

Your Next Job

*Create a Job for Yourself by
Starting a Nonprofit
Organization!*



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Your Next Job: Creating a Job for Yourself by Starting a Nonprofit Organization

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(This book is designed for those who need introductory information as well as those who just want to get going. For those who have completed the first part of the process, skip to Section VIII for the FAST TRACK)

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INTRODUCTION

As a nonprofit consultant since 1997, I have helped many organizations start up, create strategies, and develop funding through grants and constructing funding strategies. It has always been my dream to work for myself because in self-employment, you are your own boss. Job security is a lot higher. All you have to do is figure out how to strategically attain the money.

In this book, I hope to inspire you to reach beyond yourself and put to action those charitable, mission based ideas that you have to action so that you may merge your desire to create a sustainable income for yourself while doing purposeful work.

In addition to inspiration, I would like to provide for you a real world view on how to create a job for yourself in this economy by starting a nonprofit organization. There are so many people either out of work or looking for the next step in their careers. Nonprofit organizations are needed in our society to heal the world essentially from brokenness and capitalistic endeavors. Although there is nothing wrong with starting a for profit venture, nonprofits offer an opportunity to give back to community or society as a whole and allows you to commit yourself to a greater cause than just making money.

Nonprofit organizations are the backbone to the world we live in and yet not enough care is given to support these institutions. Among the many nonprofits that help our world are schools, churches and other religious centers, youth programs, hospitals, rehabilitation programs, housing and clothing centers, as well as resources of all kinds including business resource centers.

The idea is that nonprofit organizations typically are designed to help someone to make the world a better place.

When creating a job for yourself, you are stepping into a realm called “social entrepreneurship.” Essentially, social entrepreneurship is a mission based venture, an entrepreneurial endeavor that is charitable in nature. Although the activities are motivated by a philanthropic cause, the leaders working within the organization must operate with business mindsets and skills.

This book will help you identify the basic steps needed to begin the journey of creating your job by starting a nonprofit and will inspire you to be creative when solving critical business challenges so that your success is inevitable.

Success in nonprofit development is relative. However, for the purpose of this book, success on a basic level means that we can help you:

- 1) Determine whether starting a nonprofit organization is right for you
- 2) Outline the necessary steps in starting a nonprofit from development to implementation
- 3) Brainstorm on possible financial sustainability models

4) Take action in the direction of creating a job by starting a nonprofit

If you decide that a nonprofit is not right for you, that's just fine. Now is the best time to decide before you spend lots of money moving down the wrong path.

On the other hand this book is also helpful for those who have already started and completed the preliminary paperwork and need some assistance with implementation. For those on the fast track, skip to Section VIII: "7 Words about Planning"

Either way, we are here to help through this tool. If you find that you need additional support, you can always contact our JS Crockett Consulting offices for feedback, support, or consultation via the web at: www.jamilacrockett.com.

HOW TO READ THIS BOOK:

- Read which ever section speaks to you first
- The book is outlined in my suggested order of action, however any order is just fine if it works better for you
- Each section has exercises and recommended resources to help you further develop your nonprofit idea, so have a notebook handy to keep all of your notes in one place
- DO NOT get overwhelmed. Although there is a lot of information contained in this book, I specifically wrote it in a way that helps you stay inspired and get moving to put your plan into action as soon as possible. If you find yourself getting bogged down by disappointment or overwhelm, focus on the area of development that brings you the most joy and look for a skilled professional to help you with the part that seems like too much to handle on your own.
- Make this process FUN!

I. Deciding Whether to Start a Nonprofit or Another Type of Business

Prospective clients often ask me whether it is better to start a nonprofit or develop a for profit business. As a nonprofit consultant for over 15 years, it would be to my benefit to try to convince everyone to start a nonprofit because of all of the intrinsic value, warm and fuzzy, good feeling that people get when helping others or doing good through business. However, more times than not, I ask them first what their goals and objectives are in conducting this type of business.

There are many types of nonprofit organizations and each of them differs in their characteristics. To see a complete list of these different types of nonprofits go to the Internal Revenue Service's website and view Publication 557 [<http://www.irs.gov/pub/irs-pdf/p557.pdf>]

When determining the structure of your organization should consider the following:

- 1) the charitable mission of the organization
- 2) the business activities of the organization
- 3) the products and services rendered
- 4) potential partners vs collaborations
- 5) whether you intend to have ownership (through shares or other means)
- 6) your start up capital
- 7) revenue sources
- 8) possible staff participating in your organization
- 9) your passion

Nonprofit organizations are tax exempt because they provide mission based programs and conduct charitable, educational, literary, scientific, or religious activities. There is no ownership when creating nonprofit organizations. Charitable organizations are inherently owned by the community. Your articles of incorporation must include a dissolution clause that details the type of nonprofit organization that you would like to donate any remaining assets of your organization to, if God forbid your organization were to become inoperable. So, there is no individual ownership of the organization.

With for profit corporations, you can have ownership.

In the nonprofit world, there are collaborations with other similar organizations to help you further your nonprofit's mission however there is no partnership in the ownership sort of way. Partnerships exist in the form of collaboration.

How this applies to you...

When thinking about your long term goals, your level of investment both time and money, you want to consider the type of return you are willing to receive. Although nonprofits do not guarantee a return on investment in a financial sense nor do they provide a golden parachute upon the completion of your tenure, you do have the ability to gain community support for your cause and inspire others to help you as volunteers to see your mission come alive.

When considering whether to start a nonprofit as a job, you must also think about how you wish to be paid. With sole proprietor businesses, you can take an owners draw. However, nonprofit organizations are corporations, which mean that you must be paid as an employee or independent contractor.

In both corporations, you are able to create a salary. However your salary for nonprofits should be based on a wage and benefit survey or labor standards that provides examples of similar salaries and packages for your organization's budget size and job description.

With nonprofit organizations, the Internal Revenue Service has requirements that must be met and laws on disclosure that must be adhered to that relate to budgets, annual filings, board of directors compensation, and so on. For more information on these and other requirements, go to: <http://www.stayexempt.irs.gov/>

Exercise:

To help you brainstorm on the pros and cons for your proposed or existing nonprofit, complete this table. Identify your different approaches in each scenario.

	For Profit	Nonprofit
Goals		
Objectives (SMART goal)		
Mission		
Vision		
Programs/Activities/		
Revenue Streams		
Marketing/ Outreach		
Collaborations/ Partnerships		

Recommended Resources:

Internal Revenue Service

<http://www.stayexempt.irs.gov/>

Foundation Center

www.foundationcenter.org

US Small Business Administration

<http://www.sba.gov/content/nonprofit-organizations>