A couple of years ago, leaders from the North Texas Food Bank (www.ntfb.org) in Dallas decided that they needed a metric that would tell them how well they were accomplishing their mission and allow them to organize around making more rapid progress. Following significant research, they used a variety of statistics to determine the “meal gap” for the men, women and children living in their service area who were under the poverty line. They identified all of the potential sources of food available to this target audience, including the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps); school lunches; the WIC program (the Special Supplemental Nutrition Program for Women, Infants and Children); and meals provided through food pantries, soup kitchens, homeless shelters, etc. They also included in their calculations that people would use some of their own resources to provide for their meals. They then calculated the meals available for this group of people and compared it with the number of meals needed by them in order to have three healthy meals per day. The difference between the two was identified as their region’s meal gap of 29 million meals per year.

North Texas Food Bank is now working toward the goal of closing that gap as quickly as possible. Establishing this meal gap, in the words of the organization’s president and CEO, Jan Pruitt, has “transformed” the organization. It has used the meal gap (also referred to as a hunger gap) to not only promote volunteerism, food donations and financial donations, but also to raise public awareness about the problem of hunger in America—and it is making significant progress toward this goal.

1. Measuring the Gap
What’s a mission gap? Simply stated, it is your unmet needs. If it is your organization’s mission to ensure that all people in your community have safe, affordable housing, then your mission gap is the number of people there who do not have safe, affordable housing. If it is your mission to eliminate illiteracy in your region, then your mission gap is the number of people in your region who are not literate.

2. Thinking Big
Once you have established your mission gap, the rest of the steps in the strategy process are targeted toward closing that gap. You will want to create a vision of what your organization would look
like and be like ideally—if you could have it any way you wanted it with no constraints—so that you can close the mission gap as effectively as possible.

This is the key to thinking outside the box. It is important to not create a vision that you think is likely or possible or probable. Instead, create a vision as though you really could have it any way you want it. We call this using an aspirational mind-set. Dream big! Remember that George Bernard Shaw said, “Some men see things as they are and say, ‘Why?’ I dream of things that never were and say, ‘Why not?’”

To illustrate, when I was CEO of Alpha Sigma Phi Educational Foundation (www.alphasigmaphi.org) in Carmel, Ind., back in the 1980s, after we raised $1 million for our first endowment we created a vision for the future with more than $15 million of endowment needs. Not long after that I met with a donor who was interested in including us in his will. He said, “How much more money do you fellas need anyway?” referring to our prior successful campaign. I told him about our ideas for $15 million more in endowment—we were dreaming big. A few years later when he passed away he left us $6.4 million. If we had dreamed small, I wonder if he would have given us even a dime.

3. Setting Strategic Stretch Goals
You also need to set almost impossible strategic stretch goals. Set five goals, five years into the future that you think are almost impossible to reach, that you don’t know how to accomplish and that, if you did accomplish them, would catapult you toward your vision. Making these goals almost impossible will require you to innovate ways to achieve the goals. You need to have “a healthy disregard for the impossible.” Larry Page, co-founder of Google, says that as more people take on a healthy disregard for the impossible, they will accomplish amazing things in the future. That mind-set has made Google a leader in innovation.

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To help managers keep up with the wealth of research on philanthropy, philanthropists and fundraising, the following review provides some interesting findings.

**Competitive Giving**

**BY RUSSELL N. JAMES III, J.D., PH.D., CFP**

Capital campaigns and fundraising drives often try to tap into the competitive spirit. But, does this actually generate more gifts? Economics professors John Duffy, from the University of Pittsburgh, and Tatiana Kornienko, from the University of Edinburgh, investigated this question in the laboratory. The researchers wanted to find out if competition, by itself, could increase charitable giving. In other words, would competition matter even if there were no opportunity for prestige or public acclaim from winning?

To test this, the professors recruited participants to play a series of "dictator" games. In each round of the game, subjects received $10 to divide among themselves and a randomly assigned, unknown person in another room. Participants could choose to share any amount or nothing at all. Each participant also chose a secret ID code, known only to him or her. Researchers divided participants into one of three different rooms, with 10 people in each room. In the "generosity tournament" room, experimenters ranked the most generous participants after each round. The secret ID codes were ranked and written, in order, on the board. Because the codes were secret, only the participant knew which code was his or hers, and only the participant knew where he or she ranked. In the "earnings tournament" room, the competition was described differently. Here, experimenters ranked those who had earned the most playing the dictator game. The top rankings went to those who kept the most money. Again, the rankings listed only the secret ID codes. Finally, in the third room, the secret ID codes were not ranked.

In all, 200 participants played 10 rounds of the game. Did ranking the secret IDs after each round affect the generosity of the participants? Yes. Those who played under different ranking schemes shared dramatically different amounts. Participants in the "generosity tournament" ranking gave away 26 percent of their money grants. Those with no ranking gave away 14 percent of their money grants. Those in the "earnings tournament" ranking shared only 7 percent of their money grants. This dramatic difference occurred even though each person's relative standing was hidden. Only the participant knew which secret ID code belonged to him or her.

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An organization should write up a STRATEGY NARRATIVE of no more than three to four paragraphs that explains, in general terms, how it is going to creatively leverage its strengths, fortify its weaknesses, seize its opportunities and block its threats as it pursues its vision and strategic stretch goals so it can close its mission gap as effectively as possible.

The Seven Deadly Sins of Nonprofit Strategy

Nonprofit organizations frequently fall into different, predictable traps when they go about creating strategy—what can be called the seven deadly sins of nonprofit strategy. The strategy development process is designed to produce a breakthrough strategy that, if effectively implemented, will make a significant difference in an organization’s mission impact. However, if you begin to see yourself or your organization starting to fall into any of these traps, then it may be time to confront these “sins” and get your organization back on the right path—toward developing a breakthrough strategy.

1. “It’s just sitting on the shelf.” The rest of the sins are not necessarily in order of severity, but never implementing a strategy is clearly No. 1 because it is so pervasive and represents a huge waste of money and time—from staff and volunteers. This sin can be deadly, indeed, when board members realize the hours they have wasted, making strategic plans that are never implemented. And for the attorneys on your board, those are bivable hours.

2. Insular mountaintop planning. It can be good for a strategy-planning group to go to the “mountains” to get away from distractions and work together. However, before you go, gather comments from stakeholders on the organization’s future and check with them when you get back for their reactions before you publish and laminate the plan. [Author and consultant Peter Block calls this error “leadership by lamination.”]

3. Overemphasis on fundraising. “What?! Impossible!” I can just hear my fundraising colleagues’ reaction. Of course, you frequently find new fundraising initiatives as a part of a new strategy. The problem is that as these efforts are highlighted, other important aspects of a strategy are underemphasized, such as program innovation, leadership succession, strategic partnerships and more.

4. Too rushed. Rather than rushing (for example, “We are doing our strategic plan at an all-day retreat two weeks from Friday. Are you available?”), it is wiser to take the time to thoughtfully design and implement a strategy-development process. Of course, it should not take forever, either. Taking the time can lead to inspiring visions, innovative strategies and empowered stakeholders—all of which produce higher performance.

5. Lots of plans, but no strategy. Strategic-planning documents can contain volumes of plans, activities and environmental analysis, but many don’t include a real “strategy.” A true strategy articulates the dynamic levers that will catapult an organization toward its desired future, as well as how its key operational areas will interact to create a cycle of higher performance.

6. No annual review. No one can see into the future when developing a strategic plan! Consequently, you make certain measured assumptions about the future, including changes in your internal and external environments. An annual review of assumptions and results is important to keep the plan relevant. You may not change your mission or vision, but you may need to change plans and activities.

7. Not ambitious enough. A strategy and its associated goals and plans should be focused on a vision that is big, bold and inspiring. Many strategic plans are based simply on an analytical forecast of the way things are currently headed. How dull. It was Goethe who said, “Dream no small dreams, for they have no power to move the hearts of men.”

Your goals still need to be SMART, as you probably have been trained. You just need to adjust your definition of “SMART” to mean Specific, Measurable, Almost Impossible, Relevant and Time-bound. The classic, almost impossible goal was spoken by President Kennedy when he set the goal for the United States to send a man to the moon—and have him safely return—by the end of the 1960s. Many thought it was impossible, but it inspired creativity and innovation by enough brilliant scientists that they invented a way to make it happen. You can drive that same kind of innovation in your organization by using almost impossible goals.
4. Analyzing That
In most strategy approaches, you do a SWOT analysis first and then you assess your strengths, weaknesses, opportunities and threats as factors that determine your future. Conducting strategy this way drives extra nails into the box that most people are in, and keeps them there. Break out of the box! Create an aspirational vision and establish almost impossible goals. Then assess your current SWOT reality with an intention to creatively use the results to pursue your vision and goals.

5. Writing Your Strategy Narrative
There are, frankly, many problems with the way strategy is currently developed in organizations. For one, many people over-complicate it. A strategy is simply a general explanation of how an organization is going to take itself from its current reality toward its desired future—its vision. To accomplish this, an organization should write up a strategy narrative of no more than three to four paragraphs that explains, in general terms, how it is going to creatively leverage its strengths, fortify its weaknesses, seize its opportunities and block its threats as it pursues its vision and strategic stretch goals so it can close its mission gap as effectively as possible. Use your passion for accomplishing the vision and strategic stretch goals as fuel for your creativity as you do this.

The strategy narrative, as a brief elegant statement, can be easily communicated throughout an organization. The vision, strategic stretch goals and strategy narrative then provide the basis for establishing more detailed strategy implementation plans that will involve everyone in the organization working in the same direction.

There is no magic wand that can help you raise millions more dollars or close your mission gap immediately. However, by using the approach briefly outlined here you have an opportunity to inspire and empower your staff, board and volunteers to truly think outside the box and innovate new ways to carry out your mission.

Fundraising professionals play an important role in helping their organizations understand how to create breakthrough performance. The mission gap, vision and strategic stretch goals give fundraisers a compelling story to inspire donors to higher levels of giving. Most importantly, this approach targets all of the organization’s efforts toward making an even greater mission impact—which is, of course, why you are here. 😊