



Resilience Building Resource Hub  
*A Shilp Initiative*

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## WHO ARE OUR STAKEHOLDERS? WHY ARE THEY CRITICAL TO OUR WORK?

Welcome to the Stakeholder Management self-paced learning module. Stakeholder engagement is crucial to the success of a nonprofit organization. Connecting with the public, donors, clients, employees, politicians and local leaders helps you organizations stay relevant and visible. A multi-faceted approach to stakeholder engagement can help you reach diverse stakeholder group and maintain a strong presence in the community.

This section will help you understand:

- different stakeholders your organization works with
- importance of stakeholder engagement
- ways to engage stakeholders
- additional resources to help you get to an expert level

So, let's get started!

## Who are stakeholders?

"Stakeholder" refers to anyone, individual, or group that has an interest in your nonprofit. It includes people directly involved, such as board members, people you serve, donors, or foundations that give you grants.

Typical Nonprofit Stakeholders would be:

- **Employees** (whether paid or unpaid volunteers)
- **Members** (some nonprofits have paying or honorary members)
- **Volunteers**, from board members to the generous folks who help you keep your organization running.
- **Beneficiaries** of your services or "customers." These beneficiaries might be the homeless people you serve or clients, such as YMCA subscribers who participate in activities..
- **Donors**, grant givers such as foundations, state, or federal agencies that provide funding are stakeholders. Every charity should have a basket of income from a myriad of sources. Each source brings stakeholders that must be kept interested and engaged.
- **Your local community**. Every nonprofit is part of a broader community, a citizen of society. As such, nonprofits must honor and participate in community activities and cultivate community leaders, institutions, and government agencies.
- **Other nonprofits**. Most charities now realize they cannot accomplish their missions or raise funds by themselves. Think about partnering with other charities rather than competing with them

## **What is Stakeholder Engagement:**

Nonprofits are, and always have been OF and FOR the community. How each nonprofit defines its community may vary, but the idea that the organization exists to serve a particular community is at the center of the nonprofit form. That is why nonprofit organizations are tax exempt - they work to serve and help their communities. Getting stakeholder alignment and buy-in has always been paramount to the nonprofit business model - it is our dual bottom line - profit and social impact.

The most obvious category of stakeholders is the people you exist to serve. Whether you define those as audiences, patrons, clients, customers or organizations, they are at the heart of why you exist and what you do. It is of paramount importance to be in active conversation with them in multi-faceted ways (see below) so you can be sure you are properly addressing their needs or interests.

- Those who can support or hinder your work: This category includes your funders, local political regulatory agencies or people that can support or hinder your work, partners, allies or colleagues.
- Those who can inform your work: This category includes people who live in your community, researchers, thought-leaders, academic institutions or experts in your field.

You understand the importance of stakeholder engagement, but it can be hard to determine the best way to do it. Here are some different ways to engage people and the pluses and minuses of each:

1. **One on one Conversations:** You can request some one-on-one meetings with key people who are important to your success - such as funders, board members, community leaders, political leaders, colleagues. Inviting someone to a one-on-one conversation shows them

they are important enough to you that will invest this time in understanding their point of view on your work.

2. **Surveys:** You can do a survey to give many people the chance to register their point of view in an anonymous format. Surveys are particularly good when you want to ensure that everyone in the community has a chance to weigh in on something. They are best structured with closed-ended questions (such as multiple choice). Alternatively, they can be done as text answers to a very small set of questions (4 or 5).
3. **Focus Groups:** Focus groups are good when you want to get feedback from sub-groups within your community. For example, if you are an education organization, you might do a focus group with students and another with teachers and another with principals to glean the distinctions in their points of view. Focus groups allow for generative conversations where people can react to their peers' comments.
4. **Human-Centered Design Audit:** Similar to a focus group, a human-centered design audit asks stakeholders to walk you through their entire process of engaging with your organization from start to finish, in order to have them help you identify any potential barriers - either logistical challenges, language barriers, or other types of access barriers.

No matter what form you use to engage your stakeholders, here are some tips for how to manage these conversations:

1. **Set the context:** Tell them why you are asking for their input/feedback. Convey why their opinion is important to you. If you can, try to connect the conversation back to their interests. "It is important for us to understand your perspective on .... " and "I hope this conversation will give you some useful information as well so you can ...."
2. **Ask powerful questions:** If you have the opportunity to hear feedback from your stakeholders, you want it to be useful to you. Don't ask yes or no questions or that's all you'll get for an answer. Ask open-ended, generative questions, such as "if you were starting our organization over again from scratch today, what would it do and why?" Ask questions that will help you better understand where you may be going off course, how you can better serve the needs, and what should be your primary focus.
3. **Listen actively:** Once you ask the question, listen carefully to their answer - reflect back to them what you heard to make sure they feel heard and that you heard them accurately. Clarify anything that isn't clear rather than assume what you think they meant. At the end of the conversation, summarize what you heard and ask if they have any other thoughts (give them the chance to tell you something you didn't ask).
4. **Review and reflect on their feedback:** Make sure to review what they said, and reflect on how that feedback will be specifically meaningful to your organization. If they provided helpful suggestions, this is an opportunity to engage them more deeply - ask them to join a task force to help you work on their ideas.
5. **Offer ways to stay involved:** Plan ahead so you have some ideas of ways stakeholders can remain involved with you if the conversation truly engages them. See the task force idea above, or discuss forming an advocacy coalition, or perhaps they could be a candidate for your board.
6. **Don't forget to thank them:** No matter what the review highlights, make sure to share your gratitude for their participation - they have given you the gift of their time and their wisdom - that's worth a thank you.

Engaging stakeholders can take a lot of effort and be quite time consuming, but in the end, it is what makes or breaks your ability to make a difference in the world.

*Source: Penn Creative Strategy*

## Additional Resources:

### **What is Stakeholder Engagement?**

Many grantmakers are recognizing that in order to ensure better results, we need to tap into the knowledge, experience and energy of key stakeholders — grantees, community members, other funders, thought leaders. This type of engagement means reaching beyond the usual suspects, deep listening and involving key players in philanthropic decision making. Doing so provides a better understanding of the challenges on the ground, increases buy-in and improves strategies.

Duration: 15 mins

Article

<https://www.geofunders.org/resources/what-is-stakeholder-engagement-677>

### **Donor Management: A Guide To Effectively Managing Your Nonprofit's Donors**

Megan Donahue explains the concept of donor management and retention in simple and clear manner. She highlights some tools that will help you maintain a database, use the data for segmentation and be targeted in your approach. A few good practices help you get better with donor management.

Duration: 15 mins

Article

<https://www.causevox.com/blog/donor-management/>

### **Want to help someone? Shut up and Listen!**

Dr. Ernesto Sirolli talks about making it a priority to partner with beneficiaries: ask questions, invite their opinions, and pay attention to the insights they have. These are also the people who will be carrying your mission and message back to their networks, which is important if you want to mobilize an entire group of people around your work. Finally, your beneficiaries will still be living and working in their community after you depart: a true partnership ensures your impact doesn't evaporate.

Duration: 19 mins

Ted Talks

[https://www.ted.com/talks/ernesto\\_sirolli\\_want\\_to\\_help\\_someone\\_shut\\_up\\_and\\_listen?language=en](https://www.ted.com/talks/ernesto_sirolli_want_to_help_someone_shut_up_and_listen?language=en)

### **Who Are the Stakeholders for a Nonprofit?**

This article explains the various stakeholder that are involved in the Nonprofit sector

Duration: 6 mins

Article

<https://www.thebalancesmb.com/stakeholder-2502118>

### **Strategic Planning for Nonprofits: Engage Diverse Stakeholders**

One of the most interesting and meaningful steps in the strategic planning process is engaging stakeholders, both internal and external. The insights you gain by eliciting a range of perspectives about your organization contribute to the creation of a high-impact strategic plan for your nonprofit.

Duration: 10 mins

Article

<https://prosper-strategies.com/setting-up-your-strategic-planning-process/>

### **11 Ways to Grow Your Nonprofit Social Media Followers**

Nonprofits use social media platforms every single day to connect with constituents, raise awareness for causes, and collect donations. With engaged followers on one or more of the major social networks, organizations can effectively spread the word about fundraising campaigns, new initiatives, and advocacy work.

Read this article to know more.

Duration: 7 mins

Article

<https://www.classy.org/blog/11-ways-grow-nonprofit-social-media-followers/>