

How to Influence the Public Perception of Your Charity

When market researcher Harris Interactive released the results of its 2006 DonorPulse survey on public perceptions of charities to major media outlets, the results — and the resulting media stories — were mixed. Depending on the article you read, U.S. charities were either facing a “crisis of trust” or experiencing a “renewed reputation” in the eyes of the American public. Because you want your nonprofit to be one of the organizations the public trusts and respects, it’s important to pay attention to how you’re perceived and actively manage that public perception.

Understanding Disparate Results

How can the Harris poll produce such disparate assessments? The survey asked if the nonprofit sector — which it defined as charities, private foundations, faith-based organizations and other philanthropic groups — was on the “right track” or was “going the wrong direction.” Of those who responded, 30% answered “right track,” 32% chose “wrong direction” and the largest group, 38%, said that they were “not sure.”

It’s possible the public isn’t certain what to think about nonprofit organizations as a whole. Some people may be tempted to assume the worst of all charities when they learn of scandals affecting one or two groups. Similarly, those who have confidence in the groups they support may let their positive perceptions carry over to all organizations.

Managing Public Opinion

While some public perceptions are difficult, if not impossible, to influence, there are proactive ways

IRS Releases Final 2008 Form 990 and Adjusts Filing Threshold to Provide Transition Relief

The IRS recently issued an updated version of the Form 990, the return that charities and other tax-exempt organizations are required to file annually, and provided transition relief so that small exempt organization will have time to adjust to the new form.

The final form released in December 2007 retains the redesigned draft’s format of a core form and a series of schedules. In response to public comments, the new core form allows an organization to describe its exempt accomplishments and mission up-front and provides more opportunities throughout the form for the organization to explain its activities.

Other major changes were made to the form’s summary page, governance section, and various schedules, including those relating to executive compensation, related organizations, foreign activities, hospitals, non-cash contributions and tax-exempt bonds.

A checklist of schedules was also added.

The final Form 990 and background material explaining the changes from the current form and the June draft are available on the Exempt Organizations portion of the IRS web site, IRS.gov/eo.



to manage your organization's reputation that will help it weather any unexpected crisis:

1. Regularly communicate with key constituencies. This means keeping them abreast of the latest fundraising facts and figures, how you're using the money and progress you're making toward your stated goals. If the only time you communicate with the public is when you need to raise funds or renew memberships, you're missing prime reputation-building opportunities.
2. Educate staff and volunteers. Your executive director or president may be the official voice of your organization, but he or she certainly isn't its only spokesperson. Every time staff members or volunteers act on behalf of your nonprofit organization, they're representing the organization as a whole. Be sure they understand this and provide them with the training they need to put your organization in the best possible light.
3. Be ready for the boomerang effect. When a nonprofit organization makes headlines for squandering its funds or some other perceived act of mismanagement, your



own group also may feel some of the heat. Don't be surprised if you become subject to media or potential donor backlash. Do be prepared to explain the system of checks and balances your organization has in place to prevent a similar negative situation from occurring. This also may present an opportunity to spotlight the transparency of your financial operations, as evidenced by your press releases, newsletters and Web site.

4. Let go of what you can not control. When you run your organization with openness and act as you say you will, you're working in the best interest of donors and beneficiaries. Some people, however, may still be skeptical of your mission or operations. It's probably not worth your time to try to win over these rare cynics. Know when to cut your losses and move on to more important activities.

Ready For Anything

It's not just your own organization's actions that will cause donors and the public to draw conclusions about your group. You may also find yourself dealing with fallout of another charity's crisis. Smart organizations are always ready to capitalize on the positive and distance themselves from the negative.



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