

# Nonprofits and the Future: Predicting (and Practicing) Change November 2014

With this article, we invite sector leaders to predict their future in audacious fashion...by *inventing* it.



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### Back to the Future

This fall, it will have been five years since La Piana Consulting released our widely-read report, *Convergence: Five Trends That Will Shape the Social Sector*. Yet it seems like only yesterday. Perhaps that is fitting, given that part of our premise was that although change is nothing new, it is no longer a "constant" — rather, it is a force that is gaining pace exponentially.

At the time we were writing about civic engagement and the intersection between online activism and inperson organizing, we could not have predicted the 2011 emergence of Occupy Wall Street or the growing influence of SuperPACs on our electoral politics. And when we wrote about the influence of technology and social media, little did we imagine that "big data" would become such a watch word or that Susan G. Komen and Planned Parenthood would end up on opposing sides of a 2012 social media firestorm. Yet many of the themes we explored are still as salient today, from diversifying our nonprofit workforce and definitions of leadership to expanding our view of agency for change beyond "agency" (or organization) to embrace the individuals, networks, and a whole constellation of different structures for getting good done.

In trying to help nonprofits to consider social, technological, and economic trends and how the combinations of these might impact their work, we suggested that to be successful, organizations would need to develop key competencies in three areas: how they lead and manage people; their facility with new tools and technologies; and their strategic use of partnerships and new organizational structures. But beyond this, we asked nonprofits to do one other thing: we challenged them to "become futurists."



## Seeing With the Futurist's Eye

How realistic was it for us to ask the sector to adopt this role of the futurist? Consider this: You likely went to work for a nonprofit (or founded one) because you had a vision of a different kind of future you wanted to help create. But the reality now is that the day-to-day demands of meeting urgent community needs and running an organization leave little time to think creatively about what lies ahead weeks, let alone years, down the road. And you are certainly not alone!

"For the nonprofit sector to survive and thrive, everyone — nonprofits, funders, and capacity builders alike — must become futurists...."

- excerpted from Convergence

In revisiting this idea of seeing with the futurist's eye, we still maintain that the social sector is experiencing a profound set of shifts that are challenging their traditional approaches, changing the playing field, and rewriting the rules. But in an effort to offer more context for what it means for nonprofit leaders to add "futurist" to their already demanding job titles, we did a little reading about

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the role of futurists in business — and came across an entirely unexpected but promising set of ideas.

In 2013, *Silicon Valley Business Journal* technology reporter Preeti Upadhyaya <u>interviewed renowned</u> <u>futurist Ray Kurzweil</u> and others about the need for companies to employ futurists (or at least futurist mindsets) in order to stay relevant. Noting Kurzweil's director of engineering role at Google, Upadhyaya says, "Futurists are fine for bleedingedge tech powers like Google. But what about manufacturers? Service companies? Developers and construction companies?"



We might venture to add: What about nonprofits and foundations?

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In the interview, Kurzweil suggests that today's business models could soon be obsolete, making a futurist perspective "unavoidable" for any organization wishing to stay in business. But it was a quote from Lee Shupp of The Futures Company that helped make the case in practical, actionable terms:

"Futurists can help companies in three ways. One is to recognize opportunities they may have missed because they weren't looking broadly enough. The second is to reduce risk, so really looking at a company and questioning the underlying assumptions in its business model. The third is helping companies really envision what they want to be in the future and help them get there."

Lee Shupp, The Futures Company



You know how they say, "there's an App for that?" Well, there are tools for this: they're called strategy and business planning.

<u>Strategy development</u> is, at its heart, a continual monitoring of — and a coordinated set of responses to — the challenges and opportunities impacting your organization's ability to achieve its mission. Following upon strategy development, like a powerful catalyst, <u>business planning</u> helps your nonprofit test assumptions, assess and mitigate risks, and lay out a reality-based plan for getting from the present state to a desired future.

### The Crazy Ones

Many times, strategic plans are little more than a formalization of the status quo. Sadly, business plans are also frequently more about playing it safe than changing the world. Often these planning processes rely on the same players whose daily responsibility it is to protect the organization, not to take chances with it, resulting in incremental change at best.

Futurists, on the other hand, "tend to say out loud things that executives can't get away with," writes Upadhyaya. So perhaps the challenge is: How do we make our nonprofit strategy development processes and business planning efforts safe places to say the impolitic thing, to suggest the seemingly counterintuitive, and/or to speak the inconvenient truth?

Futurists train their expert eyes on the horizon every day, but for nonprofits it can be an important first step just to inject more unfettered futurist thinking into our strategy and business planning processes. Three levers for making this happen are: inviting the right people, using the right process, and asking the right questions.



### People

To get the most out of a planning process, it shouldn't just be the same group of people having the same conversations. This is an opportunity to shake things up and wake things up. Diversify who is involved. Look at how to expand the conversation beyond the usual suspects. Tap into the passion and creative thinking of your line staff, community change agents, professionals from other fields, outsider voices that offer different – even challenging – points of view.



#### Process

The right process is critical to create a safe and conducive space for the futurist perspective to be heard and to channel that into strategic decision making. The focus should not be on creating a "plan," but on doing the thinking that goes into a plan. The product on paper is of little use if the process fails to transform and align the mindsets and priorities of those responsible for turning the plan into action.

### Questions

Questions are powerful tools. Cultivating a futurist perspective in a planning process means asking and encouraging questions that stimulate individual and institutional curiosity and that aid participants in evaluating and interpreting what is often incomplete data. Throughout "Convergence," we suggested a number of such questions. Each organization must identify the questions that are most salient for them, but in the spirit of future-casting, should be prepared to *question everything*.

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## Practice Change

Taking this approach can be uncomfortable and risky. That's why futurist and business consultant Cecily Sommers suggests that nonprofits *practice...*just like an artist or musician would. In a July 2014 interview following her keynote at the nonprofit Dance/USA conference, Sommers spoke to *Twin Cities Business* writer Sarah Lutman about how <u>anticipating and navigating change is a</u> <u>discipline</u> — one that can not only be taught, but one that should be a regular part of all organizational thinking.

"The principles are the same whether it's a food bank, a ballet company, a university, or a corporation. Inquire constantly: How is the world changing? In what form do we need to deliver our service or product? Our stewardship is to understand how conditions are changing and then change with them."

- Cecily Sommers, author, futurist, consultant



Sommers has authored *Think Like a Futurist*, a book that seeks to make a futurist-like mindset more accessible to organizational and industry leaders. By identifying four key forces — resources, technology, demographics, and governance — she gives readers a structure around which to develop what she calls "change literacy."

We agree with Sommers' implied point that, for nonprofits and nonprofit leaders, developing the skills to think like a futurist is not just about *predicting change*, but about *practicing change*.

## Inventing the Future

For businesses, the cost of not adopting a futurist mindset can be high. Upadhyaya's article cites the cautionary tale of Intel which, in the 1990s, largely dismissed the prediction that mobile would be the future of computing and is now still in the position of playing catch-up. Can the cost to nonprofits be any less serious, given that success in our line of business means nothing less than changing lives? Clearly, nonprofits can't afford to be any less rigorous than technology developers in innovating how we can improve our communities.

"No one of us can afford to rest on our laurels, assuming that the old ways of doing business will continue to serve us in this dramatically new and ever-changing environment...it is our responsibility to envision and shape the future for ourselves, our organizations, and our society."

- excerpted from Convergence

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One of the most popular futurist quotes is from computer scientist Alan Kay: "The best way to predict the future is to invent it." At this five-year anniversary of *Convergence*, we return to the idea of adopting a futurist mindset and invite sector leaders to give themselves permission to create the future.

### Suggested Reading and Resources

<u>Convergence: How Five Trends will Reshape the</u> <u>Social Sector</u> – Our 2009 monograph on major changes impacting nonprofits

**Doing Good in the 21<sup>st</sup> Century** – A Joint project with Emerging Practitioners in Philanthropy to explore what success will look like in the new now

**<u>Big Changes Start with Small Steps</u>** – A brief article with practical tips to help nonprofits make change in response to a dynamic environment

<u>Getting at Real Transformation</u> – A brief article with suggestions for aspiring leaders of change

<u>Nonprofit Business Planning</u> – Resources for leaders on creating a successful business model

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