

THE ^{CRS}NGO PROGRAM. LEGACY FOR THE FUTURE.



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Sustainability without Proposals?



Self-financing the Future

NGOs provide needed services, advocate for important political freedoms, champion minority rights. Their work is extremely valuable, but financing it is a constant struggle. To secure even short-term, project-based funding, NGOs invest a great deal of energy, and time.

CroNGO has been introducing Croatian NGOs—and the government and business sectors—to alternate modes of funding: self-financing and fundraising from local sources. Fundraising and self-financing are challenging, requiring energy and new skills. But, once successful, offer flexibility in how funds are used and greater control over when funds are available.

Non-profit, but needing money to implement programs and pay staff, NGOs put tremendous efforts into writing proposals to obtain funding.

Is there another way? **The Nonprofit Enterprise and Self-Sustainability Team (NESST)** thinks they have an answer: helping NGOs self-finance by packaging their skills or services as marketable products. NGOs often provide high-quality services for free and possess skills or resources that other sectors could use—why not charge for customers willing, and able, to pay?

Partnering with NESST, CroNGO organized a series of three trainings/hands-on workshops on self-financing (organized between

April and November 2005) for 14 Croatian NGOs:

1. Financial Sustainability and Introduction to Self-financing
2. Organizational Readiness and Pre-Feasibility Study
3. Sustainability Planning.

Between trainings, NESST worked with the organizations individually.

The trainings energized the 14 participants, prompting CroNGO to organize a *Conference on Self-Financing Activities and Social Enterprise for the Non-Profit Sector*, on 28 March 2007. 95 people—from NGOs, local authorities, ministries, and the busi-

ness sector—got a thorough introduction to self-financing/social enterprise activities and practiced concrete methods for their planning and development. In addition to sessions similar to the three NESST trainings, the American Chamber of Commerce and NESST trainers introduced businesses to venture philanthropy—applying venture capital/long-term investment models to business relationships with NGOs.

As a result of their work with NESST, the Organization for Civil Initiatives (OGI) is in the process of starting a bookkeeping and financial management service for local NGOs, with the goal of eventually earning 15% of their annual budget in this way.





For this conference, **GONGO** published 4 manuals to help NGOs start self-financing:

- Legal and Regulatory Framework for CSO Self-Financing in Croatia*
- Hit the Ground Running—Getting a Head Start with Local Lessons for Sustainable Social Enterprise*
- Get Ready, Get Set, ... Starting Down the Road to Self-Financing (including worksheets)*
- 5 Case Studies (with Croatian examples)*

NESST Self-Financing Training Series:
Participating Organizations

1. GONG
2. Green Action
3. Center for Peace, Non-Violence and Human Rights - Osljeđ
4. Association Radost Proje
5. Portal Alfa
6. Kula
7. Domači
8. MIMO
9. Igra
10. SMART
11. Šipa
12. Domine
13. Children First
14. Organization for Civil Initiatives