

Should I Start a Not-For-Profit?

Starting a not-for-profit is very simple; just start providing a service, fight a cause, try to right a wrong or help people live better. What is difficult is starting a successful not-for-profit that is sustainable and actually makes a difference.

The not-for-profit sector is distinct from the for-profit sector. Instead of competing with other companies to sell products or services, not-for-profits collaborate with each other to meet their clients' needs. The sector has limited access to money from government, foundations and private donors. There are only so many people who have time to volunteer to deliver programs and services. It is essential that you work with other not-for-profits to ensure there is no unnecessary duplication that will strain these precious resources.

Before starting to provide a program or service, it is critical to fully investigate your motivations, your skills, and the existing programs and services being offered. Work through this checklist to determine if you have the right qualities, have a solid plan and have the skills to successfully start a not-for-profit.

Market Research

There are currently over 7100 incorporated not-for-profits in Manitoba and there are hundreds, if not thousands, of less formally NON-incorporated or 'grassroots' not-for-profit groups in our province. Market research is critical to make sure your not-for-profit is actually meeting a real need in the most efficient way possible, and not putting an unnecessary strain on scarce resources, including funding and volunteers.

1. Have I consulted with a variety of community members I wish to serve and understand their needs?
2. Why does this need exist? Has the demand for the service increased? Has the supply of services decreased?
3. Who else is trying to meet these needs in this community or in other communities? To find similar organizations visit [211 Manitoba](#), [Statistics Canada](#), [CRA Registered Charities](#), and [Manitoba Companies office](#).
4. Have I consulted with other organizations that are serving this community? (Examples: school division, local schools, local churches, recreation offices, economic development offices)
5. Have I consulted with various funding agencies like local Community Foundations, Winnipeg Foundation, United Way, Municipal and local government, to see if they agree with my understanding of the community needs?
6. Do other not-for-profits and organizations in the area that are providing similar services agree with my understanding of the community needs? How are they meeting these same needs?
7. What challenges do they face when trying to serve this community or meet this need?
8. Where are they getting funds to provide service?
9. What are the criteria to be eligible for these same funds?
10. Are there opportunities to collaborate with or join other organizations to meet this need?
11. Could this service be merged into an existing organization?
12. Could this service be delivered in partnership with an existing organization?

Planning

If your research has established a need and absolutely no opportunity to collaborate with or join an existing organization, develop a plan to meet that need. Consider the following items when building your plan.

1. Who are my clients?
2. What program or service will my not-for-profit provide?
3. How will the program or service be provided?
4. How will I evaluate whether the program or service is meeting the needs of the clients?
5. What expertise do I need to develop or recruit onto my team?
6. Where can I find board members to work with me?
7. Where can I find volunteers? Volunteer Manitoba provides a free volunteer referral service to help connect people who volunteer with not-for-profits looking for volunteers.
8. How can I support the volunteers adequately? Volunteer Canada provides national standards on involving volunteers.
9. Where can I operate my not-for-profit?
10. What equipment and materials will I need?
11. How will I tell people about my program or service?
12. What risks are associated with this program or service and how will I mitigate these risks?
13. What insurance do I need to purchase?
14. What funds are needed to begin and continue the not-for-profit?
15. Where can I access funds?

Am I the right type of person to run a not-for-profit?

The not-for-profit sector is an increasingly complex and changing environment. In addition to common business skills, there are critical competencies leaders require to be successful in this sector. Consider these questions to see if you have the skills and competencies to be successful.

Collaborator

1. Do I have a clear idea of what I want to accomplish with this not-for-profit?
2. Do I clearly communicate the purpose of my not-for-profit to others?
3. What relationships have I built with the communities and clients I want to help?
4. What relationships have I built with other not-for-profits that offer similar services or programs to mine?
5. What relationships have I built with other not-for-profits that offer services or programs in the same community I wish to help?
6. What relationships have I built with various funding agencies (foundations, government departments, donors) that might help fund my not-for-profit?
7. What groups have I identified as potential partners to collaborate with?

Strategic Thinker & Problem Solver

1. Do I anticipate and proactively adapt to change?
2. Do I understand larger influences, analyze situations and environments and am I a big picture thinker?
3. Do I develop plans to achieve goals with action steps and deadlines?

4. Do I set aside my assumptions to listen to diverse voices?
5. Do I have perseverance, patience and resilience to deal with complex and uncertain environments?
6. Do I have the skills to help identify and resolve conflict?
7. Do I ask questions, take efforts to experiment and take reasonable risks?
8. Do I recognize my limitations and surround myself with people who have skills I do not have?
9. Do I ask for help and delegate to others?
10. Do I have the stamina and time to devote to this not-for-profit?

Money Manager

1. Am I prepared to fundraise and ask for donations?
2. Am I expecting to make a living wage from my not-for-profit?
3. How will I raise enough money to pay myself and provide the programs and services for my clients?
4. Do I have the skills to develop a fundraising plan and write funding proposals?
5. Can I create budgets and interpret financial statements?

You may benefit from taking training to help with organizational development, board governance, or volunteer management. Volunteer Manitoba offers training to help increase your skills, build your confidence, and provide an opportunity to network with others in the not-for-profit sector. Visit our website for more information, www.volunteermanitoba.ca/training

Disclaimer

The information in this document is intended as general information only, not as legal advice. Every situation is unique. If you need advice, you should consult a lawyer.

The information in this document was correct when posted, but because information changes frequently it may have become outdated.

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