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## Rethinking Nonprofits

By Dan Kadlec

In her former job at the Lutheran Immigration & Refugee Service, based in Baltimore, Jane Leu saw countless foreign professionals--bankers, lawyers, architects, computer experts--flee to the U.S. and become cabdrivers, nannies and security guards. "There was a real need to match these people with their skills," she says. But her employer's "mission was limited," she says, and management wouldn't budge. So Leu quit, and seven years ago she launched Upwardly Global, a nonprofit that helps white collar immigrants network, prepare résumés and search for a suitable job.

Leu, 37, was anything but alone in her frustration with how traditional nonprofits are run. Too many charities cling to an outmoded mission statement, are slow to give volunteers assignments that excite them and perhaps shun older helpers. After enough vexation, "people throw up their hands and just say they'll start their own," says Marc Freedman, founder of Civic Ventures, which helps retirees find rewarding work and volunteer opportunities.

The number of U.S.-based nonprofits has grown at twice the rate of for-profit ventures in recent years. And it's no coincidence this surge is happening as the huge and famously antiestablishment baby-boom generation starts to rattle another cage. You may be getting the itch too.

There is ample reason to forge ahead and do something good for your community or even the world. But first you should ask yourself three questions:

### AM I CUT OUT FOR THIS?

Starting a nonprofit is like starting a business except you have to drum up donors, not investors. But today's donors are just as demanding. They want to see a business plan at the start and measurable results along the way. You will have to put in long hours with little or no pay to keep the enterprise afloat. Leu, who needed two years to get her first grant (\$15,000), started out by spending 30 hours a week in her "survival

job" as a bookkeeper and 30 more building Upwardly Global, which now has offices on both coasts and a staff of 15.

#### IS MY IDEA DIFFERENT?

With an estimated 2.8 million charities out there, your idea may already be in practice. Fund raising will be especially difficult if there's a "competitor" with a good track record who markets to your potential donors. Leu says she researched her service idea for several years, "germinating the solution and making sure no one else was doing it."

Passion won't make up for redundancy, warns Diana Aviv, ceo of Independent Sector, a trade group for nonprofits. "Unless you're truly filling a need, it's just self-indulgence," she says.

#### IS A START-UP NECESSARY?

You don't have to start something to make a difference. You may be able to work with a group targeting the same needs. "Putting in 10 hours a week is no small thing and shouldn't be minimized," says Howard Husock, director of the social entrepreneur program at the Manhattan Institute, a think tank that promotes civic innovation. You also may be able to do your own thing within an existing nonprofit with a related mission. This could speed your launch, reduce overhead and leave open the possibility of a spin-off down the road.

IF YOU ANSWERED YES, yes and yes, it's time to get going. To learn the basics of incorporating as a tax-exempt organization, drafting a business plan, raising funds and building a board of directors, go to [nonprofitlaw.com](http://nonprofitlaw.com) and [managementhelp.org](http://managementhelp.org) To research existing nonprofits, start at [guidestar.org](http://guidestar.org) and to find organizations that make donations, try [foundationcenter.org](http://foundationcenter.org)

The nonprofit field is getting crowded, but people's needs are many. "It's not easy," Leu says of starting a charity. "But it's a life rich in purpose." Energetic new retirees may be especially suited to the challenge. They have skills and contacts--and, perhaps in the back of their mind, they're still humming Alvin Lee's '70s anthem I'd Love to Change the World.

Kadlec's latest book, *The Power Years*, is now in paperback

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