

## Executive Summary

# Four Pillars of Growth for Youth-Serving Nonprofits

October 2010

By Kelly Campbell and Rohit Menezes of the Bridgespan Group

In 2009 the Bridgespan Group set out to study the factors critical to the growth of youth-serving organizations. We hoped to identify useful insights for the leaders of youth-serving organizations and for the funders that support them, as they work to make a positive difference in the lives of increasing numbers of young people.

To that end, we identified 100 of the fastest-growing youth-serving nonprofits in the United States from 2002 to 2007. We interviewed leaders from 26 of those organizations about the factors they saw as most critical to their organizations' ability to grow. We then surveyed all 100 leaders on key topics that arose during the interviews, with 47 responses.

Compared to the findings of a similar Bridgespan study conducted in 2005,<sup>1</sup> we observed a greater emphasis on management discipline. Leaders who participated in the current study reported that growth was rarely an unexpected windfall. Rather, more often it was the reward for the leaders' careful investment in four pillars of growth: (1) preparing systematically for growth; (2) demonstrating clear programmatic results; (3) marketing purposefully to specific funders; and (4) actively engaging board members' time, talent, and financial resources.

### Pillar 1: Preparing systematically for growth

In our 2005 growth study, we observed that the leaders of youth-serving organizations often saw and seized opportunities, and then played "catch up" organizationally to support the ensuing growth. In 2009 growth was more often the result of strategic choice. The leaders thought deeply about what they wanted their organizations to accomplish, made growth-related decisions consistent with their thinking, and made the necessary organizational investments ahead of growth. As a result, their organizations were prepared for growth and less dependent on happenstance.

---

<sup>1</sup> See "Growth of Youth-Serving Organizations" on [www.bridgespan.org](http://www.bridgespan.org).

#### Boston

535 Boylston St., 10th Floor  
Boston, MA 02116  
P 617 572-2833  
F 617 572-2834

#### New York

112 West 34th St., Suite 1510  
New York, NY 10120  
P 646 562-8900  
F 646 562-8901

#### San Francisco

465 California St., 11th Floor  
San Francisco, CA 94104  
P 415 627-1100  
F 415 627-4575

For some, preparation meant developing and executing a formal plan. Others did not rely on formal planning per se, but rather intentionally built up capabilities that would enable their organizations to identify and respond to the right opportunities. These capability-building efforts frequently included the addition of data systems, processes, and staff capacity.

## **Pillar 2: Demonstrating clear programmatic results**

We observed a strengthening drumbeat about the connection between results and growth. Almost all of the leaders we interviewed noted that the ability to demonstrate clear results played an important role in their organizations' ability to grow. This finding marked a departure from sector-wide conventional wisdom which often whispers that the connection is tenuous at best. A full 32 percent of the 100 fastest-growers use an evidence-based practice proven to deliver positive outcomes in a randomized control trial, and many others employ promising interventions tested with less rigorous forms of evaluation. The leaders reported that their organizations were deeply engaged in tracking results, with more than half employing full-time performance assessment staff.

The leaders also emphasized the importance of presenting results in ways that specific funders valued. Different funders cared about quite different types of metrics, and the organizations tailored their reporting accordingly. The leaders indicated that all funders were interested in process metrics, but that fewer funders were interested in outcome measures. State governments, in particular, tended to be highly focused on process metrics. A few of the leaders did note, however, that a small set of state-government decision makers increasingly had paid attention to outcomes—a shift that helped to propel the rapid growth of some of the organizations in our study.

## **Pillar 3: Marketing purposefully to specific funders**

“Marketing” was not a term that emerged frequently in our 2005 study, but in our latest research interviewees used it broadly and frequently. The nonprofit leaders we interviewed noted that success in fundraising depends on shaping how funders perceive their organization. Whether marketing took the form of building relationships to win over the right government influencers or offering private funders a crisp, clear, and coordinated message, these organizations focused their efforts on the most relevant sources of funding.

#### **Pillar 4: Actively engaging board members' time, talent, and financial resources**

The majority of the leaders we interviewed attributed their organization's growth in part to their boards. That boards play an important role in fast-growing organizations may sound obvious, but our research suggests that there is much lurking behind this seeming platitude. The fast-growing organizations we studied seemed to do a particularly good job of connecting with directors' passion for the cause and engaging them to dedicate their time, talent, and financial resources. Board members made serious commitments to offer their expertise. They also used their own wealth, and called upon the wealth of their peers and colleagues to fuel growth.

\*\*\*\*\*

These four pillars of growth may appear straightforward, but as the nonprofit leaders we interviewed attest, their execution rarely is. Nonetheless, we were encouraged that the organizations we studied managed to grow in such productive—and often sustainable—ways. Their collective experiences, as chronicled in more detail in the accompanying white paper, offer powerful insights for the leaders of other nonprofits who may be contemplating growth, as well as for those organizations that support such efforts.

*For a more detailed account of our findings, complete with numerous stories of how the fast-growing organizations put these concepts into practice, please see the full “[Four Pillars of Growth for Youth-Serving Nonprofits](#)” white paper on [www.bridgespan.org](http://www.bridgespan.org).*