

# MAIN STREET MONTANA PROJECT

A BUSINESS PLAN *For Montana by Montanans*

## NONPROFIT KEY INDUSTRY NETWORK

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### *FINAL RECOMMENDATIONS TO GOVERNOR BULLOCK*

#### Problem Statement 1

Nonprofit KIN members identified in their first meeting the need to elevate and better communicate the importance and the value that the nonprofit sector brings to the economy. Some KIN members suggested creating a cabinet level policy advisor position within the Governor's Office would help accomplish this goal and recommended seeking funding for the position in the 2017 legislative session. But fiscal realities showed that funding such a position would be difficult particularly as budget challenges unfolded during the recently completed legislative session.

In the absence of getting a nonprofit policy position funded in the 2017 session, the KIN moved toward recommending the formation of a task force that would connect existing state resources while deferring the policy position discussion for the next legislative session.

#### KIN Recommendation #1

Have a seat at the table by creating a taskforce convened under Governor's Office of Economic Development that enhances pathways by reducing barriers and enhancing the Nonprofit Sector as an economic engine:

Issues for the taskforce to examine include:

- Contracting OMB direct cost
- Navigator enhancements for nonprofits
- Regulation barriers across executive branch
- Attracting dollars to the nonprofit sector
- Growing all service work rural philanthropy
- Integrating the value of the nonprofit sector and work into Governor/agency external messaging
- Integrate into Governor/executive branch internal work an appreciation and recognition of the importance and value of nonprofit work - point of pride
- Attracting nonprofit organizations and dollars to the state through enhancements
- Understanding of the value to MT of nonprofits including:
  - The charitable giving tax credit
  - 2<sup>nd</sup> largest employer
  - Major economic sector (DLI data)
  - Key to live, work, play campaign
  - Contribution to a civil discourse society and overall Montana quality of life

# MAIN STREET MONTANA PROJECT

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### Problem Statement 2

The KIN's discussions on the nonprofit policy position led to conversations about the economy and how good leadership is critical to developing the nonprofit sector and the economy. Challenges include the lack of leadership development programs available in the state especially for the nonprofit sector and the fact that nonprofit leadership does not have the same for-profit measure of success as the private sector. The KIN also noted that leadership training is difficult for small non-profits to afford – both the cost of the training and time away from the organization. Several KIN members did however relate experiences of good leadership training in which they have been involved and Leadership Montana hosted a nonprofit workshop in December that was well attended demonstrating the interest in and demand for this type of leadership development.

### KIN Recommendation #2

Develop a 5 -year plan that leads to sustainable leadership development in the non-profit sector including:

- Work across generations
- Coalition building
- Pipelining for workforce
- Shared services
- Funding from national organizations
- Sustainability efforts and growth as leaders
- Skill building of the leaders
- Professionalism/wages that match the work being done
- Works across generations
- Is built as a coalition public and private, across nonprofit sector
- Provides attraction of workforce/Management retention
- Pursues national/regional funding

### Problem Statement 3

As noted previously, the nonprofit KIN members identified the need to elevate and better communicate the importance and the value that the nonprofit sector brings to the economy. The KIN identified existing barriers to the nonprofit sector such as attracting and retaining younger people, increasing nonprofit wages and other areas of concern that need to be addressed to grow the sector.

### Recommendation 3

The KIN should work with leadership to remove or reduce barriers on those issues adversely impacting the sector including:

- Low wages
- Perception of the nonprofit sector as volunteer not as a high skilled / career choice

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- Public relations to change unfamiliarity and misconception of the importance of the nonprofit sector in the economy, professionalism, etc. Target audiences include:
  - Public
  - Funders
  - Economic developers
- Need for affordable support services
  - IT
  - Financial
- Need to reduce student debt which keeps students from taking nonprofit jobs

### Problem Statement 4

Throughout more than two years of KIN meetings workforce development was a consistent issue facing multiple economic sectors and was also the case with the Nonprofit KIN discussions. The KIN listened to presentations from workforce development leaders in the Department of Labor and Industry, the State Workforce Innovation Board (SWIB) and the Office of the Commissioner of Higher Education (OCHE). The ensuing KIN discussions focused on ways to tailor workforce development efforts to address issues specific to the nonprofit sector. Topics discussed to improve workforce development included expanded apprenticeships, credentialing and providing students with more avenues to obtain college credit.

### Recommendation 4

Education; training specific to nonprofit sector as a focus of OCHE, DLI, SWIB, and OPI

Possible outcomes could include:

- Nonprofit management degree
- Credentialing for service learning/credits nonprofit experience, activism
- Integration into coursework across MUS/K-12 about nonprofit sector and service work
- Promotion of nonprofit careers as professional great careers
- Increase in apprenticeships within nonprofits
- Work-based learning partnerships between nonprofits and education:
- Credit for prior learning
- Grant writing and business plans by students for credit on behalf of nonprofits
- Review of credentialing and coursework to make sure match nonprofit job requirements

### Problem Statement 5

The KIN discussed nonprofit's interactions with government programs and their importance to the sector. Processes associated with governments contact performance can be improved to gain better results for both governmental agencies as well as nonprofit entities that utilize and rely on government programs. For example, Montana nonprofits have not adequately dealt with the ability to negotiate with federal agencies for indirect costs associated with grant award contracts – negotiations which OMB allows but aren't happening leaving nonprofits underfunded.

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## Recommendation 5

Seek dramatic improvements in government contracts and grants in terms of both process and results

- Streamline processes
- Remove regulations
- Provide assistance in procuring funding
- Fast track former successful recipients