An Entrepreneurial Spirit Is Vital For a Non Profit

I did not expect the question that I got from a reader this last week regarding my columns about “non-profits”. The reader queried, “how important is it for a non-profit to operate with the same entrepreneurial spirit as a small business?” Fantastic questions and observation!!!

I will start out by saying it is absolutely **vital**. Having had many years of experience in that arena myself, I will state that the success of any non-profit is in large part due to the entrepreneurial vision of the leader, the staff, and the board! It must be run as a business and it must be guided with a constant yearning for “how can we do better” and “what if?”

In this country, the individual dream of getting ahead, of building an economic base and realizing your potential, remains a powerful driving force. Entrepreneurs have fired the economy, inspired innovation and transformed the nation.

Most would agree, the entrepreneurial spirit is something our society holds dear. An entrepreneur is a catalyst of change, an innovative capitalist, a risk taker and inventor.

Economist. Joseph Schumpeter defines an entrepreneur as someone who changes the existing economic order by introducing new products and services, creating new forms of organization, introducing new markets and production methods, and exploiting new raw materials. Others put an economic spin on entrepreneurialism and describe it as the pursuit of an idea or approach without regard to resources. Still others look at the process of entrepreneurialism as an opportunity to create and an organization to pursue.

Based on my experience, I suggest that encouraging the entrepreneurial spirit and establishing it within non-profits involves several considerations for the leadership. Here are a few that come to mind:

- Determining the areas within the non-profit organization that are weak and in need of improvement
- Identifying the expertise needed to shore those weak areas and enlisting key players within the community, business and political arena who have that expertise and are willing to share it
- Making sure the organization’s culture and operations encourage an entrepreneurial spirit
Seeking out management and staff with creativity, vision and drive. Be sure to include these skill sets in job descriptions and build incentives to reward entrepreneurship.

Designing model programs or services that can be replicated and implemented in more than one marketplace.

Treating employees, volunteers and clients alike as customers who have a choice of who they want to serve them.

Creating transferable systems and efficiencies user-friendly to both internal and external customers.

Instituting a process for continuous two-way communication between your organization and the community.

Dean L. Swanson
Southeast Minnesota SCORE
c/o Rochester Area Chamber of Commerce
220 South Broadway, Suite 100
Rochester, MN 55904
www.seminnesota.score.org/
*Dean is a volunteer SCORE Mentor and Regional Vice President for the North West Region