

## **Building a State Association of Nonprofits** **A Case Study: Montana Nonprofit Association**

This case study is a product of the Emerging State Associations of Nonprofits Project, a special initiative of the National Council of Nonprofit Associations (NCNA). Through this and other products and technical assistance, NCNA seeks to help emerging associations move effectively through the organizational development process. Funding for this initiative was provided through a generous grant from the W.K. Kellogg Foundation.

The **National Council of Nonprofit Associations** (NCNA) is the network of state and regional nonprofit associations serving over 22,000 members in 45 states and the District of Columbia. NCNA links local organizations to a national audience through state associations and helps small and midsize nonprofits: manage and lead more effectively; collaborate and exchange solutions; engage in critical policy issues affecting the sector; and achieve greater impact in their communities.

## Introduction

This case study was developed primarily through an in-depth interview with two early leaders of Montana Nonprofit Association (MNA), a state association of nonprofits. Mike Schechtman was the “founding staff” of the emerging association, during its incubation period as a pilot project of his own organization, Big Sky Institute for the Advancement of Nonprofits (BSI). <http://www.bsi.montana.edu/>. Brian Magee is the first and current full-time executive director of the resulting Montana Nonprofit Association (MNA).


[www.mtnonprofit.org](http://www.mtnonprofit.org)

MNA’s experience during its startup years is intended to help inform and inspire nonprofit leaders of associations at a similar stage. However, it should be kept in mind that Montana’s experience – while very positive – is *only one of many* ways state associations have successfully formed.

Here is a snapshot of key steps in MNA’s organizational development. Read more about MNA today in the April 2006 Spotlight section of NCNA’s *What You Need to Know* E-newsletter:

<http://givevoice.org/ncna/WhatYouNeedToKnow-April2006.html>.

## Timeline



<b>1999</b>	Start of informal planning
<b>2000</b>	MNA organizing committee; first-ever sector report
<b>2001</b>	MNA Steering Committee; town meetings; first grant to form MNA; Charter membership campaign
<b>2002</b>	First annual conference; unemployment insurance offering
<b>2003</b>	Received 501(c)3; legal separation from BSI; open membership; first fulltime staff
<b>2004</b>	First public policy activities
<b>2005</b>	Second fulltime staff; separate office space
<b>2006</b>	300+ members (out of 1,800 filers); \$170,000 operating budget; broad array of benefits

## In the Beginning

The idea for creating the Montana Nonprofit Association was forged through a series of conversations during the late 90s between Mike Schechtman of BSI and Jane Robinson Ward of NCNA. Over the next few years, Mike embarked on a quiet, behind-the-scenes cultivation of key leaders throughout the state, which positioned the future association for success by the time of its actual launch in late 2001.

Developing a state association was one of six projects identified by BSI to help strengthen the nonprofit sector in Montana. In late 1999 – mid-2000, Mike had informal conversations with more than 80 nonprofits throughout the state to see how they would rank the proposed projects. The great majority of those organizations ranked starting a state association as either the top or second highest priority.

In June of 2000, Mike also attended the NCNA annual conference, describing it as “both inspiring and a fabulous learning opportunity. We experienced other states’ stories, saw their missions and the myriad ways they were fulfilling them, and thought, we need one of these in Montana too!” Through that new connection to NCNA’s nationwide network, he began requesting and reviewing sample materials from other state associations, and benefited from ongoing technical assistance from NCNA. Two notable recommendations were:

- To include nonprofits of *all* sizes, missions, and parts of the state in the planning stage
- Launch a formal announcement only after all of those discussions have happened.

## Context

The Montana Nonprofit Association began taking root in a unique environment which posed both challenges and opportunities.

**Geography** - “They don’t call it ‘Big Sky Country’ for nothing,” says Brian Magee. “Montana is the fourth largest state geographically – if it were situated on the east coast, the northwest corner would touch Chicago and the southeast corner would touch Washington, DC (a 12 hour drive by car). Within these vast geographic boundaries, less than a million people reside, scattered across the towering mountains and windswept prairies.”

**Infrastructure** – According to Brian, MNA benefited, perhaps uniquely, from a *lack* of preexisting infrastructure and nonprofit support organizations. “Other emerging state associations had to navigate around other entities which were already filling certain needs. In MNA’s case, we could move forward unimpeded – there is so much that needs to be done and that isn’t in place here, that there’s enough work to go around six times over.”

**Timing** – At the time MNA was being planned, there was widespread dissatisfaction with the status quo. Many nonprofits were struggling under disadvantageous insurance rates, and were also being impacted by ways that the state government worked with nonprofits, especially in funding relationships. The number of nonprofits in the state had been steadily increasing, as had public expectations for nonprofits assisting

populations in need. However, as elsewhere, funding to support the sector had not been keeping pace. While there were a number of networks already in existence in Montana, none seemed to have the collective voice necessary to speak up and resolve issues sector-wide. Some had an energetic base, but too few members. Others had a lot of members, but hesitated to take public positions.

Beyond the nonprofit sector, one of Montana's main topics of discussion— in the media and by public officials—was the state's particularly challenging *job market*. That issue was about to become a uniquely valuable talking point for the emerging state association.

## First Formal Steps – Sector Report and Town Meetings

In late 2000, BSI worked with the National Center for Charitable Statistics (NCCS) to gather data on the nonprofit sector in Montana. (This service is now available for all state associations through NCNA.) The data was developed into a publication that described the size of the Montana nonprofit sector, the surprising percentage of the workforce the sector comprises, and the resulting importance of the sector to the state's economy. A report like this had never been done in Montana. It was released to the media and received strong coverage across the state. Looking back, it is now clear that MNA's core competencies of information/research and communications on the sector had their genesis in this report, before the association itself even formed.

The new report enabled BSI to join the “challenging job market” conversation. Emphasizing the role of *nonprofits* in the state's workforce not only helped illustrate to the general public the importance of the sector to Montana's economy; it also educated nonprofits themselves about the potential value of a state association that could (among other things) provide research and tell important stories about the sector on an ongoing basis. As Mike made his rounds with key influential's, he underscored those themes, and thus began lining up significant support for a state association even before any public discussions began.

In the spring of 2001, BSI organized and held more than 20 nonprofit “town meetings” across the state to discuss the potential roles of a state association and to gauge interest from local nonprofits. Over 275 individuals representing 218 nonprofits from more than 30 communities across the state attended these meetings. The informal conversations Mike had already had throughout the state bore important fruit here. “That initial strategy was crucial. By the time of the town meetings, we'd had enough critical dialogues with enough leaders that people already assumed there'd be a state association. This enabled us to use the town meetings to focus not on the *if* and the *why*, but the *when* and the *how*.”

Discussions included the role MNA could play in relation to the six core competencies identified by NCNA as integral to state associations. Said Mike: “We knew what would have to happen in order to set up a full-service state association functioning on all six cylinders. We set up the town meetings in a way that exposed nonprofits to that model, and generated excitement about the possibilities.” Then participants were given a survey and a chance to share their own priorities.

Regarding the surveys, Montana took one approach that differs in an important way from most emerging state associations. Instead of surveying nonprofits broadly by mail, Montana surveyed only those nonprofits

that attended the town meetings. That was a much smaller subset of those who might be reachable by mail. But it ensured a *more informed* subset, because those participants had just completed a higher-level conversation at those meetings about what state associations do elsewhere and what the potential could be if such a network were formed in the state.

In keeping with the spirit of inclusion, attendees were also given handouts that proposed a process for creating a state association of nonprofits in Montana. They were given specific ideas about various ways they could participate in the creation of the organization. A steering committee was described, along with its roles and goals, and there was a nominating form by which participants were invited to nominate themselves or colleagues they felt would be strong candidates. This process surfaced many excellent nominees who went on to become some of MNA's strongest and most effective board members.

## Governance

In the fall of 2000, recruitment began for an "organizing committee" for the new state association. The goal was to identify a small cadre of dedicated, energetic individuals who would roll up their sleeves and help during the initial stages of development, by creating the broadest constituency possible for the association within the state nonprofit sector. Over a 5-month recruiting period, a group of nonprofit executives emerged, each with critical qualities and skills including collaboration, teamwork, credibility among their peer organizations, and respect in their home communities.

On reflection, the work with the organizing committee provided an excellent opportunity to develop norms for working together, and those carried through as that group evolved into the steering committee and later the founding board.

In November 2001, the organizing group expanded, evolved into a steering committee, and met to review a proposed 3-year plan for the organization based on the earlier stakeholder input. It was clear that professional development was a high priority. So a committee was immediately formed to oversee a first annual conference for Montana nonprofits, to be held in the fall of 2002.

Ultimately, the steering committee was to become MNA's founding board. But, as Mike recalls, "At the beginning, we had only the broadest brush strokes of a game plan. We wanted to be sure that, by the time we *got* to a founding board, we would already know our strategies. Otherwise, we ran the risk of the project falling on its face. What hasn't changed over time is a strong culture of good people working in an atmosphere of trust toward a noble cause."

In 2002 the committee evolved into MNA's founding board. All 16 board members are – and are elected by – MNA members. An annual conference committee had already existed when the founding board was formed. The board added a very active executive committee, as well as committees for the following activities: membership recruitment, member services, fundraising, and the board nominating process. Two newer standing bodies that now exist are personnel (which meets only as needed) and a public policy council.

## Funding

The planning stage preceding MNA's formation was funded with a number of small contributions from local businesses and small family foundations. In 2001, the Otto Bremer Foundation provided a big boost, through a grant for \$45,000 to BSI to help underwrite initial development activities for the proposed association. \$15,000 of that grant was a 1-to-1 challenge grant, which helped attract support from additional donors.

In Fall 2001, a charter membership drive began. Although the only required dues were \$25 per organization (regardless of size), the approach did include a suggested sliding scale to encourage *larger* amounts on a voluntary basis. Fortunately, many charter members gave more than the minimum \$25, in some cases as much as \$250. Those charter memberships were in effect through calendar year 2002. In 2003, the regular membership process made its debut. Regular memberships were offered on a 9-tier sliding scale – with minimum dues of \$25 and a maximum of \$500. As of this case study's writing, MNA's dues remain at these levels.

In 2001, the first (charter) membership year, MNA had \$85,980 in grant income against expenses of \$74,595. Total expenses for 2002 grew to \$94,325. In 2003, the transition year when MNA secured its 501(c)(3) status and legally separated from BSI, total expenses came to \$89,341.

By 2004, MNA's budget was \$90,000. About \$30,000 of the revenue came from dues, and another \$25,000 from conference registration and sponsorships. In 2005, the budget increased to \$170,000 (mainly from adding a second staff person), and 27% of that budget was generated from dues.

## Staffing

For the three planning years, BSI's own executive director Mike Schechtman served as the interim "staff," spending 60% of his time on MNA development. This startup staffing assistance was part of a larger package of incubation services. For instance, BSI office space was invaluable to MNA during its startup years. It was provided at a reduced cost, which helped MNA to dedicate its limited resources to serving members, until its own capacity and needs resulted in a move into separate office space.

As MNA became official, and it was time for the board to start considering establishment of its own dedicated staff, the board diverged into two distinct points of view on the approach. Some board members advocated hiring a part-time executive quickly, while others wanted to take more time to ensure that full funding was in place. Had they proceeded with the part-time proposal, it was thought that the executive would become responsible for establishing the organization and bringing in the funding to expand the role to full-time.

The point of view that ultimately prevailed came from those with a very clear appreciation of how much was riding on the executive director's role, and thought it unwise to only seek a half-time position. Perhaps even more importantly, they wanted to wait until MNA's shift from Charter Member dues to regular dues had adequately progressed to have a sense of the extent of renewals and the viability of membership dues as

a sustaining source of revenue. The thinking was that any quality candidate would be asking these very questions about membership size and dues revenues, and the board wanted to have the right answers in order to attract the best candidate possible. The fact that BSI had been providing interim staffing meant that unlike some state associations, MNA was not an all-volunteer effort even at the beginning. That interim staffing made it a more viable option to hold off until they were financially ready to pursue a full-time director.

Later in the process, the board also had the foresight and patience to ensure that they had the *right fit* for their first executive. After speaking with five finalists for the position, the board decided not to hire any of those candidates but instead to continue the search. Brian Magee was ultimately hired as MNA's first full-time staff member in October 2003. From time to time during that period, MNA also had a part-time conference coordinator and some part-time office help through BSI. About a year and a half later, in April 2005, Brad Robinson was added as Member Services Director.

Among other characteristics typical of first executives, Brian personifies the entrepreneurial spirit so often overlooked during formal search processes. "The ability to see potential in things not yet formed is a strength of mine, and I enjoy building things from the ground up. Not everyone would be comfortable with that. Also, I knew my job would become easier later if I made a front-end commitment to work extra hard in the beginning. It was rather 24-7 for a while!"

## Membership

The original town meetings set the parameters for what would be required from members in supporting a new state association. Examples of dues schedules from other states were highlighted. The need for foundation support over the first few years was acknowledged; it was pointed out that building the case for grant support would be strengthened if nonprofits themselves demonstrated their own commitment to "their" association first. Said Mike, "We weren't just running up a flag to see if people were 'interested.' We knew we needed them to buy-in early on. Our hope was that most of the 200+ town meeting attendees would ultimately commit to becoming charter members. We tested various dues ranges during those meetings, and that's how we got the one with which we started."

About 170 nonprofits signed on as charter members during the campaign in the fall of 2001. The charter membership drive was an aggressive one, and members of the then steering committee were very hands-on in running it.

One of the greatest challenges was selling people on the organization when the only tangible benefit was a discount on the upcoming first annual conference. Initially, the charter members were making what was, in essence, an investment in the future of the organization. Over time, MNA was able to roll out additional benefits, including discounted products and services through NCNA. Although every member didn't avail themselves of all of the benefits right away, it was helpful to have an expanding list of offerings available.

Now, with a rich array of benefits and more than 300 members, Brian has a much different sales pitch. "But one thing hasn't changed: the articulation of the bigger picture. Services are just a part. You're always going to get organizations that say 'show me how you'll save me money.' But I find that what sells the best is to

first communicate a bigger vision over the next 3-5 years – how MNA can unite and speak for the sector for the good of the state. Invite them to be a part of that vision, and *then* say ‘and here’s what we have towards that vision right now.’ “

Other membership categories exist for individuals, consultants, governmental/other exempt organizations, and small and large businesses.

## Initial Products and Services

An early priority was to make MNA appealing to *nonprofits of all sizes*. The data from the surveys completed at the nonprofit town meetings indicated that training and professional development was a strong priority for small and medium sized nonprofits. So it was clear that an excellent annual professional development conference would score big points with that subset. Help with unemployment insurance, on the other hand, particularly interested larger nonprofits. (One of MNA’s current members, with over 300 employees, has been realizing over \$70,000 in annual *savings* since enrolling in MNA’s program.)

The unemployment insurance plan was actually in place not long after the charter membership drive began. The annual conference joined it as the next priority to develop. Several easy-to-implement priorities were also added, including those described in the previous section.

Brian became MNA’s first executive director in the fall of 2003. “My biggest challenge in accepting this job was the expectation for me to grow the membership with very limited benefits. Frankly, with a conference, as important as that is, and unemployment insurance and a few additional things, there was not really a lot to sell. My pitch back then sounded a lot like an ‘investment’ one. Please invest in us, and here’s what we believe your return will ultimately be. So, the starting place wasn’t a package of services. It was *inclusion* – come join us in building something. Selling a vision. Getting people excited about the road map you’re laying out.”

On a parallel track, the job was to build a more robust *package*. “Some of it was perception. Take the reduced subscription rate to the *Stanford Social Innovation Review* (through NCNA) – even if not everyone was subscribing, it helped the complete menu look fuller. It made us look like an organization with potential,” said Brian. Another easy benefit, Grant Station (a weekly email update regarding funding opportunities) was also successful. “It seems small, but it got our name out there early, and on a weekly basis.”

Later on, MNA tackled directors and officers insurance and major medical and limited benefit health insurance. These more complex programs take between six months to a year to research, negotiate and launch, and even then the specific partners might not turn out to be the right ones at first. So even though insurance was a popular request from the beginning, MNA did not allow itself to be drawn there prematurely. “This association is not about health insurance. It’s about something much bigger,” stated Brian.

Other early offerings included teleconferencing services (through NCNA) and an online Nonprofit Career Center. In general, as many products/services as possible are designed to produce earned income for MNA that grows over time with increased member participation. But Brian advises others to take care. “You can



get in the business of launching so many products that you don't do care and feeding of the ones you already have. MNA's staff spends many hours increasing member participation of the existing suite of offerings. Going forward, MNA seeks to launch one new 'major' discount product or service each year."

## Training & Professional Development

Even before the first annual conference, there were some training opportunities offered. The first was a fringe benefit of the Unemployment Insurance services program provided by First Nonprofit Companies (FNC) of Chicago. Mike drove FNC's director around the state, and she conducted basic training on the topic of employment termination and associated employer responsibilities. This basic but very professional "HR" training was presented at no cost to MNA members and a nominal charge to non-members. It included an introduction to the MNA insurance plan itself. And since FNC paid for the full cost of promoting and conducting the training/promotion sessions, the registration fees went directly toward the bottom line of the developing association.

MNA's signature professional and organizational development event is the fall annual conference, which now draws nearly 300 individuals from across the state and is growing each year as does membership. The first conference was held in Bozeman, Montana in 2002, and was critically important to building a sense of unity and momentum, delivering needed training to small and midsize nonprofits, and highlighting the future potential of MNA. The event now offers dozens of workshops, plenary sessions and networking opportunities over two and a half days. MNA also offers two signature day-long trainings ancillary to the annual conference – one on board development and one for new executive directors. The latter is especially popular with smaller nonprofits, whose budgets often don't allow them to attract already seasoned directors.

From its inception in 2002, the MNA fall conference was the only real professional development event for several years. This was a deliberate decision. At first, staff capacity could only support one conference or one major event per year. Later, it was noticed that there were quite a few training opportunities already being offered by others around the state, but these opportunities were not well promoted. This raised several important strategic questions for the MNA board about the best role or roles for the new association within the existing training field. The low visibility which was the status quo suggested, for starters, a statewide marketing role.

As a first step, MNA established a web-based master training calendar to help promote all other trainings to a broader audience. "That's a role we sort of grew into – as the 'linker' of our members to opportunities others send us because they know we're a bridge," said Brian. We are made aware of many quality training opportunities, and we consider it a valuable service in and of itself, for us to get these programs into the hands of our members."

At the same time, MNA was receiving a growing number of calls from "brand name" national organizations that wanted to bring their own sessions to the state. In Montana, there had been no natural convening partners, but now there were. MNA chose to make that its own initial training focus (bringing new top notch organizations to Montana) until the organization had a better handle on the in-state training landscape.

2005-06 offerings included sessions by groups like the Center for Lobbying in the Public Interest, the Nonprofit Risk Management Center, eTapestry, and the Gallatin Group (whose specialties and communications and media relations.

## Research

As mentioned, research about Montana nonprofits was flagship offering from MNA even before the association was actually launched. The association continues to do an annual state of the sector report, via NCNA's provision of the NCCS data.

MNA is also expanding its information offerings. For instance, a 2006 wages and benefits study is currently being planned, as is an analysis of philanthropic giving in the state. MNA also does periodic research of their membership to inform new product/service decisions. BSI continues to be a partner in some of those activities.

## Public Policy

Although advocacy and public policy were identified by Montana nonprofits as high priorities when the state association was formed, MNA decided to phase in this competency over time. The rationales were: limited organizational capacity, a small membership base, and the lack of an explicit process to identify and prioritize the appropriate nonprofit policy issues at the time. Leaders also didn't want MNA's *initial* positioning to be centered around policy positions.

In addition, other state association colleagues advised MNA to proceed with caution while getting started in the policy arena. There is a high risk of taking a high-profile misstep and never recovering.

In the summer of 2004, the association began select policy activities. Over the next year, MNA met with the state legislative leadership to discuss both the association itself and the economic impact of nonprofits in Montana. MNA became an information resource on several policy issues, and staked out official association positions on the Montana charitable endowment tax credit and small business health insurance program.

Fortunately, the organization was more established by the time formal and strategic involvement in policy became unavoidable. By 2004, Montana Senator Max Baucus was the ranking Democrat on the U.S. Senate Finance Committee. With that committee's increased scrutiny of nonprofits, MNA could no longer afford to stay silent. "If the association were created for anything, this was it. There were growing issues about how nonprofits were regulated, and seismic change was possible. And even if we had wanted to, our colleagues in the other states weren't going to *let* us sit on the sidelines. But luckily by then we had laid a solid foundation. Membership development and organizational infrastructure were far enough along to support a formal move into public policy programming. That early work put us in a stronger position, and we now have a very positive relationship with Senator Baucus.

An official public policy council was established in early 2006. That group advises the MNA board on policy positions, develops and revisits MNA's long-term policy agenda, and identifies strategies for

advocacy and awareness campaigns. Says Brian, “We’re feeling pretty good about our progress, but we’re still being careful what we do in that arena. For instance, on governance and accountability, we’ve positioned ourselves as the nexus of information. We rely heavily on NCNA about what we need in infrastructure to do public policy well. We still have a way to go in achieving the vision we all have for the organization, but we’ve made great strides.”

## Statewide/Sector-wide Reach

From the start, MNA has intentionally aimed for statewide and sector-wide about reach. There were a few early missteps due to being under-resourced and anxious to get underway. Says Mike, “On the original town meetings, we wish we had given ourselves more lead time, and gotten more local nonprofit leaders to cosponsor – I think that would have gotten us more diversity statewide and sector-wide.” As the organizing committee accepted self-nominations to the ongoing volunteer leadership body, it looked at these nominations against a matrix showing which parts of the state and subsectors of the nonprofit community were covered.

“Unlike most other states, there is no major population center in Montana,” said Mike. “To achieve critical mass, we really *had* to pay attention to full coverage and representation at every step. It was do it right or die.”

## Value of the NCNA Network

Mike credited “total immersion in the NCNA network” as a big factor in Montana’s successful development. Through NCNA offerings and networking opportunities, it was easy to find many of the resources they needed. Peers at other state associations, both emerging and established, regularly answered questions and provided samples. Mike also had a long-standing relationship with Jon Pratt, executive director of the Minnesota Council of Nonprofits, and drew on him regularly for advice.

A perfect example of the benefits of NCNA membership is the aforementioned unemployment insurance plan, which became MNA’s first member benefit. This type of insurance first caught Mike’s attention when he attended an NCNA annual conference session. “I didn’t know a thing about that kind of insurance. But as I listened to the presentation, I said ‘Wow, this is a no-brainer!’ That one NCNA session led to the two-pronged offering – of insurance and related trainings – which is described on page 9.

In general, because of Montana’s exposure of key leaders to the work of other state associations through NCNA, “we were able to know what we wanted to be when we grew up. This gave us a clear target to shoot for as we developed our own organization.”

## Special Considerations

### Starting the Organization by Incubating Inside Another

A number of state associations start life as a project in another organization. As with Montana, that strategy offers tremendous advantages, many of them already described in this case study. But it can also pose some unique challenges.

1. Because Mike, the executive director of the Big Sky Institute, was also essentially functioning as the initial “staff” of the forming *association* and its own governing body, he was “serving two masters.” The potential for conflict in such a situation was great, especially because no formal agreements existed regarding the allocation of Mike’s time. Given the experimental nature of the process, it was difficult in the beginning to project exactly what work and time would be required of him.

For instance, at one point during the planning stage, there was a desire on the part of an MNA board member to see more detailed breakouts of MNA’s finances. Since BSI was at that point still serving as MNA’s fiscal agent, it was BSI’s pre-established accounting systems and formats that were used for those financial reports. Thus the parent organization had limited ability to meet all the changes requested by the MNA board, without retooling its own systems. But inability to accommodate ran the risk of looking “uncooperative,” especially to some MNA board members who were used to more sophisticated accounting systems. Fortunately, the overall goodwill of the organizations and leaders involved allowed for a positive resolution.

2. Another challenge was the impact on available funding streams when MNA “spun off” to become a distinct organization. For several years, MNA had benefited immensely from BSI’s own considerable reputation among funders, conference sponsors, potential members, and others. When MNA finally went out the door, so did many of those resources. This temporarily compromised the financial picture for BSI, as it worked to develop new projects and associated sources of financial support.

## Other Tips and Lessons Learned for Emerging Associations

- Clearly think through, and articulate, the exact roles and responsibilities of founding board members. New state associations will need very active, hands-on board members to execute the developmental process and to help solicit initial funding.
- Before beginning the process, try to identify *your niche* within the state. Montana seemed to be an exception in that the lack of existing resources (MSOs, etc.) made the “gap” immediately evident. In other states, pre-existing groups that offer training and other services may feel threatened by the advent of a new state association. In those states, reach out to form relationships early on, and identify ways your association services can complement (rather than duplicate) the services they are already providing.
- Do not formally launch the state association until *many* nonprofits have been involved in the discussions about existing needs, and how best to shape the organization.

- “Master the possibilities!” To attain a critical mass, you have to focus on the opportunities and not just the needs. The early research, which demonstrated the sector’s impact on Montana’s economy, raised the public appreciation, as well as the *self*-esteem, of nonprofits, and contributed greatly to their resulting eagerness to build a new network.
- Ensure that the offerings you start off with are high-quality. Don’t start doing something (even if it’s a member priority) if you don’t yet have the capacity to do it effectively.
- There are *no* “deals” to be had in health insurance.
- A feasibility study need not be done via *survey*, nor need it absolutely blanket the state and sector (though many states choose to do it in these ways). Montana got much of the same information by holding meetings or listening sessions in various parts of the state with select nonprofit leaders.
- Two things helped Montana master the particular challenge of statewide coverage: (1) “geography-proof” service delivery (such as taking maximum advantage of web-based resources); and (2) “hitting the road” on a regular basis, to stay in touch with members.

## The Last Word

From Brian Magee: “A clear and shared vision of the future—and good old fashioned sweat equity—are what drive this organization. MNA’s progress and impact are directly tied to hiring the right staff, recruiting the right board members, and finding the right partners. All of these stakeholders are moving in the same direction, with a certain ‘fire in the belly’ for the work that we do and a commitment to go above and beyond the call of duty when needed. This is no different than any successful start-up in the private for-profit sector, and we have approached our work in this way.”