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### Challenges and Issues Facing Management and Boards of Not-For-Profit Enterprises Compiled by Dennis Chiron, Member of the AIBEF



Not-for-profit (NFP) enterprises have a number of commonalities with for-profit companies, such as budgeting, planning, management, staffing. And yet, NFPs approach these activities from a totally different perspective.

### **Stanford Social Innovation Review**

has the view" " .... After all, the term nonprofit is the antithesis of the goal of business. Nonprofits have different business goals, and have to tread carefully to know when to learn from business examples and when to follow their own paths".

The challenges that almost every NFP in Australia faces includes the ongoing need for improved execution in five areas of fundamental concern: mission focus, funding, board governance, succession planning, and performance measurement.

I have personally witnessed (firsthand) an outstanding NFP totally collapse due to Board mismanagement and incompetence. And whenever a well-performing NFP lose their way, usually one (or more) of these five perpetual issues lies at the root of the problem.

In addition, government funding cuts appear to be inevitable. As federal, state and local budget cuts loom, funding from these sources remains uncertain. Over the years, NFPs have seen steep cuts from government agencies, forcing them to rely more on the public sector for support.

Plus, we can't deny the fact that what might be "the flavour of the day" with government today, may well be "sour" tomorrow. .... The plain facts are that no NFP should rely on ongoing government favouritism and preference, and support.



Richard Male of Richard Male and Associates believes that one of the main factors of NFPs failure, is a Lack of

**Leadership** – He says: "This is key because nothing really happens without strong leadership. The nonprofit sector is just now beginning to realize that regardless of who is funding our organizations the stakeholders are counting on the leaders of the organizations to execute the programs and agendas. We have done a poor job in developing strong, independent, courageous, and ethical leadership in our sector".

Mr Male also states: "We are training managers, not leaders. Leadership is the most talked about and least understood concept in our country. Most of the "leadership programs" that are available to non-profits are really just teaching people how to improve technical skills and set up systems rather than how to lead people and organizations".

Another obvious issue is the fact that there has been a significant increase in NFP organizations, creating increased competition for their share of allotted monies from both public and private sources.

**Great credibility but lacks recognition** – NFPs comprise one of the most credible industries in Australia; the vast majority of people trust our sector. But, overall, we don't have a lot of power and we don't receive recognition when decisions are made. We need to market and promote the value of our sector and "position" our organizations as central elements of our communities.

**Mission Matters Most.** Leaders of a for-profit corporation can assert with ease that their mission is to maximize shareholder value. But NFP leaders lack such an inherent clarity of purpose, and therefore, it remains one of the greatest threat to NFP.

Innumerable external and internal stakeholders can lead to total Mission confusion. Many funders, clients and stakeholders can exert subtle but fierce pressure on the NFP to broaden their mission to accommodate a particular interest.

It's also not uncommon for many NFPs to have some mediocre members on the Board.

Stanford Social Innovation Review believes "A Better Board Will Make You Better" Members of an NFP board must engage directly and deeply in the work of their organization. Otherwise, board meetings will degenerate into rubberdeprive stamp exercises that much-needed NFPleaders of strategic guidance; board members, for their part, will feel that their time has not been well spent.

An equally important matter is board composition. An NFP Board needs to have a diverse composition of professional backgrounds, with representatives from the private sector and from various segments of the community landscape.

And let's face it; who amongst us hasn't encountered the board member with the 'hidden agenda'?



Sam Tornatore Certified Performance Consultant and Productivity Expert. Speaker and Presenter <u>Associate Member of the</u> <u>AIBEF</u> www.samtornatore.com Email: admin@samtornatore.com Are You So Time Poor You Don't Even Have Time To Read This Article? Then You Need To Eliminate The Time Vampires In Your Life!

For many business owners, managing time effectively is a constant struggle. "*I feel like there's inever enough time in the day to get everything done*." You might say "*I struggle to focus on the most important tasks and often miss out on opportunities. It's frustrating, and I feel like I'm falling behind*." With the sheer number of tasks and responsibilities to handle, it can be overwhelming and leave little room for focusing on important aspects of the business.



When you're short on time, it can be difficult to stay focused on your most important goals (like your top customers) and priorities. You may find yourself constantly putting out fires, responding to urgent emails and urgent or unnecessary phone calls.

Let's face it, the increasing demands placed on business owners in today's digital age, including the expectation to be available 24/7, can be challenging, especially for small business owners who may not have the resources or money to hire full-time stuff to do all the "stuff".

The origins of the problem are often due to juggling multiple tasks and responsibilities, especially in the early stages of building a business. You might say, "*I have to wear many hats and handle everything from sales and marketing to finances and customer service*". Poor time management skills, including a lack of effective planning and prioritization, can also contribute to a feeling of being constantly behind schedule and lead to procrastination. You may feel like you struggle with prioritizing and end up putting off important tasks until the last minute.

So, what happens if you do nothing? Sadly, I see this for a lot of businesses, they just think that things will get better all by themselves, or a magical solution will arrive somewhere. In extreme cases owners put their head in the sand or worse they say "*I just need to work harder and do more*". In the worst-case scenario, business owners may experience burnout or other negative health effects as their work-life balance suffers.

Leaving the problem as is with no solution can result in missed opportunities, lost revenue, and a lack of growth potential for the business and losing your sanity!



So what is the first step to stop this chaotic pattern, stopping the bus and coming up for air?

Start by acknowledging the problem, take ownership and become aware. Ask yourself a serious question, and that is, "*do I want to continue as is or do I want to solve this problem*?" There is no right or wrong answer by the way, there is just the answer that is right for you.

Next, solving this problem needs to be a priority, when something is important enough, we make changes, it's that simple! *Continued next page* 

While my approach varies depending on my clients and their specific situation, here is one simple strategy that's an easy start and most people can get some immediate benefit from. While it seems ironic that if someone doesn't have enough time now, then how are they going to find time to solve their problem?; there needs to be a commitment to first carve out a tiny slice of uninterrupted time to focus on a series of small action steps to begin your journey.



In that time you have allocated, look at where you spend all your time, your activities (be honest with yourself) and ask yourself the following question:-

"Of all these things I personally do or that consume my time, what can I eliminate all together? What things serve no real value or are stopping me from getting the time to do the important things?"

Your first reaction will be, nothing, everything is important! That is simply not true. Importance is a sliding scale, therefore look at the things you currently do that are the least important and remove them, at least for now. You can always reintroduce them when you get your time back, maybe even set that task as a reward incentive for later down the track.

Then systemically look at those tasks and take them out of your day. This simple act of dissecting and eliminating will free up time to divert to other more important things. You can't do more when you are at capacity unless you take something out.

When people say to me that they don't have time to do the important things, I politely ask them something along these lines... "*How much time do you spend watching TV, scrolling through Facebook or Tik Tok, what about browsing the internet for no specific reason or purpose*?" "*Or driving to a meeting than can be done over the phone*?" These are just a list of almost endless examples of major timewasters. I call these Time Vampires. I think you get the picture...

Look, I am not against you doing those things, I am against those things taking priority over important things. For those of you who are committed to improve, this little slice of extra time can be the catalyst to launch your productivity breakthrough. Then you will be ready for more advanced and more powerful strategies. Best advice I can give you is not to believe me - try it for yourself.

You don't need a complex expensive time management system or high-cost solutions. You just need simple steps and to start with the first step, every step after that just compounds to gain ultimate control of your time (and your life).

Love to hear your feedback...



# **Using Business IT Support To Improve Operational Efficiency**

In today's fast-paced world, operational efficiency is essential for businesses that want to remain competitive.

Operational efficiency involves the ability to measure, analyze and improve processes within an organization or business. It requires identifying and eliminating the waste of time, resources, materials and money while improving the overall quality of services or products. Businesses can achieve this by streamlining processes, automating tasks and utilizing technology to optimize workflows.

The journey to operational efficiency in the business sector is a delicate balancing act. All while juggling with restricted resources and the daily challenges. However, for small and medium-sized businesses in Australia, professional business IT support can be the ace in the deck, making the juggling a little bit more graceful.

# 1. The Digital Experience: Go Paperless

Going paperless might not be revolutionary, but it is an essential first step. Why? Well, printing out materials adds unnecessary costs and time delays. So, using electronic documents where possible reduces printing expenditures and accelerates the distribution process.

# 2. Business IT Support – Embrace The Cloud

Secondly, jump onto the cloud. With the advances in security, speed and scalability, there has never been a better time to embrace cloud technologies. Cloud technology allows you to access essential data, software, and resources from the office, the comfort of your home or when on the road. Moreover, it can cut physical infrastructure costs, simplifying your business operations. How? Well, the burden of these running costs is transferred to your selected cloud hosting service.

## 3. Leverage Communication And Collaboration Tools

Technological solutions, such as Zoom, Microsoft Teams and Slack, provide a platform for meetings and collaboration despite physical distances. Tools like Google's suite of online services (Docs, Sheets, Drive) offer multi-user access to projects, fostering robust teamwork and optimising operational efficiency.

## 4. Automate, Automate, Automate

Lastly, take a moment to appreciate automation. Not everything demands manual labour. Delegate tasks like customer service routines or social media management to automated systems. It will be worth it, freeing employee time for more vital tasks and improving overall operational efficiency.

## 5. Enhance Security Measures

Finally, one last significant benefit is enhancing your online security measures. Cyber threats are becoming more prominent and sophisticated in today's digital age. With Business IT Support, you can bolster your cybersecurity protocols, effectively safeguarding your company's sensitive data.

They provide invaluable tools and measures such as firewalls, encryption, two-factor authentication, and regular patches and updates. All this isn't just about protection; it's also about bolstering your clients' trust in your business's ability to protect their data. Essentially, by doing so, you're securing your operations and boosting your reputation in the market.

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If you're a mentor or a trainer, or a leader in your organization, one of your core functions is knowing how to explain complex concepts. Being able to do this consistently takes practice, training, and experience.

# What is a complex concept?



Hannah Malmstrom describes it like this: "A complex concept is an intricate idea that can be broken down into simpler and more basic thought processes. In order to understand these concepts, your learners need to be able to dissect ideas and not see them as just black and white in order to understand them at a deeper level. Such complex concepts are prevalent in subjects like science, math, and philosophy, and they usually call for specialized knowledge to comprehend.

A great example of a complex concept would be Einstein's theory of relativity. This complex concept requires a deep understanding of space, time, and gravity, and how these relate to one another."



<u>Matt Abrahams</u>, a lecturer at Stanford University Graduate School of Business believes that this is not a task for the faint-hearted:

Complex strategic concepts can be challenging to communicate, especially to non-experts who may not share your background, vocabulary, or assumptions. However, effective communication is essential for building trust, alignment, and action among your stakeholders. Here are some tips to help you explain complex strategic concepts to non-experts in a clear, concise, and engaging way.

## **Know Your Audience**

Before you start explaining your complex strategic concept, you need to understand who your audience is, what they care about, and what they already know. This will help you tailor your message, tone, and examples to their needs and interests. You can use techniques such as empathy mapping, persona creation, or stakeholder analysis to gain insights into your audience. You can also ask them questions, listen to their feedback, and observe their reactions to gauge their level of understanding and engagement.

# Simplify Your Language



<u>Andrew Lokenauth</u> states that one of the biggest barriers to explaining complex strategic concepts is the use of jargon, acronyms, or technical terms that your audience may not be familiar with. To avoid confusion and frustration, you should simplify your language as much as possible, without losing the essence or accuracy of your concept. You can use plain English, analogies, metaphors, or stories to make your concept more relatable. You can also define any terms that are essential for your concept, and use them consistently throughout your explanation.

# Other tips for communicating complex concepts Use stories or build a narrative

Using data, numbers, graphs, and statistics are effective ways to grab your learners' attention and establish credibility, but relying too heavily on these methods might bore them in the long run. Consider using storytelling to paint a clearer picture of your topic. By building a narrative that's interesting and immersive for your learners, you can easily engage them and help them better understand any complex concept.

# **Do You Really Know Your Customer?**

<u>The Harvard Business Review</u> was recently quoted as saying "Today's distracted consumers, bombarded with information and options, often struggle to find the products or services that will best meet their needs. The shorthanded and often poorly informed floor staff at many retailing sites can't begin to replicate the personal touch that shoppers once depended on—and consumers are still largely on their own when they shop online."



Customers are not as trusting or as loyal as they used to be. The proliferation of goods and services available on the Internet has become a two-edged sword. On the plus side, consumers have a greater number of choices. However, there are also a greater number of inferior products or services that might leave the customer disappointed.

Social media, easy on-line comparison-shopping, and an explosion of choices have given consumers more power than ever before. A shopper can easily scan a product bar code with a smartphone and find out what it is selling for in other stores or pull up consumer reviews and product comparisons on the Internet.

In order for you to reach and convince the right customers to buy your product or service, you need to understand who those customers are.

Effectively marketing a product or service requires knowledge of the customers you are trying to reach. This may be easy if you are part of the market, but the further you stray from that specific niche the more important it becomes to identify your audience. Conducting customer research will help you tailor your marketing and develop sales tactics based on reliable, accurate information.

Customer research provides in-depth information on the needs, wants, expectations and behaviors of the types of customers who are most likely to buy your product or service.

Let's start with some basic questions that will help you focus in on potential customers:

- Find out who is buying your product or similar products. If you sell directly to individuals, identify gender, age, income, marital status and occupation. If you sell to other businesses, find out their size and kind of business.
- What similar product or service sells the best? How does it compare to what you offer?
- Is demand higher during specific times of the week, month, or year?
- Is your product something that requires higher cash outlay, or is it an inexpensive item? Do most consumers buy on credit or pay in cash?
- What purpose will the product serve? Is it providing a service, a specialized function, or some other benefit?
- What does the customer get, tangible or otherwise, from buying the product?
- Are sales of comparable products or services typically purchased through Internet sites or retail stores?
- Do customers expect delivery or home service?

Without a solid understanding of the buying behavior of your customers, including an appreciation of how they differ in their value to the firm and a solid understanding of how their behavior is evolving over time, how can you be expected to ask the right questions and make informed decisions?



# AIBEF INTERNATIONAL SCHOLARSHIP PROGRAM

"The business advice industry in Australia and in many other countries is self-regulated, and virtually anyone can call themselves a business or enterprise facilitator, advisor, coach, mentor or consultant. Business Facilitation and Coaching has copped its fair share of flak in recent years, primarily because the industry has a reputation for attracting sprukers and touts." Denise McNabb, Sydney Morning Herald

- Do you provide Business Advice, Consulting, Mentoring or Facilitation Services?
- Are you looking for recognition of your facilitation skills?
- Wanting to give clients the confirmation of your professionalism and experience?
- Apply Now!

### www.aibef.org.au/aibef-scholarship-program

A program has been launched to enable business advisors and mentors to achieve industry-recognised accreditation without the need for lengthy study or expensive courses.

The Australasian Institute of Business and Enterprise Facilitators (AIBEF) new scholarship program recognises the skills, knowledge and experience of business advisors and mentors who have the expertise but may not have gained relevant accreditation or qualifications.

There are three Scholarship categories:

- Women
- Young Advisors (up to 29 years of age)
- General

Additional details and Application Form is on our web site (<u>www.aibef.org.au</u>); or you can send an email to <u>info@aibef.org.au</u> requesting these forms to be sent to you.

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**Business Mentoring** 

Connect with an expert through our network of Certified small business mentors.

Whether you are thinking about starting a business or need help growing your existing business, AIBEF Certified Business Facilitators offer valuable counseling, training and mentoring services to help you achieve your goals. AIBEF Certified Business Facilitators are located throughout Australia (and beyond). Connect with one near you.

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# Become a Member .... Join us Today

Are you a Business Mentor, Trainer, Coach or Facilitator? Are you a professional, and an expert in your field? The Australian Institute of Business and Enterprise Facilitators Inc (AIBEF) is in the process of updating and modernising our web site, and we are placing a lot more emphasis on promoting our members to the world.

If you are experienced and skilled in your field, and you are not a member of the AIBEF, you might consider that now would be a good time to become a member and profile yourself/your business amongst highly respected and accredited Business Consultants under the banner of the AIBEF.

Provided you meet our requirements, an annual Membership fee of **\$49.00** entitles you to a Certificate of Membership and approval to use the post nominals of the Institute **MAIBEF**; You will also receive our monthly publication "**FOCUS**"; PLUS your photo, profile and bio portrayed on our **Website on your own Personal Page** providing direct access for potential clients to contact you through this portal;

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#### **AIBEF Code of Conduct**

All AIBEF members are obliged to maintain professional standards and ensure the legitimate interests of their clients are paramount. They must ensure that any conflicts of interests are and avoided confidentiality maintained. Members are required to adhere to the highest standards of facilitation, advice, referral, information provision, support and client care through undertaking ongoing professional development

#### The Process of Becoming an **AIBEF Accredited Facilitator**

To be an accredited Member of AIBEF. simply submit vour application to the AIBEF Secretariat.

AIBEF The Accreditation Committee then assesses your experience and qualifications and will advise you of the Institute's decision.

Often this decision is partly based on Recognition of Prior Learning (RPL) where the Committee takes into account the equivalent experience of the candidate. The new AIBEF Member is then provided with a certificate of Membership and is invited to have their name listed on the website, and can Institute's immediately use the post nominal M.A.I.B.E.F. after their name.

Whether it is a concern about business start-up or growth, a marketing issue, HR or financial issue, a member of the AIBEF can provide effective guidance and support to entrepreneurs, business owners, communities or organisations.

# **About the Institute**

### **Benefits of Membership** Some benefits include:

**Recognition** of the professional qualifications of Member of the Institute of Business and Enterprise Facilitators (MAIBEF) and Fellow of the Institute of Business Enterprise and Facilitators (FAIBEF) in Australia and New Zealand.

The ability to use the postnominals, MAIBEF and FAIBEF in promoting their activities and achieve:

- credibility/validation as an enterprise and business facilitator
- a premium for services
- client confidence and direct benefits to their business secure and regular employment/use as a business and facilitator enhanced market/business opportunities

### Personal confidence and increasing business:

- business through support organisations including training providers and centres increasingly requiring counsellors/advisers to be professionally trained and experienced facilitators
- achieved through the formal recognition of practitioner skills
- by becoming preferred contractors.

### The sharing of knowledge and skills and growth of new business through:

peer networking and interchange of ideas with other



- Members and Fellows
- mentoring peer of other Members and potential Members
- enabling contacts (formal and informal) with peer organisations and alliances

### **Regular electronic Newsletters** and communications that:

- disseminate news of major • developments in the business support industry
- notify Members of relevant conferences and events
- keep Members up to date with current issues
- notify Members about opportunities in professional development

#### Development **business** of facilitation skills and knowledge through the provision of:

- notification of opportunities to participate in ongoing targeted and specific professional development
- access to professional development in recommended training courses
- the best and most up to date information on business and training/facilitation.

Representation to others (government and non-government) Members behalf on issues on affecting business facilitation.



A.I.B.E.F. Established 24 years

10

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The Australasian Institute of Business and Enterprise Facilitators (AIBEF) was founded in 1997 as a result of the recommendations of the Industry Task Force on Leadership and Management Skills.

In their report, entitled Enterprising Nation, the taskforce recommended that: ".... a comprehensive accreditation process be established for small business trainers, educators, counsellors, facilitators and advisers so as to upgrade the quality of small business advice."

It's a fact that, at the moment, the business advice industry in Australia is self-regulated, and virtually anyone can call themselves a business or enterprise facilitator, advisor, coach, facilitator, trainer or consultant.

Check out Google for instance; there must be a dozen (or more) sites on "*How To Start Your Own Business Consulting Venture*".

The AIBEF is the Peak Body for Business Facilitators, Coaches and Trainers, and we, the AIBEF Committee, hope to continue the association's great work to further promote the professionalism and quality of our members, and to endeavour to act as a respected voice and advocate for the wider community.

The AIBEF represents a profession that is proud of its independence and confident of the service it provides, committed to continual improvement in the skills and knowledge of our members and Business and Enterprise Facilitators in general, who ably assist in the professional guidance and support of business, enterprise and community development.



### Welcome to our Newsletter

Facilitation Focus is an opportunity for Business Facilitators, Coaches, Facilitators, Trainers and Consultants to ask questions, offer answers, and become part of a group where we can all join in peer-to-peer discussions and conversations about challenges, experiences and outcomes. It is also worth noting that 'Focus' can be included in your Continuing Professional Development (CPD)

*Facilitation Focus* is a publication for a rapidly changing world.

Almost daily, SME's are facing constant changes, and it is vital that the Business and Enterprise Facilitator is current with their expert advice and guidance.

Facilitation Focus has as its main aim to access to a professional network of peers through the AIBEF, and by gaining more insight into business and industry best practices, as well as increasing the focus on the important aspects of their own business, an AIBEF Focus member can accomplish amazing results.



# **Something To Say?**

#### Thanks for the Info

Just a note to thank you for the helpful information contained in your magazine. I'm a client of one of your members, who sends your magazine onto me. I find it easy to read and some of the ideas in the numerous articles are very useful and valuable.

Peter Haley Solar For Life Coffs Harbour, NSW

### WHO ARE BUSINESS OR ENTERPRISE FACILITATORS?

Virtually any professional, qualified person or organisation involved in assisting entrepreneurs, organisations, or communities to improve their Skills; Knowledge; Business; Staff; and/or Life.

The role of a Business and Enterprise Facilitator is to promote local economic growth by providing support to local entrepreneurs, groups or entire communities wishing to start or expand a small business enterprise or to assist to develop a concept where the community will benefit

The concept of Business and Enterprise Facilitation is a model of development that supports the creation of wealth from within a community by nurturing the resourcefulness of its people.

The Australasian Institute of Business and Enterprise Facilitators is an international not -for-profit institution that works with entrepreneurs, small groups and / or communities to establish sustainable, grassroots enterprise projects.

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