits regularly collect data about their activities and/or services results that help them improve their programs over time. The data they collect helps them understand what their programs are accomplishing, and helps them improve their programs over time. Many high-performing nonprofits also assess the quality of their programs through things like client feedback, accreditation reports, or comparisons with industry standards.

# What are the best practices of a high-performing nonprofit?



**NETWORKED RELATIONSHIPS** – Work with networks of organizations that share similar goals. Networks of organizations that share the same goals have the potential to effect more change than a single organization working alone. High-performing organizations understand this and collaborate with other organizations to provide better programs and services, and to be more effective at their work. These nonprofits often mobilize their peer organizations and collaborators to shared action and advocacy.



**GREAT GOVERNANCE AND LEADERSHIP** – Are led by committed and skilled boards of directors and executives. A nonprofit organization's resiliency and capacity to navigate change successfully depends largely on its leaders—both executives and board. The talent within and around a nonprofit organization is the engine that drives it forward to achieve better and more results for the communities and causes it serves.



**EFFECTIVE PROGRAMS** – Can demonstrate the importance of their programs to those they serve and have a clear connection between these programs and the results they seek to achieve. High-performing nonprofits use data to demonstrate the need for or importance of their services. Every nonprofit chooses specific approaches to pursue its mission; high-performing nonprofits can clearly articulate the rationale or thinking behind the approach, programs or services they offer and ensure that their thinking and strategy are aligned with the results they aspire to achieve.