
ISDA Cover Letter Guidelines

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Instructions

Please be advised that the following text identified as [blue lettered](#), *italicized* and underlined are active hyperlinks embedded in this document. Click on each hyperlink for access to preview/download each document. Your understanding of this material is essential to your operational effectiveness, growth and development within the social network exchange of registered ISDA Opportunities and resources made available to you.

Introduction

Your cover letter is an important contribution reflecting what's really important to management. It should bring clarity of thought and action to help an organization reflect, plan, act, and share its learning internally, and with others striving to solve complex problems in today's dynamic and changing environments. Additionally, you will find it an excellent tool for integrating strategy and evaluation in pursuit of social impact.

ISDA will continue to expose you to a broad spectrum of material in the coming months to prepare you to effectively communicate your answers to five (5) deceptively simple yet profound questions. The process of answering them produces strategic insight for your organization, and a completed report clarifies intent and results for your current and future stakeholders. This section provides information that can help you and your Beneficial Organization develop a compelling cover letter.

We invite you to review:

- An explanation of the *Five Questions*.
- *Guidance*, collected through our testing and development, about how to create an effective Charting Impact Report.
- A *Glossary*.

The 5 Questions

The operative word is "Impact." ISDA stands in the gap to help the emerging fourth-sector economy understand and improve its effectiveness by answering the tough question, "so what?" By providing a common format for social enterprise to articulate clear goals, coherent strategies, and helpful performance indicators, we facilitate a deeper understanding and conversation across a loosely defined marketplace in the ways that goals toward sustainable growth are, or not, being achieved ... business is not the same as effectiveness, anymore than urgency makes anything important.

The ISDA framework can help your organization consider and communicate your progress toward impact. As more and more Beneficial Organizations establish or recreate themselves, going from "good to great," it will be easier for such transparent organizations to collaborate and allow potential stakeholders to direct their time, talent and treasure to those groups that clearly make a difference quantitatively and qualitatively.

Central to the concept of "Impact" are five simple yet powerful questions that, as a catalyst, help to generate this cornerstone document.

1. Goals: What is your Beneficial Organization aiming to accomplish?

Clearly and concisely, state your organization's ultimate goal for intended impact. Who are you upsetting? Who are you connecting? Who are you leading? Identify the groups or communities you aim to assist, the needs your work is addressing, and your expected outcomes. Examine how your goals for the next three to five years (or an alternate timeframe specified in your answer) fit within your overall plan to contribute to lasting, meaningful change. When finished, ask yourself, if someone unfamiliar with our work were to read this, would they have a clear definition of what long-term success means for my organization?

Why is this answer important?

Articulating your organization's long-term goals helps others understand your mission and intended outcomes. It also gives context and purpose to your day-to-day activities. Your response to this question is the foundation for your responses to the other four.

2. Strategies: What are your strategies for making this happen?

Describe your organization's strategies for accomplishing the long-term goals you cited in your previous answer. Specify the broad approaches you employ and why your organization believes these methods will benefit your target audience or advance your issue. Lay out near-term activities that serve as important building blocks for future success, explaining how these elements strengthen your organization's strategic approach.

Why is this answer important?

Clearly articulated strategies help those outside your organization understand how you aim to accomplish your long-term goals. Your long-term strategic approach also helps your organization determine appropriate near-term activities.

3. Capabilities: What are your organization's capabilities for doing this?

Detail the resources, capacities, and connections that support your progress towards long-term goals. While describing your organization's core assets, identify both internal resources (including staff, budget, and expertise) and external strengths (including partnerships, networks, and influence) that have contributed to, or will contribute in the future to the accomplishment of these goals. Also include any future resources and tools that will further strengthen your work.

Why is this answer important?

Identifying your organization's specific capabilities and how they are aligned with your long-term goals can help you deploy your resources effectively, giving stakeholders confidence that these resources are being utilized constructively. The purpose is not to list every resource, but to identify how your organization's capabilities will contribute to your intended impact (i.e. capital only gives options ... describe the options and opportunities as a "change agent" in the world).

4. Indicators: How will your organization know if you are making progress?

Explain key qualitative and quantitative indicators against your progress toward your intended impact. In addition, identify key milestones – what are your interim targets and when you want to reach them, that signal progress and success? Include a description of your assessment and improvement process: the qualitative and quantitative methods you use as you monitor key indicators and how your organization uses that information to refine your efforts.

Why is this answer important?

By definition, a long-term goal is not accomplished overnight. Monitoring key indicators and marking important accomplishments along the way help an organization stay on track, instill confidence in its methods, and let all stakeholders track movement toward achieving long-term goals.

5. Progress: What have and haven't you accomplished so far?

Demonstrate recent progress toward your long-term goals by describing how your near-term objectives are propelling your organization toward your ultimate intended impact. Go beyond the outputs of your work to make clear how these outcomes are contributing to fulfilling long-term goals. In describing both outcomes achieved and those not yet realized, include what your organization has learned about what does and doesn't work, what risks and obstacles exist, and what adjustments to goals, strategies, or objectives have been made along the way.

Why is this answer important?

Sharing the outcomes of recent work offers an opportunity to reflect on your organization's purpose, while affirming that progress has been made toward long-term goals. Focusing on outcomes—and not just outputs—also improves your organization's ability to identify important strategies and variables affecting pursuit of your ultimate impact... transforming lives in some meaningful way.

Guidance

The five questions at the heart of your cover letter are deceptively simple. Though each is short and direct, answering them can provide insights that strengthen your organization. Like a terrific headline and press release, the document allows a variety of audiences: donors, program recipients, volunteers, allied organizations, and the general public, to understand more clearly the difference you make (or intend to make) in your community.

This framework was designed to be applicable to organizations of all types, sizes, and missions. Because every organization is different, the five questions will invite unique responses. There is no right answer or single method for completing your organization's cover letter.

Nevertheless, this extensive testing process has revealed several practices that can create a cover letter reflecting your organization's attributes, accomplishments, and challenges. We invite you to consider the following tips as you undertake your unique cover letter.

1. *Prepare*
2. *Write and Review*
3. *Keep it Simple*

This guidance has been developed to assist you as you complete a cover letter for your organization. While the five questions may also be helpful in planning and assessing specific initiatives or program areas, please keep in mind that your published cover letter should represent your organization as a whole.

As you complete and publish your cover letter, share with us your experiences, including your tips for success and the areas you had more difficulty. Your comments will improve our ability to guide organizations in defining and describing their impact.

1. Prepare

Even organizations that have completed the entire ISDA Processes have found that these questions are simple but not always easy to answer. They require deep thinking about your organization's purpose and progress. The most effective cover letter reflects upon a careful internal process and produce concise language accessible to the average reader. Remember applying for your first professional career position? It's that important ... first impressions are everything; and may be the only thing that is read.

Some organizations have found that having a strategic plan in place prior to approaching this deliverable greatly facilitated their ability to answer the five questions, hence the use of the ISDA assessment tools and resources. One way to evaluate whether your Beneficial Organization is ready for ISDA is to consult planning and assessment resources. You may also find that this document is a helpful starting point for a strategic planning process.

To prepare for this process, we suggest the following:

- **Read Ahead:** Consider the five questions and other supporting materials carefully. You may also want to download a copy to review with your colleagues.

- **Assemble Key Data:** Our participants have found that a cover letter pulls together information that is typically found in many separate documents, including mission and vision statements, strategic plans, your logic model or theory of change, program descriptions and evaluations, and other materials with internal and external explanations of your work. Assemble anything in print or in digital format that will help provide specific answers to the cover letter questions.
- **Draw on Key People:** Organizations in which 5-6 people handled most of the work generally found the experience more productive than those that assigned it to only one or two people or those that involved all staff. Invite contributors from across your organization, including those responsible for programs, evaluation, communication, development, and strategic planning. You may also want to involve board members, volunteers, or other external partners as appropriate. Multiple perspectives will strengthen your process and the resulting document.

2. Write and Review

Your organization's approach to writing your cover letter will be as individual as your make-up and mission, but there are a few methods that we can recommend for your consideration to make the process go more smoothly.

Though one person may be selected to champion the process and manage the writing, we encourage you to involve multiple people from across the organization as you respond to the five questions and review drafts of your cover letter. The most successful reports were developed with input from five to six individuals over a period of two weeks, resulting in 7 to 14 cumulative staff hours of effort.

Developing a cover letter is an opportunity to refine your organization's approach to impact. As you write and review, we encourage you to:

- Think about how your answers to the five questions are connected to one another. Your complete report should tell a cohesive story about how your near-term activities are advancing your long-term goals.
- As you connect the dots between where you are now and where you want to be, consider your assumptions. What do you need to explain as you respond to these questions? Which of your assumptions should you articulate?
- Include specific examples and measures where appropriate. Though you won't be able to detail everything you have done or are doing, readers appreciate having your statements grounded in specific examples.

Once you've crafted your cover letter, we invite you to share it with your board for their comments and approval. The online interface of ISDA enables you to monitor that they have reviewed your report and/or commented after you've posted your document to your assigned Project folder(s). We also recommend sending a link to view your document to at least 10 key stakeholders to request their constructive commentary or through an automated survey for anonymous feedback, further validating the accuracy of your document.

Your published cover letter should reflect that these three reviews have been completed.

3. Keep it Simple

Your cover letter seeks to translate a thoughtful and strategic internal process into an effective document for external communication. As you write, keep your external audience in mind. Some of them will already be familiar with your work. However for most, this will be a first time introduction to your purpose and progress.

Research has revealed time and again that readers by far prefer reports that are concise, direct, and specific. In a world of many competing messages, short is better than long, and the recommended format for your cover letter, Executive Summary and other related documents encourages brevity and clarity. The response to each question is limited to 1,500 characters (including spaces ... about ½ page).

It will be important to state your key points clearly and succinctly, followed by the most critical information to support them. We strongly suggest a few additional effective writing techniques.

- Use simple declarative sentences.
- Be clear. Don't ask the reader to guess what you mean.
- Be concise. Include only necessary supporting information.
- Be specific. Use numbers and examples where possible.
- Use commonly understood language. Avoid jargon (remember the Grandmother Rule ... don't write anything she wouldn't understand).

Glossary

The following definitions support the explanations of the *Five Questions*. They are adapted from definitions used by *Innovation Network*, *Grantmakers for Effective Organizations*, the *Nonprofit Good Practice Guide*, and the *Federal Bureau of Justice Assistance Center for Program Evaluation and Performance Management*.

Indicator

What the organization measures as a basis for assessing the extent to which it is achieving its goals.

Intended Impact

The fundamental lasting, meaningful change occurring in organizations, communities, or systems that your organization wants to create. The focus of the long-term goals and long-term strategies described in your cover letter should be the lasting positive impacts toward which your organization is oriented.

When describing your ultimate goals for intended impact, include as many specifics as possible as it relates to the ISDA Strategic Philanthropy Overview. It may be helpful to consider the following questions:

- **Who/Which:** industry, sector, niche, underserved population, groups, communities, or organizations do you aim to assist, or what policies or processes do you aim to influence?
- **What:** need (social impact) have you identified in your community that you intend to address, and what do you intend to accomplish?
- **Where:** are your efforts focused? Do you work locally or regionally, or do you intend to effect national or international concerns?
- **When:** do you hope to accomplish these intended outcomes?
- **Why:** are these outcomes important?

Long-term Goals

Clear statements of your organization's intended contributions to your long-term intended impact. Your cover letter and long-term goals should refer to the specific outcomes your organization seeks to achieve over the next 3 to 5 years. If your organization has long-term goals of a different time horizon, please specify that time period in your document.

Long-term Strategies

Broad approaches your organization will deploy to accomplish your long-term goals. These methods are implemented through concrete near-term activities. For the purposes of your cover letter, long-term strategies should align with the long-term goals or reflect a similar time horizon specified in your document.

Milestone

A specific point that is critical for your organization to reach to ensure that you are on course to achieve your desired outcomes. Once your organization has decided what indicators to track, a milestone provides an interim target based on that indicator. Milestones may range from near-term to long-term as an organization charts its progress toward its long-term goals.

Near-term Activities

What an organization does to implement long-term strategies and to move toward accomplishment of long-term goals. For the purposes of your cover letter, near-term activities identify events or actions that will happen within the next 1 to 2 years.

Near-term Objectives

A concrete and measurable step toward long-term goals. These objectives can be related either to developing the capacity of the organization (in terms of performing your near-term activities or harnessing your resources), or to enhancing the outcomes of program activities. For the purposes of your cover letter, near-term objectives reflect the near-term activities the organization will take within the next 1 to 2 years.

Outcome

The effect of an organization's action, activity, or program. A description of an organization's results should reach beyond the outputs of its activities to encompass changes in conditions, behaviors, or attitudes designed to contribute to the lasting impact the organization seeks. These results are both accomplishment of milestones and changes that indicate progress toward the organization's long-term goals.

Output

The direct, concrete product of program activities, in terms of volume of work completed or services delivered.

Qualitative Information

Descriptive information about activities, events, and/or behavior that the organization tracks as measures of progress toward near-term objectives and long-term goals. Qualitative information focuses on observations, through such techniques as interviews, document analysis, focus groups, or reviews by stakeholders, including clients, donors, or volunteers.

Quantitative Information

Measurable, quantifiable information about activities, events, and/or behavior that the organization tracks as measures of progress toward near-term objectives and long-term goals. Quantitative information strives for precision by focusing on things that can be counted, through such techniques as questionnaires, tests, standardized observation instruments, or program records.