

United Way of Greater St. Louis

STRATEGIC TRANSITION PLANNING SERIES

2018-2019

Summary of Previous Sessions (#1 - #16)



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SESSION 1: Part 1 - Series Overview

STRATEGIC TRANSITION SERIES GOAL

5.17.18

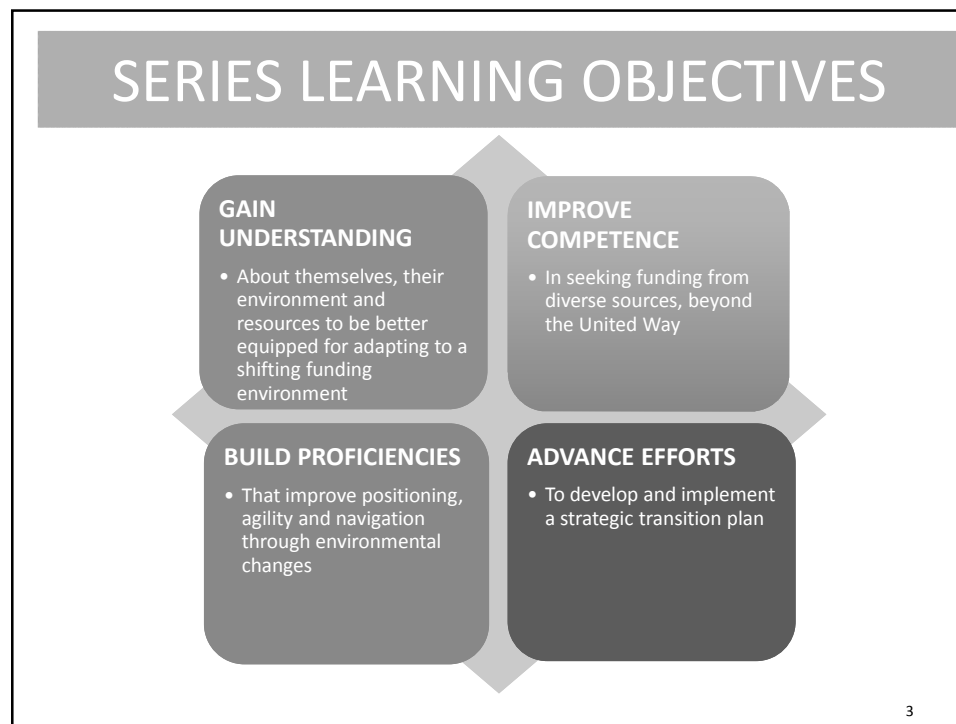
Presented by: Julie Simon
United Way of Greater St. Louis



Help member agencies gain competence in: navigating through environmental changes, better securing diverse & sustainable funding streams, and exploring/pursuing options, all of which enhance the fulfillment of community needs-based missions

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RACIAL EQUITY LENS CONTEXT

- Different communities (and individuals within communities) situated differently relative to each other
- Differences due to many factors, including history, education, language, access to community assets...
- While intent of policies & programs is to create access for all people (lifting all boats), in practice, universal policies create access to opportunity differently
- A rising tide brings less benefit or possibly hazard if one's boat is leaky or if one does not have a boat.
- Series sessions will provide an opportunity to apply a racial equity lens to topics in hopes of getting all members in our community a boat that floats so that all boats can be lifted.

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| Member Agency Strategic Transition Planning Series 2018 – 2019 Schedule | | | | |
|--|-------|---------------------------------|--|--|
| TOPIC | CODE* | DATE/TIME | DESCRIPTION | FACILITATORS |
| #1: Series Overview/Intro/Analysis (lunch provided) | B | May 17, 2018 9am – 1:30pm | Part 1: capacity building blocks for helping agencies adapt to new funding model; Part 2: SWOT analysis | Julie Simon & Rebecca Bennett, Emerging Wisdom |
| #2: Financial Health | B | Thurs, June 14 9am – 12pm | Evaluating financial performance, cash flow & budgeting in alignment with Board fiduciary responsibilities | Judy Murphy & Amy Affolter, RubinBrown |
| #3: Fund Development | | Thurs, July 12 9am – 12pm | Basic components of fund development/planning; data analysis; strategies for building on what works | Wendy Dyer, Wendy Dyer Fund Dev. Consultants |
| #4: Program Financial Sustainability | | Thurs, Sept 13 9am – 12pm | Functional expense allocation; assessing financial sustainability; mission alignment; calculating unit costs | Dick Goldbaum, Transitions in Leadership |
| #5: Contingency Planning | B | Thurs, Oct 11 9am – 12pm | Assessing risk; contributing factors & gravity of impact; developing action plans to mitigate/address risks | Pat Kneele-Jordan, Experience On Demand |
| #6: Change Management | | Thurs, Nov 8 9am – 12pm | Defining indicators, pathways & impacts of change; determining how, what, when & who changes; how to adapt | Marissa Paine, PaineFree Coaching & Consulting |
| #7: Innovation | | Fri, Nov 30, 2018 9am – 12pm | Exploring methods, ideas & approaches to process work more effectively; increase agility/responsiveness & advance impact | Joseph Steensma, Washington University |
| #8: Racial Equity Lens Application | B | Fri, Jan 11, 2019 9am – 12pm | Assessing agency institutional, culture and programs for fairness/justice & exploring how to apply a racial equity lens | Kira Hudson Banks, St. Louis University |
| #9: Board Engagement in Fund Development (lunch provided) | B | Fri, Feb 8 9am – 2pm | Framing board member fundraising roles/responsibilities & support required for effectiveness; crafting compelling messages | Pete Werner, Consultant, & Wendy Dyer |
| #10: Optimizing Board Effectiveness | B | Fri, Mar 8 9am – 12pm | Optimizing Board effectiveness via proper recruitment, engagement, expectation-setting, accountability & facilitated decision-making | Launa Godwin, Vector Communications |
| #11: Fund Development Deeper Dive | | Fri, Apr 12 9am – 12pm | Expanding/improving development efforts to diversify and increase funding streams | Wendy Dyer & Rachel D'Souza-Siebert |
| #12: Strategic Alliances: Part I | B | Fri, May 10 9am – 12pm | Exploring the spectrum of collaboration: rationale for pursuit; phases of discovery, due diligence, negotiation & assimilation; defining success | Alle Chang Ray, Mutare Network |
| #13: Strategic Alliances: Part II | B | Fri, Jun 21 9am – 12pm | | |
| #14: Succession Planning | B | Fri, Aug 2 9am – 12pm | Framing a pro-active process & techniques for effectively managing & developing talent for future needs and organizational sustainability | Idol |
| #15: Envisioning/Driving Vision (lunch provided) | B | Fri, Sep 14 9am – 2pm | Creating future vision & defining strategic priorities/transition to position, strive for and move toward that vision | Rebecca Bennett, Emerging Wisdom |
| #16: Creating a Transition Plan: Part 1 (lunch provided) | B | Thurs, Oct 18 9am – 2pm | Operationalizing the transition for guiding toward better positioning & adapting to a changing environment | Rebecca Bennett, Emerging Wisdom |
| #17: Creating a Transition Plan: Part 2 (lunch provided) | B | Fri, Nov 1, 2019 9am – 2pm | | |

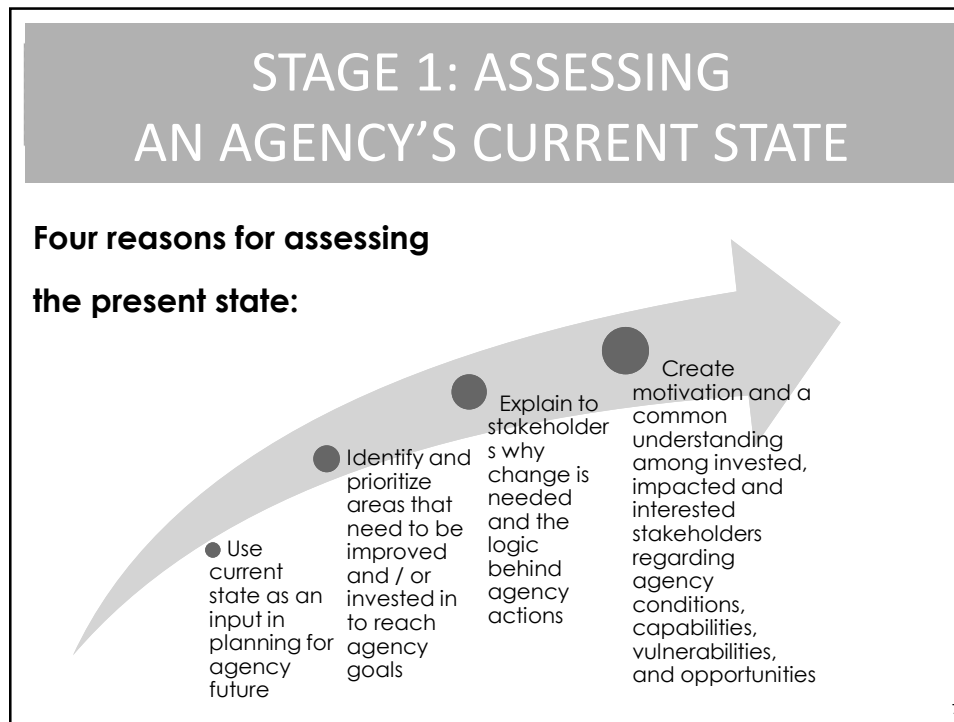
* KEY: B = Board-Focused | Stage 1 = Assessing Position | 2 = Preparing for Change/ Innovation | 3 = Exploring Resources | 4 = Creating Plans

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| SERIES ROLES & RULES | |
|--|--|
| Roles Facilitators <ul style="list-style-type: none"> Guides learning and sharing Conducts exercises Maintains schedule Participants <ul style="list-style-type: none"> Are open to learning Share knowledge & insight Check for understanding | Rules <ul style="list-style-type: none"> Manage your comfort Listen actively Ask questions and encourage others to share Minimize distractions Respect all views and opinions Enjoy yourself! |

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SESSION 1: Part 2 - SWOT Analysis

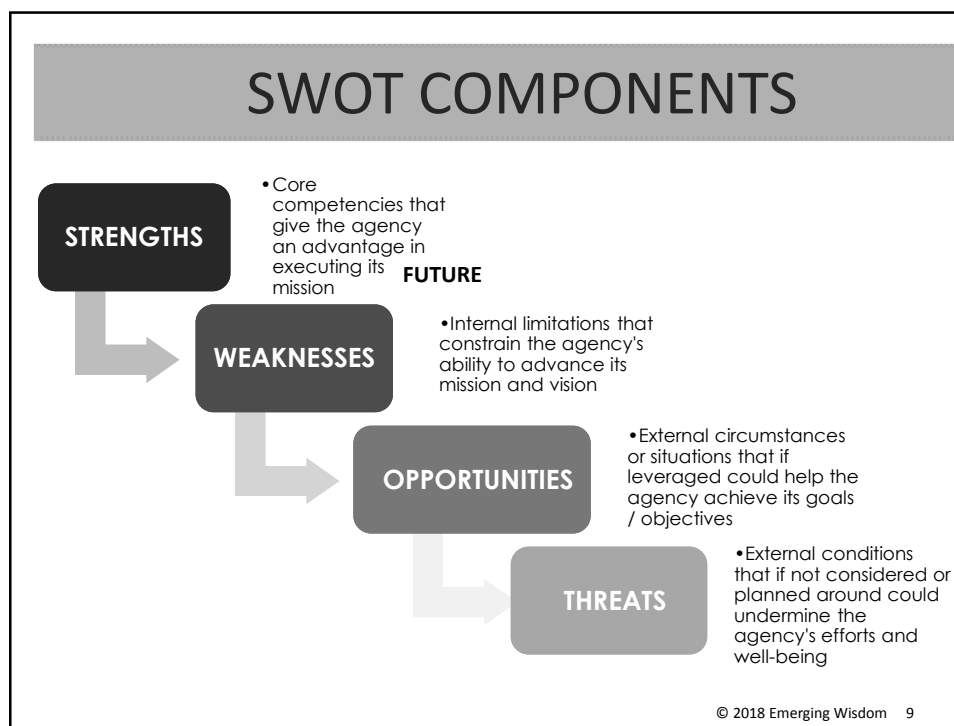
**Presented by: Rebecca Bennett
Emerging Wisdom**

- Grounds plan
- Provides realistic view of agency's capabilities and vulnerabilities
- Identifies internal strengths and weaknesses
- Examines external opportunities and threats

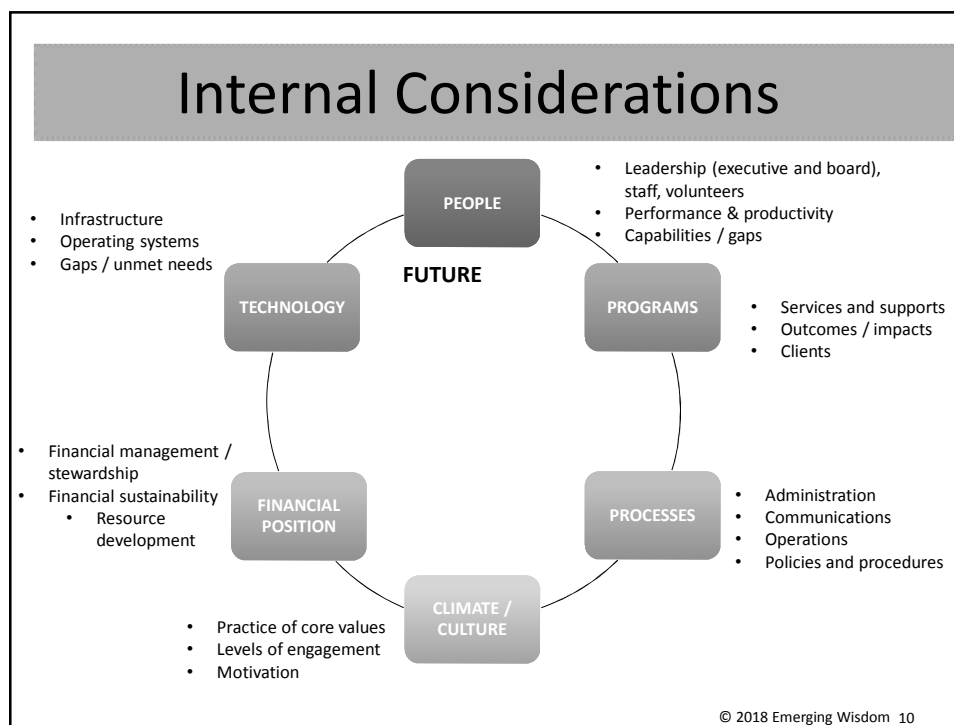
| | | | |
|----------|---------------|---------|------------|
| | | Helpful | Harmful |
| Internal | Strengths | S | Weaknesses |
| | | | W |
| External | Opportunities | O | Threats |
| | | | T |

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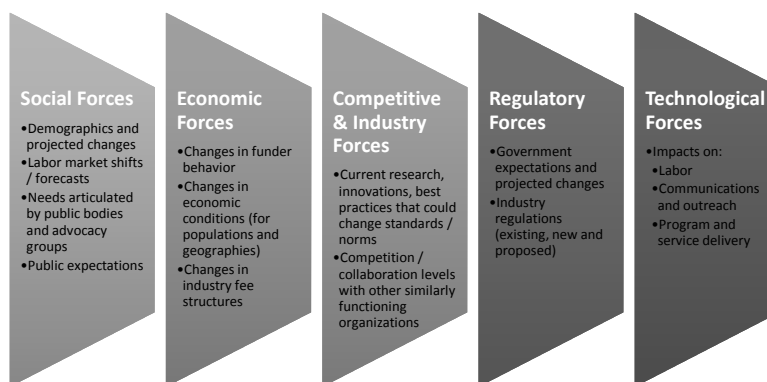
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External Considerations

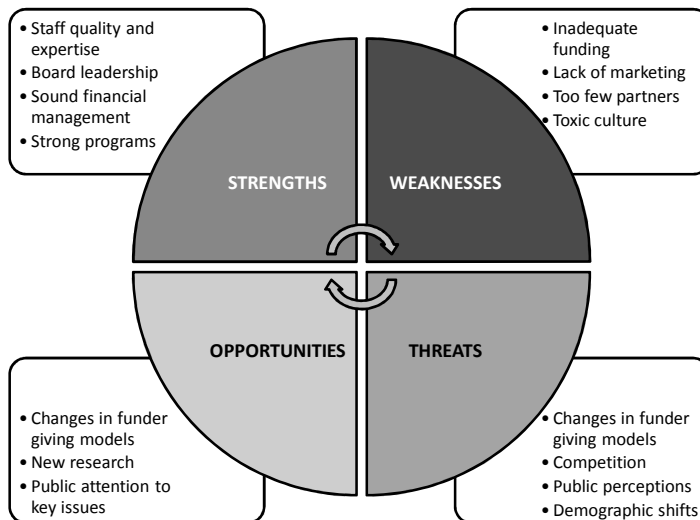
DEFINITION: Environmental scanning systematically surveys and interprets data to identify external opportunities and threats. Agencies gather info about the external world, their competitors and themselves.



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Sample SWOT Analysis



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SESSION 2: Financial Health

6.14.18

**Presenters: Judy Murphy & Amy Altholz
RubinBrown**

Common financial sustainability benchmarks include:

- Operating reserves
- Liquidity evaluation
 - Days of Cash on Hand to Pay Expenses
 - Current Liquid Assets/Current Liabilities
- Funding gap analysis
- Diversified funding streams
- Budget vs. actual analysis



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Budget vs. Actual Analysis – Types of Budgets

- Strategic Plan Budget - Complements Strategic Plan & its goals & objectives; relates to agency Mission Statement; assists Board in long-term planning, providing different scenarios, estimates and assumptions
- Operating Budget - Provides annual plan for goals & objectives & operating activities, with fewer scenarios, estimates & assumptions
- Capital Budget - Accounts for major capital expenditures to be capitalized; includes how expenditures will be acquired & funding source; prepared annually & longer term
- Cash Flow Budget - Provides plan for annual cash inflows & outflows; identifies surpluses & deficits for additional planning; functions as monthly or weekly report; cash balance matches cash on statement of financial position



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Financial Statement Analysis: Warning Signs

- Statement of Financial Position
 - Concentration of a single or few donors; collectability of pledges
 - Inadequate liquid assets to cover current obligations; sufficient reserves
 - Reliance on one or relatively few assets (i.e. significant promises to give)
 - Inability/no plan to service long-term debt obligation
- Statement of Activities
 - Low percentage of expenses associated with program activities
 - Lack of consistency in generating increases in unrestricted net assets
 - Mix of revenue sources is not diverse
- Statement of Cash Flows
 - Inconsistency in generating sufficient cash to cover on-going operations
 - Lack of cash being reinvested for agency's future benefit

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Internal Financial Controls

- Areas of Potential Concern
 - Too much trust in certain individuals
 - Insufficient management oversight
 - Lack of financial audit
 - No background checks
 - Lack of independent checks - bank/investment/credit card statements
 - Failure to use bank's fraud prevention tools
- Safeguards
 - Segregation of Duties including cash disbursements, cash receipts, payroll, financial reporting
 - Whistle Blower's Policy



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| Financial Risk Management Best Practices | | | |
|---|--------------------------|--------------------------|--------------------------|
| | Done | Not Done | Plan to Implement |
| Establish a formal risk management policy, encompassing elements listed below. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Financial Policies | | | |
| Prepare a formal policies & procedures manual encompassing finance and accounting functions. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Establish an investment policy and an endowment spending policy. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Establish a policy governing what types of gifts and gift instruments the organization will accept. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Fraud Prevention and Mitigation | | | |
| Maintain insurance for directors and officers, worker's compensation, general liability, employee dishonesty, automobile, business interruption, and umbrella errors and omission, as applicable. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Ensure all employees handling cash are bonded. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Establish a bank lockbox account for revenue receipts; consider "positive pay" service for disbursements and other fraud-prevention tools. Monitor account activity daily. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Have a copy of the monthly bank statement mailed directly to the chief executive. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Pay all employees via direct deposit. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Require approval from two senior members of management for wire transfers. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Establish a process for tagging all fixed assets and performing an annual fixed assets inventory. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Establish a fraud hotline & whistleblower protection policy. Develop a fraud response plan. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Protection of Records | | | |
| Have accessible articles of incorporation, by-laws, recent IRS determination letter, state registrations. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Maintain significant organizational documents in a safe deposit box or fireproof safe. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Ensure that buildings are adequately protected from fire and theft. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Establish a records retention & destruction policy encompassing paper & electronic records. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |


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Nonprofit Financial Dashboards

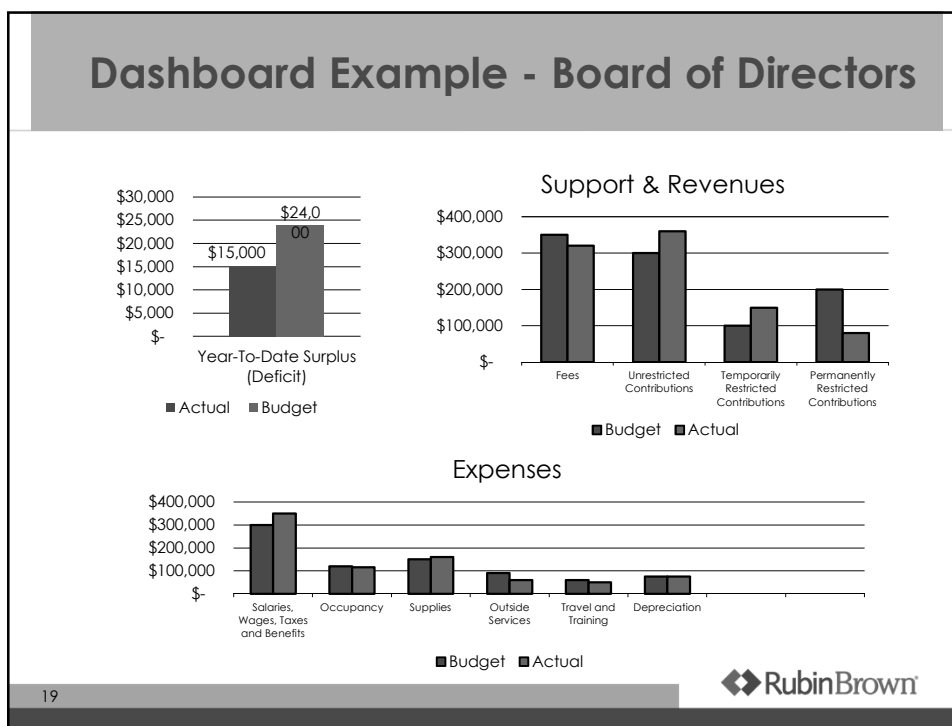
- Concisely shows performance relative to goals; snapshot at point in time & trends; highlights unexpected & unusual variances
- Includes key performance metrics in context of Budget, Prior Year and Benchmarks
 - Days of cash on hand
 - Total revenue
 - Total expenses
 - Number of months of operating reserve
 - Overhead percentages
 - Revenues / Expenses within 10% of budget



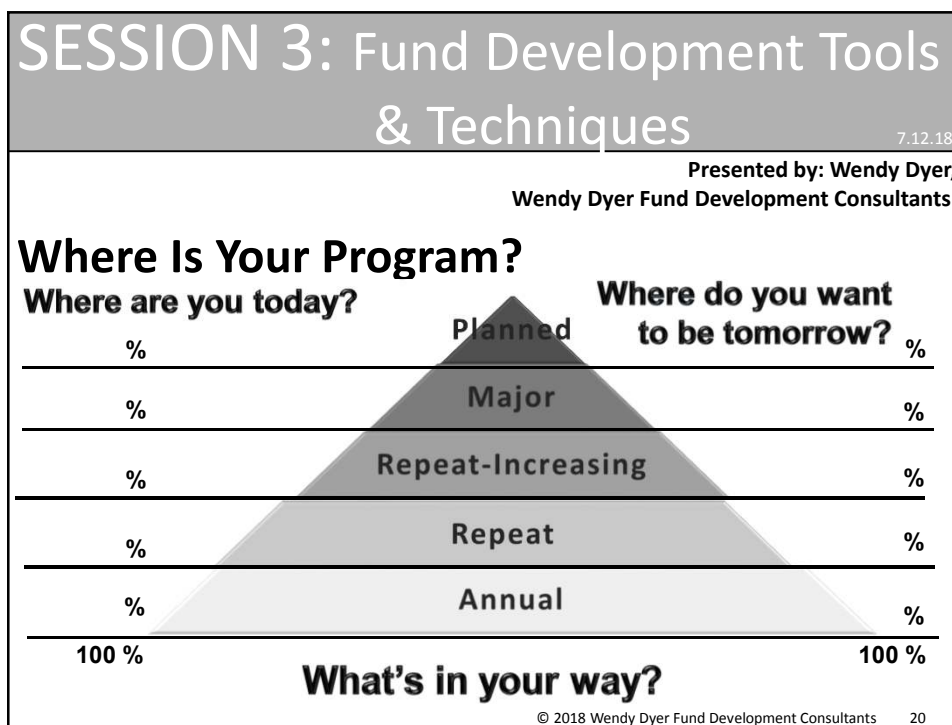
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Stanford Innovation Review – 10 Nonprofit Funding Models

- **Heavily Individually Funded**
 - Heartfelt Connector
 - Beneficiary Builder
 - Member Motivator
- **Funded by Single or Few Individuals/ Foundations**
 - Big Bettor
- **Heavily Government Funded**
 - Public Provider
 - Policy
 - Beneficiary Broker
- **Funded by Companies**
 - Resource Recycler
- **Mix of Funding**
 - Market Maker
 - Local Nationalizer

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What do Donors want

To be known and valued

To know where their money went

To know their gift made a difference

Make sure you have an attitude of gratitude

Thank-before-you-bank


In 30 days tell them how their gift was used

In several months, tell them what their gift accomplished

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Key Elements of Development Plans



Vision for the year

Sources by bucket

Each bucket – previous year giving, goal, specific tasks, people responsible & timeframe

Measures to stay on task & accountable - dashboards

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Study Behaviors – Not Demographics

| | | |
|--------------------|---------------------------|----------------------|
| Repayer | Casual Giver | High Impact |
| Faith Based | See the Difference | Personal Ties |

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Gift Tables

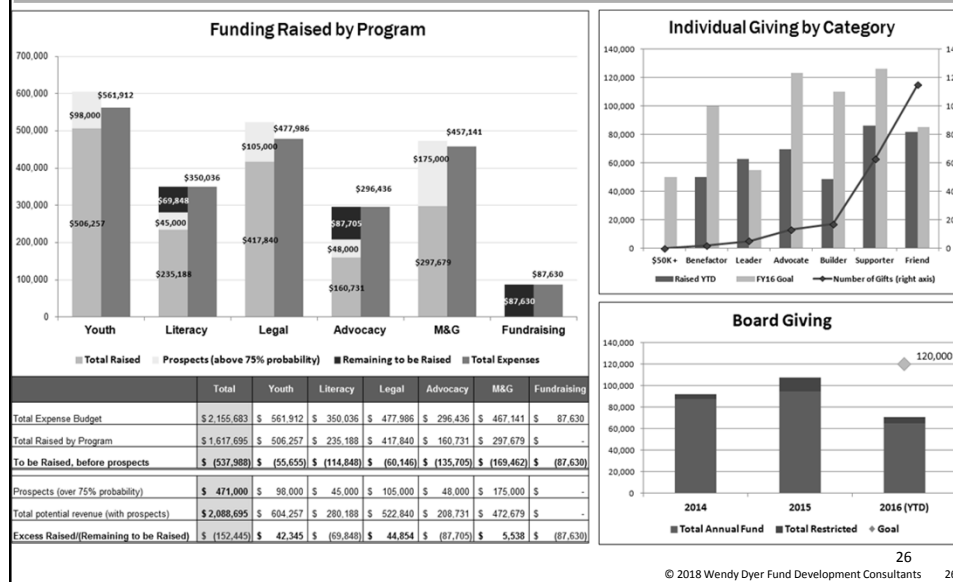
Excellent Planning and Execution Tools

| Gift | Quantity | Prospects Needed | Cumulative Categories |
|----------|----------|------------------|-----------------------|
| \$20,000 | 2 | 8 | \$40,000 |
| \$10,000 | 4 | 16 | \$80,000 |
| \$5,000 | 8 | 24 | \$120,000 |
| \$2,500 | 12 | 36 | \$150,000 |
| \$1,000 | 20 | 60 | \$170,000 |
| \$500 | 30 | 90 | \$185,000 |
| \$250 | 40 | 80 | \$195,000 |
| <\$100 | many | many | \$200,000 |

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Potential Fundraising Dashboards



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SESSION 4: Determining Program Financial Sustainable

9.13.18

Presented by Dick Goldbaum,
Transitions in Leadership

Financial Sustainability:

The Ability to Generate Resources To Meet Needs of Today Without Compromising Needs of the Future.

HOW DO WE MEASURE FINANCIAL SUSTAINABILITY?

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ADMINISTRATIVE COST ALLOCATION

Individual Service Costs as a Percentage of Total Cost of all Services

| Chart of Accounts Expenses | Program A | Program B | Program C | Total Program Expenses | Admin | Fundraising | Facility A 1,000 sq ft | Total Expenses |
|---------------------------------|-----------|-----------|-----------|------------------------|------------|-------------|--------------------------|----------------|
| Personnel | \$75,000 | \$150,000 | \$200,000 | \$425,000 | \$40,000 | \$15,000 | \$10,000 | \$490,000 |
| Program | \$10,000 | \$50,000 | \$50,000 | \$110,000 | | | | \$110,000 |
| Supplies | \$10,000 | \$35,000 | \$45,000 | \$90,000 | \$10,000 | \$5,000 | \$20,000 | \$125,000 |
| Food | \$5,000 | \$15,000 | \$5,000 | \$25,000 | | | | \$25,000 |
| Sub-Total Direct Expenses | \$100,000 | \$250,000 | \$300,000 | \$650,000 | \$50,000 | \$20,000 | \$30,000 \$30 per sq. ft | \$750,000 |
| Allocation of Facility Expenses | \$7,500 | \$9,750 | \$8,250 | \$25,500 | \$3,000 | \$1,500 | (\$30,000) | |
| Total Direct Expenses | \$107,500 | \$259,750 | \$308,250 | \$675,000 | \$53,000 | \$21,500 | | \$750,000 |
| % of Total Program Expenses | 16% | 38% | 46% | 100% | | | | |
| Allocate admin cost based on % | \$7,950 | \$20,670 | \$24,380 | \$53,000 | (\$53,000) | | | |
| Total Expenses | \$115,450 | \$280,420 | \$332,630 | \$728,500 | | \$21,500 | | \$750,000 |

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PRIMARY REASONS FOR DETERMINING UNIT SERVICE COST

- ☐ Improves Ability to Price Services Accurately; and to Report the True Cost of Program, when Requesting Govt. Reimbursements
- ☐ Enhances Fundraising Success for Donor Support
- ☐ Provides Data for Priority Setting
- ☐ Assists in Setting Revenue Goals and Strategies; and in Identifying and Prioritizing Cost-Savings Opportunities
- ☐ Provides a Tool that Assists in Allocating Discretionary Resources
- ☐ Requires the Systematic, Logical, and Data-Based Allocation of Expenses to Each Service – thereby improving the Accuracy and Measurability of Budgetary Development & Management Processes

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UNIT OF SERVICE

- ☐ Describes the Numeric Focus (Output) of a Service
 - by the number of:
 - ☐ Hours Provided
 - ☐ Days Provided
 - ☐ Nights Provided
 - ☐ Individuals Served
 - ☐ Organizations Involved
 - ☐ Presentations Made
 - ☐ Legislative Bills Influenced
 - ☐ Brochures Distributed
- ☐ Provides an accurate tracking mechanism for designated service units

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ACTUAL UNIT SERVICE COST CALCULATION

- ☐ **Capacity:** The maximum Number of Units of Service that can be provided (based on current space, staffing, funding restrictions)
- ☐ **Vacancy Factor:** Include the Rate of Absenteeism, Vacancy or Days Service Not Provided (Holidays) When Determining Capacity
- ☐ **Utilization:** The Actual Number of Units of Services Provided or Best Estimate of Services Provided
- ☐ **Utilization Rate:** The Percentage Result of Dividing Utilization by Capacity
- ☐ **Unit Cost:** The Result of Dividing the Total Cost of the Service by the Actual Number of Units Provided

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UNIT COSTS CAN BE USED TO:

- ☐ Strengthen Position When Negotiating Contract Fees
- ☐ Seek Multiple Funders to Cost Share
- ☐ Assist in Identifying Why Services are Operating at a Surplus, Break-Even, or Deficit Level
- ☐ Enhance Decision-Making in Allocating Unrestricted Donations
- ☐ Validate the Efficiency or Inefficiency of Services
- ☐ Stimulate a Culture of Collecting Accurate Data

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SUSTAINABILITY

- ❑ **Programmatic Sustainability:** The ability to develop, enhance, mature, and cycle out (or transition) programs to maintain responsiveness to constituents over time.
- ❑ **Mission Impact:** Extent to which a service is relevant and compatible with an agency's core reason for existing, vision, values and key performance indicators

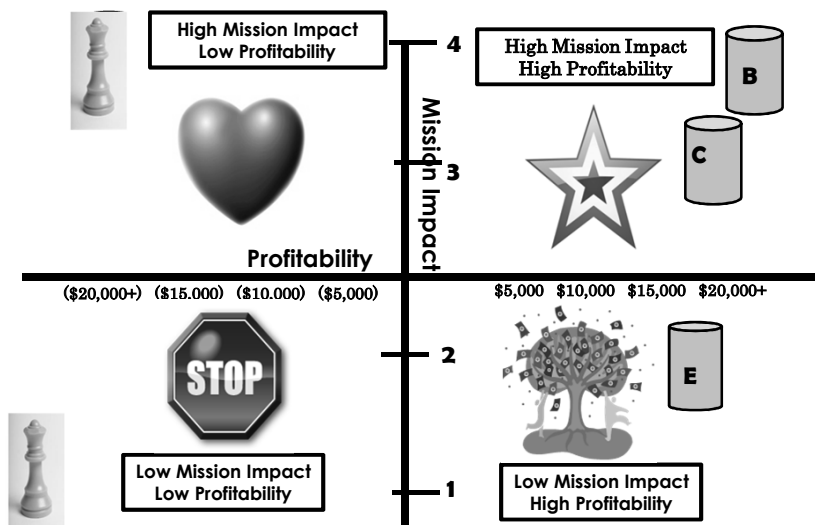
HOW DO WE MEASURE PROGRAMMATIC SUSTAINABILITY?

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FINANCIAL SUSTAINABILITY BUSINESS MATRIX



Adapted from *Nonprofit Sustainability: Making Strategic Decisions for Financial Viability*, by Bell, Masaoka, Zimmerman, Jossey Bass, 2010

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SESSION 5: Contingency Planning – Critical Planning for All Agencies

October 11, 2018

Presented by: Pat Knoerle-Jordan
Experience on Demand

Contingency Planning:

Risk mitigation process preparing agency for potential challenges by navigating through worst-case scenarios that help ready itself for best responses if needed

Use planning to:

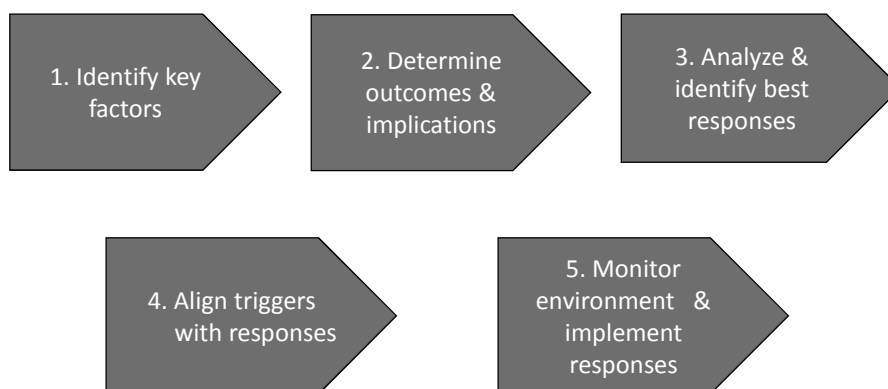
- Achieve higher degree of organizational learning
- Raise/challenge widely held beliefs & assumptions about agency and its direction
- Identify key levers that can influence agency's future course; intentionally mitigate future negative impacts
- Turn long-range planning into vital, shared experience
- Incorporate change management into strategic analysis

BE ALERT!!
EXPECT THE UNEXPECTED

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Contingency Planning Model



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Source: Modified from The Bridgespan Group

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1. Identify Key Factors:

Uncertain, unpredictable factors that are critical to the agency's ability to fulfill its mission and reach its goals

Factors include:

- Financial/Structural Resources: Facilities or other assets; technology; data; revenue (funding stream)
- Relational Resources: Funders, partners, clients, vendors
- Human Resources (know-how): Service delivery, leadership succession

2. Determine Possible Outcome Scenarios & Implications

For each key factor, identify likely range of outcome scenarios and assign probabilities of occurrence

Systematically think through how each outcome scenario (future negative consequence) would affect the agency

Consider affects to:

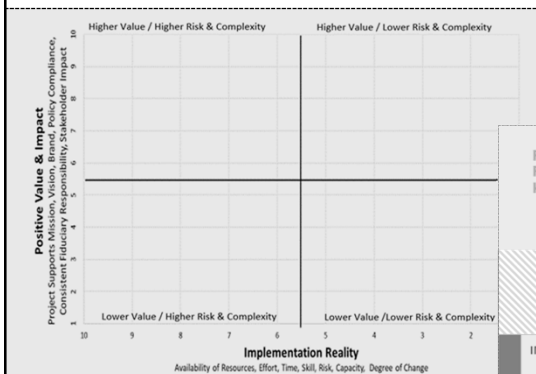
- ✓ Operations – service / mission delivery; program outcomes
- ✓ Growth; Finances
- ✓ Reputation; Leadership; Partnerships

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Tool: Key Factors/Probability Chart

For each key factor, assign realistic probability and plot on chart



Tool: Risk Assessment Matrix

| RISK RATING KEY | LOW 0 ACCEPTABLE OK TO PROCEED | MEDIUM 1 ALARP (as low as reasonably practicable) TAKE MITIGATION EFFORTS | HIGH 2 GENERALLY UNACCEPTABLE SEEK SUPPORT | EXTREME 3 INTOLERABLE PLACE EVENT ON HOLD |
|-----------------|--|--|--|--|
| | ACCEPTABLE LITTLE TO NO EFFECT ON EVENT | TOLERABLE EFFECTS ARE FELT, BUT NOT CRITICAL TO OUTCOME | UNDESIRABLE SERIOUS IMPACT TO THE COURSE OF ACTION/NO OUTCOME | INTOLERABLE COULD RESULT IN DISASTER |
| LIKELIHOOD | IMPROBABLE RISK IS UNLIKELY TO OCCUR -1- | LOW -4- | MEDIUM -6- | HIGH -10- |
| | POSSIBLE RISK WILL LIKELY OCCUR -2- | MEDIUM -5- | HIGH -8- | EXTREME -11- |
| | PROBABLE RISK WILL OCCUR -3- | HIGH -7- | EXTREME -9- | EXTREME -12- |

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3. Analyze & Identify Best Response Options

- Determine agency's best options for responding to various scenarios, adjusting strategies and approaches, to further mission and mitigate future negative consequences
- Weigh pros & cons of each response, based on which will most likely achieve agency's mission and goals
- For each program (including investment or initiative), determine its value to the agency:

✓ Prioritized ✓ Protected ✓ Postponed ✓ Consolidated/Reduced ✓ Eliminated

→ Tool to Identify Best Responses & Resulting Impacts

Issue ("What If" statement):

| Best Response | Agency | Clients | Staff | Community | Other Stakeholders |
|---------------|--------|---------|-------|-----------|--------------------|
| Option 1 | | | | | |
| Option 2 | | | | | |

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→ Tool to Identify Key Factor Evaluation Decisions

| Key Factor | Prioritize | Protect | Postpone | Reduce | Eliminate |
|--|--|--|-----------|------------------|-----------|
| Program growth trend outpaces current budget | Program Component | Service A Service B | Service D | Service B by 20% | Service C |
| And, funding reduction forecasted in two years | Service A Service B Service C Service D | Seen as top core services with highest need, impact & outcomes | | | |

4. Identify Events that Trigger Appropriate Responses

- Events (set of circumstances, benchmarks) that can occur which justify/trigger an appropriate response
 - Examples: ✓ If revenue falls 10%, agency will do X; if it falls 20%, agency will do Y & Z
 - ✓ If the board succession plan dissolves, agency will do A & B
- Determine key indicators to track for determining when an event justifies taking appropriate response
 - Examples: ✓ Financial performance; ✓ Cash position; Cash days on hand, ✓ Reserves
 - ✓ Revenue source changes; ✓ Prgm utilization, impact & client feedback;
 - ✓ Board membership, staff turnover; ✓ Facilities maintenance schedules

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5. Monitor Environment for Events & Implement Responses

Test key indicators regularly, so that warning of an event triggers agency to implement appropriate response, generating best possible resulting impact

→ Tool: Risk Response Matrix

| Name: | | | | Objective: | | |
|-------------|-------------|-----------------|----------|------------------|---------|-------|
| Risk/Factor | Risk Impact | Risk Likelihood | Response | Contingency Plan | Trigger | Owner |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

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→ Tool: Key Factors, Probabilities, Outcomes, Implications and Response Options

| Factors | Probabilities | Scenario Outcome | Implications/ Response Options | Timing |
|---|--|---|---|---------------|
| Demand for services increases 25% | High; similar agency closed & service utilization grew 18% annually past 2 years | Need for 30 - 40% more funding over next 2 years, if we accept all client requests. What do we prioritize, protect, postpone, reduce & eliminate? | Need exceeds capacity. Creates opportunity to evaluate service menu/ Priorities must be established to grow fundraising by 5-6%; build new campaigns | Q 1 & 2, 2019 |
| Funder changes process and priorities | High – known fact | \$225K funding in jeopardy. Opportunity to apply, new grants limited to 3-year cycle | New application, metrics & qualification/ Learn new process & qualifiers; tailor application to agency programs; seek alternative funding; reduce program/staff | |
| Need to find new strategic partner to take on program component | Medium – partner needed if no funding secured | Service continues until funding determined. Need to evaluate options this year | Time to plan & explore/ Begin dialogue with prospective partners; research plan B while continuing plan A; establish program options. | |

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Financial Worksheet

| FMA | | Revenue Analysis Worksheet | | Enter input to yellow cells only | | |
|---|--|--|------------------------------|----------------------------------|---------------|-------------|
| | | Variable Revenue Assumption | | Best | Moderate | Worst |
| | | | | 100% | 80% | 60% |
| Program/ Department / Function | Funding Source | Total Possible Revenues (Current Year Portion only) | Likelihood of Receipt (%) | Best Case | Moderate Case | Worst Case |
| Pre-Kindergarten Program | Government Contract A | \$ 275,000 | 100% | 275,000 | 275,000 | 275,000 |
| | Government Contract B | \$ 75,000 | 75% | 75,000 | 75,000 | |
| | Grant from Foundation A | \$ 40,000 | 50% | 40,000 | | |
| | VARIABLE: Earned program revenue | \$ 75,000 | n/a | 75,000 | 60,000 | 45,000 |
| | VARIABLE: | | | | | |
| FY Expense Budget for Pre-Kindergarten Program | \$ 400,000 | | | \$465,000 | \$410,000 | \$320,000 |
| | | Revenue Subtotal | | \$465,000 | \$410,000 | \$320,000 |
| | | Expense Budget | | \$400,000 | \$400,000 | \$400,000 |
| | | Surplus / Deficit | | \$65,000 | \$10,000 | (\$80,000) |
| After-School Program | Grant from foundation B | \$ 100,000 | 75% | 100,000 | 100,000 | |
| | Grant from foundation C | \$ 35,000 | 50% | 35,000 | | |
| | VARIABLE: Participant fees | \$ 20,000 | n/a | 20,000 | 16,000 | 12,000 |
| | VARIABLE: | | | | | |
| | VARIABLE: | | | | | |
| FY Expense Budget for After-School Program | \$ 150,000 | | | \$155,000 | \$116,000 | \$12,000 |
| | | Revenue Subtotal | | \$155,000 | \$116,000 | \$12,000 |
| | | Expense Budget | | \$150,000 | \$150,000 | \$150,000 |
| | | Surplus / Deficit | | \$5,000 | (\$34,000) | (\$138,000) |
| Unrestricted Revenue | Foundation X general operating support grant | \$ 50,000 | 75% | 50,000 | 50,000 | |
| | VARIABLE: Annual appeal | \$ 100,000 | | 100,000 | 80,000 | 60,000 |
| | VARIABLE: Special event income | \$ 40,000 | | 40,000 | 32,000 | 24,000 |
| | VARIABLE: Board donations | \$ 10,000 | n/a | 10,000 | 8,000 | 6,000 |
| | VARIABLE: Investment income | \$ 2,500 | | 2,500 | 2,000 | 1,500 |
| FY Expense Budget for non-programmatic functions (endowing, MKG) | \$ 150,000 | | | \$202,500 | \$172,000 | \$91,500 |
| | | Unrestricted Revenue Subtotal | | \$202,500 | \$172,000 | \$91,500 |
| | | Expense Budget | | \$150,000 | \$150,000 | \$150,000 |
| | | Surplus / Deficit | | \$52,500 | \$22,000 | (\$58,500) |
| | | Total Revenue | | \$822,500 | \$698,000 | \$473,500 |
| | | Total Expenses | | \$700,000 | \$700,000 | \$700,000 |
| | | Total Surplus / Deficit | | \$122,500 | (\$2,000) | (\$276,500) |

Please Note: This document is made available by Fiscal Management Associates, LLC (FMA), for informational purposes only and does not constitute financial or professional advice. The information provided in this document is of a general nature and does not take into account your individual objectives, financial situation or needs. It should not be used, relied upon or treated as a substitute for specific professional advice. FMA recommends that you obtain your own independent professional advice before making any decision in relation to your particular requirements or circumstances. FMA does not warrant the accuracy, completeness or currency of the information provided on and made available through this document. By viewing or using this document, you acknowledge and agree that any reliance upon or use of any information made available through this document shall be entirely at your own risk. FMA shall not be liable for any loss or damage, whether direct or indirect, and however caused, to any person or organization arising from the use of (or reliance upon) information provided on and made available through this document.

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SESSION 6: Change Management

11.8.18

Presented by: Marissa Q. Paine
Painefree Coaching & Consulting

Change Management Definition:

The set of tools, resources, processes, skills and principles for managing the people side of change in order to achieve the desired business results

Why Do Change Initiatives FAIL?

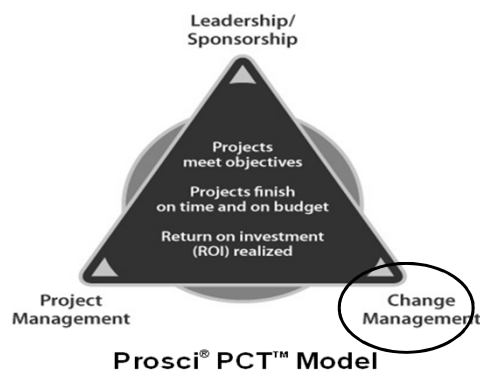


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Key Elements Needed for Successful Change

- **Leadership / Sponsorship** authorizes the change and provides guidance, governance and support
- **Project Management** gives structure to the technical side of the change
- **Change Management** supports the people side of the change



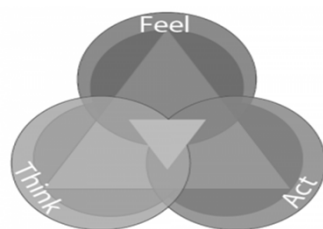
Prosci® PCT™ Model

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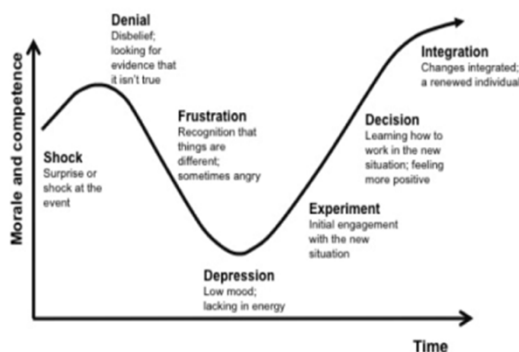
The Prosci® Project Change Triangle (PCT) is a trademark of Prosci, Inc. All rights reserved.

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Why Feelings & Emotions Matter



The Kübler-Ross change curve



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ADKAR – A Linear Model for Accelerating Individual Change

- **Awareness** of the need for the change
- **Desire** to participate and support the change
- **Knowledge** about how to execute the change
- **Ability** to implement new skills and behavior
- **Reinforcement** to keep the change in place



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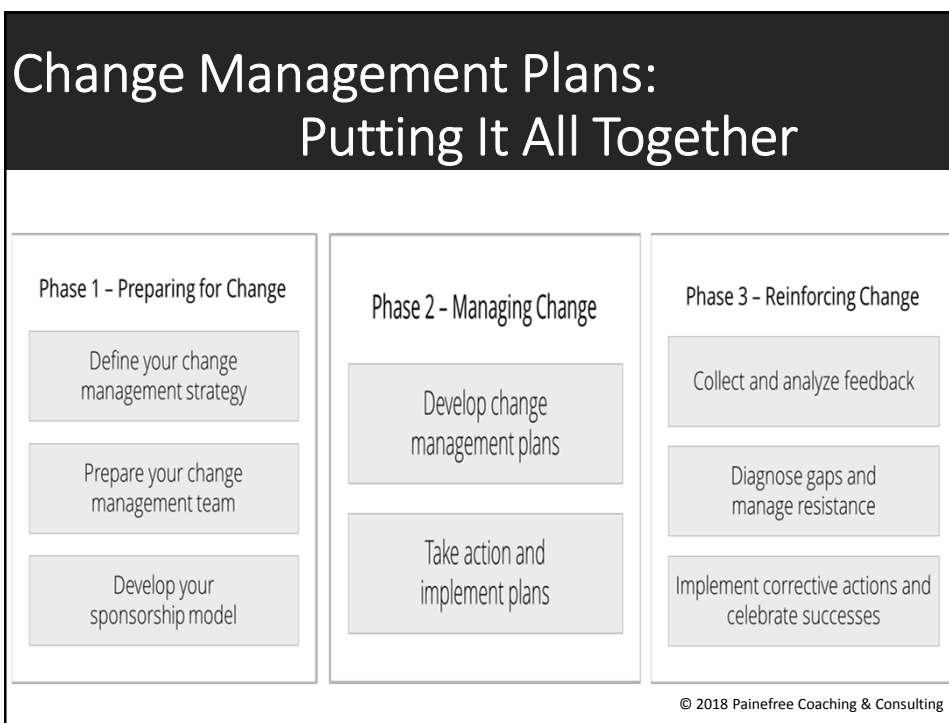
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Managing Resistance & Creating Desire

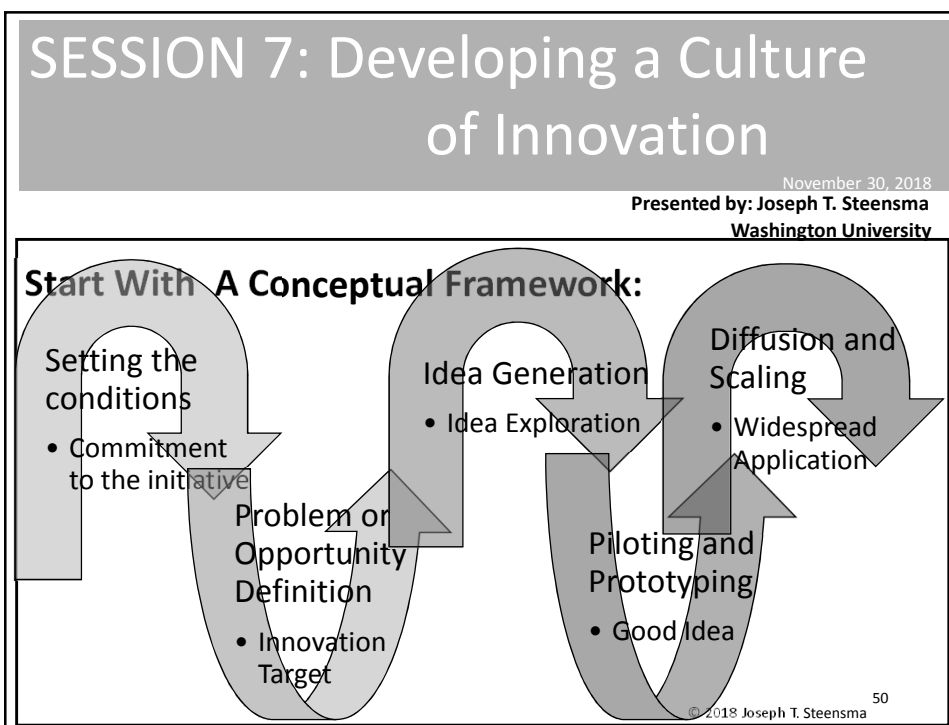
- Listen to Understand Objections
- Focus on the What & Let Go of the How
- Remove Barriers
- Provide Simple, Clear Choices and Consequences
- Create Hope
- Show Benefits in Real, Tangible Way(s)
- Make a Personal Appeal
- Convert the Strongest Dissenter(s)
- Demonstrate Consequences
- Use Incentives

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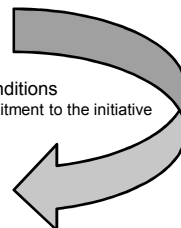
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Signal commitment from top leadership

- Conditions:
 - Democratize Innovation
 - Experiment and learn
 - Think about your chemistry class
 - Collaborate and network
 - Measure and be accountable
 - How?
 - Communicate

Setting the Conditions

- Commitment to the initiative



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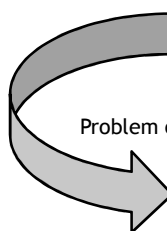
51

What are you trying to innovate around?

- Offerings:
 - Core offerings
 - Synergy of offerings
 - Supporting services
- Processes
 - Core Processes
 - Enabling Processes

Problem or Opportunity Definition

- Innovation Target



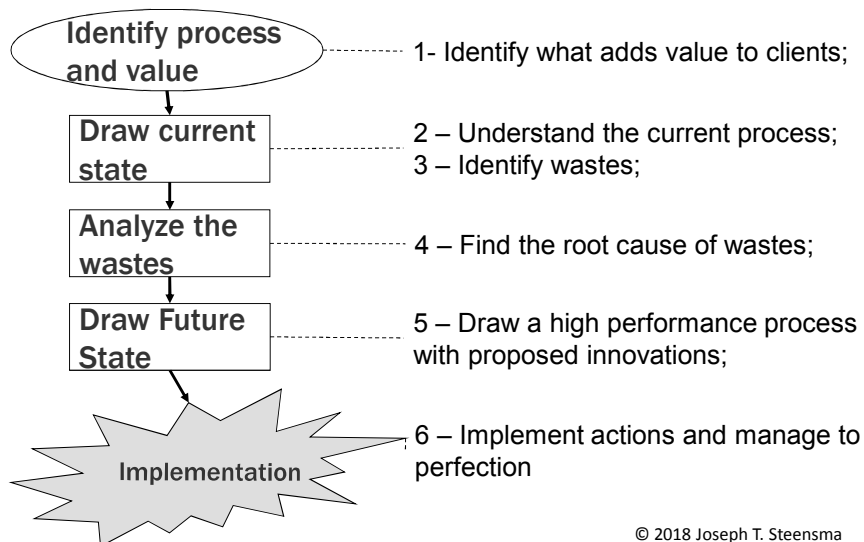
What type of change are you interested in producing?

- Incremental Innovation
 - Improves on existing products/services
- Radical Innovation
 - Overturn existing paradigms
 - Create new markets

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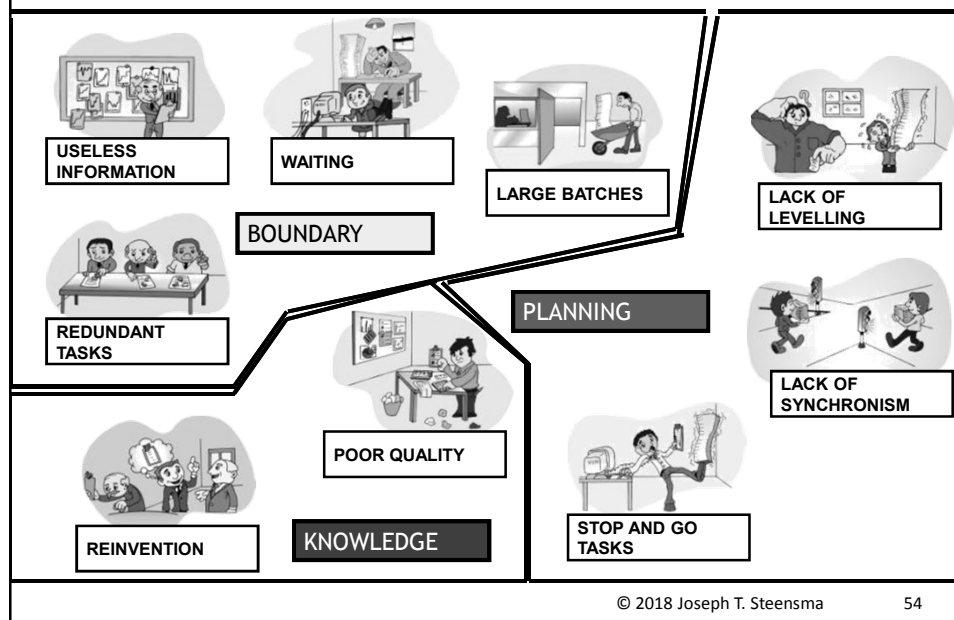
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Use the Value Stream Mapping tool to understand where there is Value and Waste

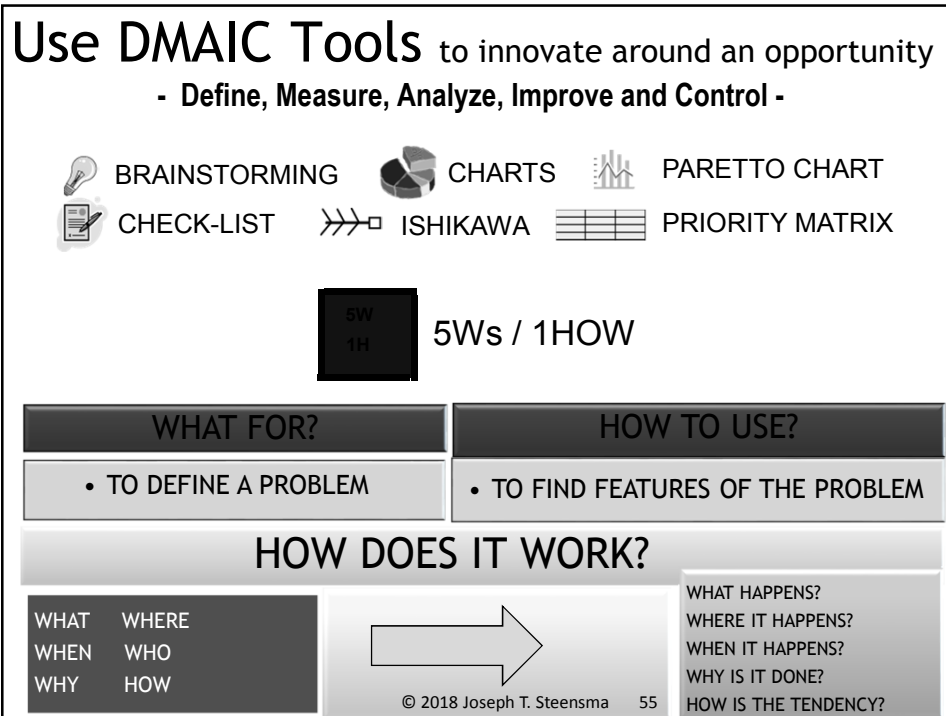


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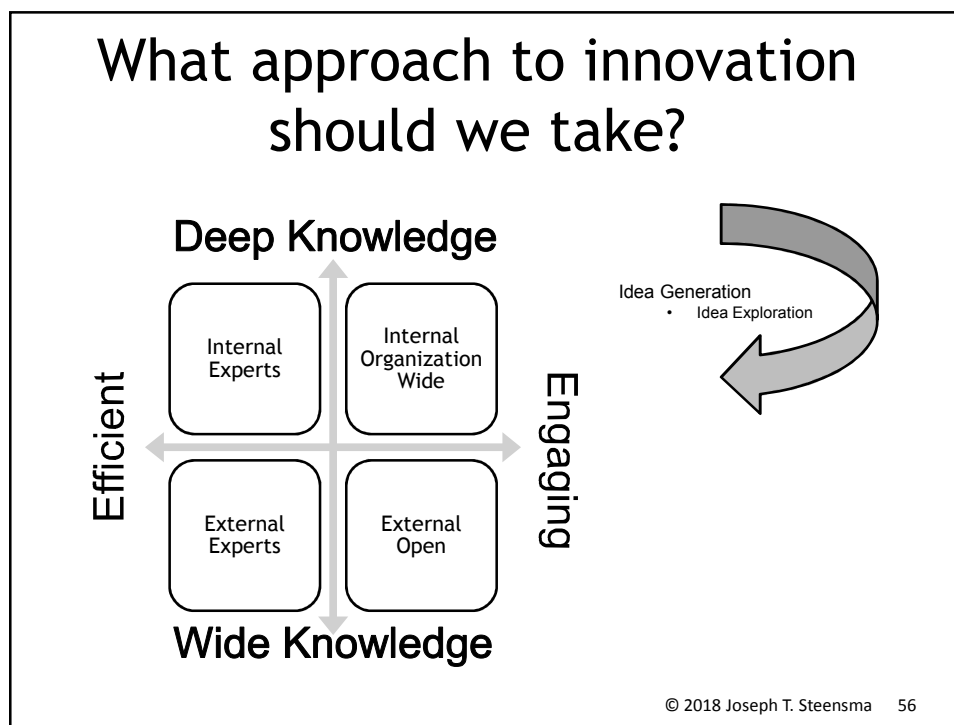
9 WASTES IN OFFICES



54



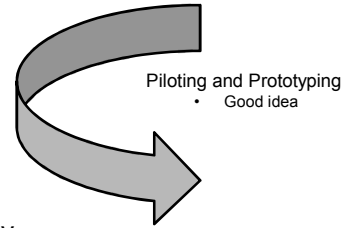
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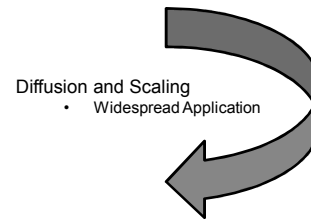
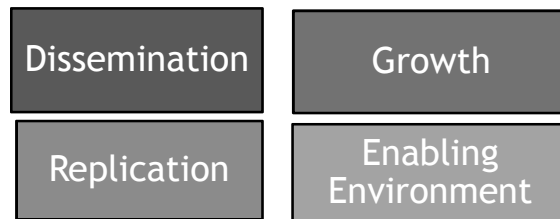
56

What is the pace of innovation?

- **Rapid Prototyping**
 - Great in small organizations
 - Not so great in society writ large
- **Slow Prototyping**
 - Best for large “system” or “society changing” innovations



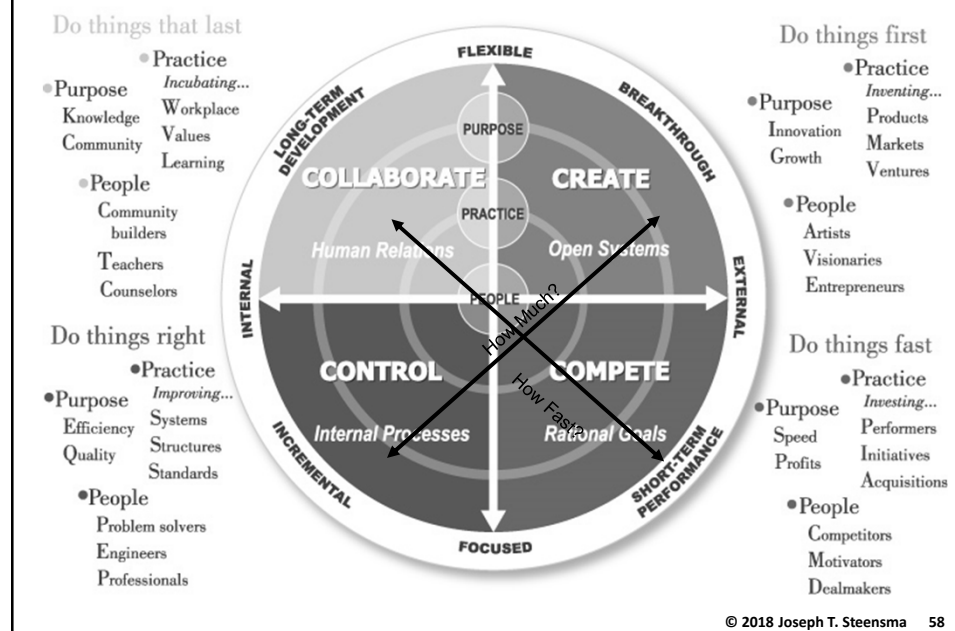
How should we spread innovation?



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The Innovation Genome



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What are the Key Approaches to Innovation?

| | |
|--|---|
| Collaborate <i>Social Approaches</i> <ul style="list-style-type: none"> Knowledge management Collaborative communities of practice Search and reapply Culture and competency development Collaborating with customers Open source | Create <i>Generative Approaches</i> <ul style="list-style-type: none"> Futuring and scenario planning New market speculation Diversified radical experiments Early technology adaptation Innovation societies and fellows Corporate venturing and spin-offs Greenhouse funds |
| Control <i>Technological Approaches</i> <ul style="list-style-type: none"> Continuous process improvement Lean systems Total quality management Simulations Platform innovation End to end IT systems Supply chain innovation | Compete <i>Business Approaches</i> <ul style="list-style-type: none"> Mergers and acquisitions Portfolio management Rapid action problem solving teams Revenue insight processes Branding Business solutions |

www.competingvalues.com

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SESSION 8: Applying a Racial Equity Lens – Exploring Ways to Advance Equity

1.11.19

Presented by: Kira Hudson Banks, PhD

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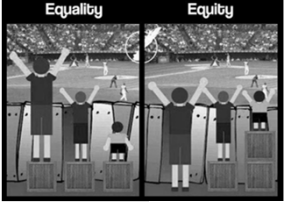
A PATH TO RACIAL EQUITY

| | Awareness of Inequity | Understanding of Why Inequity Exists | Transforming Towards Equity |
|-----------------|---|---|---|
| Regional | | | |
| Institutional | | | |
| Individual | | | |
| | Awareness | Understanding | Transforming |
| Working On | Awareness Education "Lifting the veil" | Uncomfortable: • Learnings • Explorations • Considerations History | Focus on data and outcomes New and intentional: • Habits • Policies • Choices • Behavior |
| Common Language | Diversity, Inclusion, Tolerance, Cultural Competency, Race as a social construct | Institutional racism, Intersectionality, Internalized oppression, Internalized superiority | Disaggregated data, Racial Equity Lens, Structural Racism, Equity-driven strategy, Liberation |

STC FORWARD THROUGH FERGUSON

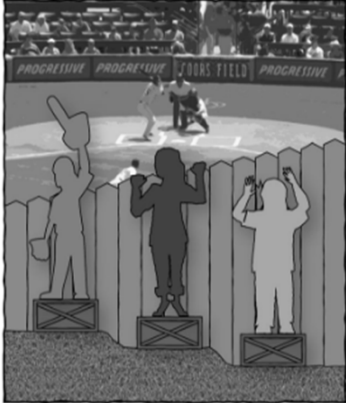
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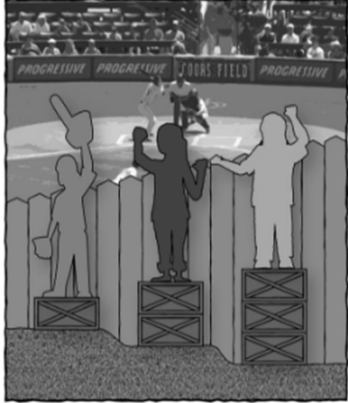


RACIAL EQUITY:
"A state in which a person's life outcomes cannot be predicted by race. When our regional systems (education, housing, healthcare, jobs, transportation, and more) work well for all people so that disparities are closed and all residents, regardless of their race and zip code, have justice and the opportunity to thrive."

Forward Through Ferguson



EQUALITY



EQUITY

www.culturalorganizing.org © 2019 Kira Hudson Banks, PhD 61

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+ What does it mean to use a Racial Equity Lens?

- Racial justice framing puts a discussion of race and racism in the foreground of the public debate. We need to *illuminate* racism in order to *eliminate* racism. When we are not consciously addressing racial equity, we are often *subconsciously* replicating racism. Silence equals complicity.
- Racial justice framing includes challenging racism (anti-racism) and advocating for equitable alternatives (advancing equity). It reveals problems of racial injustice and points towards equitable solutions. It is not enough to be *reactive*; a racial justice frame needs to be *proactive*.
- Racial justice framing addresses racism *explicitly*, but not necessarily *exclusively*. If there are other significant dynamics at play (e.g. gender, economic inequality) these should also be articulated and addressed.
- Racial justice can be a complimentary frame with other frames and can help you address problems and the solutions more completely. When addressing race along with other dynamics, it's still important to address each dynamic with "dedicated, specific, and sufficient" attention.
- Racial equity framing (one that focuses specifically on remedying racism) can be coupled with a universal frame (one that seeks to benefit everyone). These can be compatible, rather than competitive, ways to frame an issue.

<http://racialequitytools.org/>

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+ Why Use a Racial Equity Lens?

- It reveals a reality that often goes unnamed. Ignoring racism helps perpetuates racism.
- It offers evidence of racism by documenting unequal impacts and disparate outcomes.
- It challenges prevailing cultural norms and myths.
- It emphasizes the need for institutional and policy change.
- It points to equitable solutions that address *systems* rather than *symptoms*.

<http://racialequitytools.org/>

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+ Path to Racial Equity: 6-Month Foundation

■ PHASE 1: Know where you stand

What do your documents tell you about where your agency is on the path?

- Common language? Institutional mandate? Disaggregated data?
- If you agency fully adopted a racial equity lens, how would SWOT analysis be impacted?

■ PHASE 2: Reach out to others

■ PHASE 3: Plan your steps

■ PHASE 4: Take action

Metrics Considerations:

- What metrics are currently being analyzed?
- What is your capacity to disaggregate metrics by race?
- What is agency's tolerance to being transparent with metrics -- internally and externally?

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+ Implications of a Racial Equity Lens on a Personal Level

Privilege

- Unearned □ Conferred
- Intersecting □ Not equal to easy or perfect

Unconscious Bias

A rigid belief, positive or negative, about a group of people that is based on limited evidence.

Microaggressions

“Brief and commonplace daily verbal, behavioral, or environmental indignities, whether intentional or unintentional, that communicate hostile, derogatory, or negative racial slights and insults toward people [in marginalized groups].”

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Status Dynamics in Organizations



Elephant

- Set and fit the norms
- Often don't see their group-ness
- Given the benefit of the doubt; contributions are heard

Mouse

- Aware of identity and associated stereotypes
- May 'cover' parts of identity to fit in/assimilate into the norm
- May fear being seen as 'the exception' and having contributions overlooked

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SESSION 9: Board Engagement in Fund Development

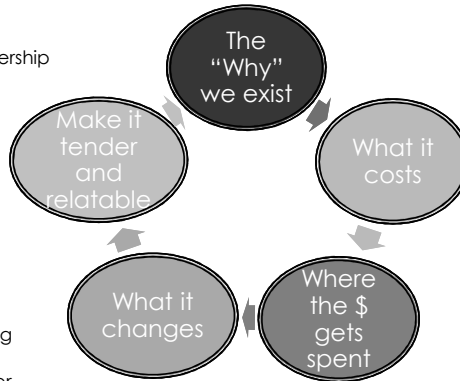
2.8.19

Presented by: Pete Werner, Nonprofit Consultant (P1) and
Wendy Dyer, Wendy Dyer Fund Development Consultants (P2)

P1/ Board Engagement in F/R requires:

- A partnership structure
- Potential tough decisions re: current board membership
- Recruiting & onboarding new members in a strategic and intentional manner
- Members understand the business model
- Members always ask questions & evaluate progress/results
- Strategy in how to ask the Board to fundraise
- Focus on mission, passion & program understanding
- A compelling case statement members can deliver

P2/ Crafting Compelling Messages



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Roles & Responsibilities of the Board in Fundraising

Board members engage in fundraising:

1. As individuals

- a. Making a personal gift – generous and annually
- b. Supporting special events – buying table, bringing people, securing sponsors
- c. Finding new donors and stewarding current ones
- d. Being an ambassador – champion the agency throughout the community

2. Collectively - part of the governance function

- a. Being strategic and intentional
- b. Having staff capacity to support fundraising
- c. Aligning Board with fundraising priorities
- d. Creating a development plan; having strong Board Development Cttee

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Barriers to Effective Board Fundraising

- Lack of:
 - Desire
 - Passion
 - Direction
 - Commitment
 - The basic tools
 - Knowledge
 - Confidence
 - Engagement
 - Accountability
 - Staff support

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Solutions and Strategies

- Perform a self-assessment of agency's need & appetite for increasing fundraising efforts
 - Why does agency need the board to engage more in raising money?
 - What is level of confidence & support (from Board and staff) in agency's ability to increase its fundraising efforts
 - How differently (if any) does the Board operate currently?
- Board engagement in fundraising starts with recruitment
 - How clearly are expectations stated when talking with prospect?
 - Does agency ask prospect about her/his expectations?
 - How consistent is agency in its expectation conversations?
 - How well does agency communicate its ideas re: committee or project assignment?
 - Is agency recruiting people with a passion for its mission?

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Solutions and Strategies

- Have a strong Board orientation/onboarding process
- Have an engagement plan for each board member
 - Board members engage at different times and for different reasons
 - Consider plan similar to major gift donor plan
 - Include intro to Committees, projects, panels, conferences, tours, interaction with clients, regular coffees with CEO
- Ensure members understand agency programs
 - Strengthen knowledge of member to help them: 1) identify contacts who may connect with mission; and 2) tell the story
 - Include program staff in Board meetings to facilitate learning

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Solutions and Strategies

- Make a strong board appeal
 - Be strategic on timing; discuss at board meetings
 - Use letter (with compelling ask & stretch goal) under board chair & development committee chair signature
 - Make customized asks; encourage leadership giving
 - Follow-up with calls from board chair/DC chair to members delayed in giving
 - 100% participation non-negotiable
 - Report out results
- Help members tell an effective story
 - Have each member create a personal case for support (based on need, outcome, stories, and in their own voice)
 - Practice – role play in small groups as part of Board retreat

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Solutions and Strategies

- Have each member build a personal development plan
 - Includes a personal gift; special events
 - Includes nurturing new donors/prospects & current donors; prospect strategizing; and hosting friend-raisers;
- Update plan annually, as part of board retreat in conversation with CEO/board chair
- Encourage members to be intentional & strategic about fundraising
 - Building trust takes time - develop relationships with prospects
 - Make the experience donor-centric; ask questions
 - Work with staff; work the plan
- Consider inviting members to major gift donor meetings

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Solutions and Strategies

- Ensure staff commitment to supporting Board's efforts in fundraising
 - Help position Board members for success; provide information
 - Meet one on one; identify action items for members to perform
 - Be accessible; prompt, cajole, ask, ask again; follow-up
 - CEO should be leadership giver; all staff are fundraisers
- Ensure Board chair is "on board"
 - The most important leader and cheerleader
 - Resource development committee chair cannot be only voice in the room
 - Willing to meet with over and under-achievers
 - Leads by example - annual leadership gift
 - ambassador-in-chief, strong supporter at special events
- Track progress of execution & results
 - Report out progress on agency's development plan at every meeting
 - Use a dashboard to track leading indicators; celebrate successes
 - Board driven introductions, sponsorships, asks; increased gifts, etc.


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Board Engagement in Fund Development

Part 2


Crafting Compelling Messages




REMINDER - NO SILVER BULLETS!



PUT SOME SIZZLE INTO YOUR MESSAGE



RECOGNIZE DIFFERENT AUDIENCES NEED DIFFERENT MESSAGE



TIPTOE INTO THAT SCARY ZONE OF ASKING FOR MONEY!

Wendy Dyer
Wendy Dyer Fund Development Consultants

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It's Very Simple: What Do Donors Want?

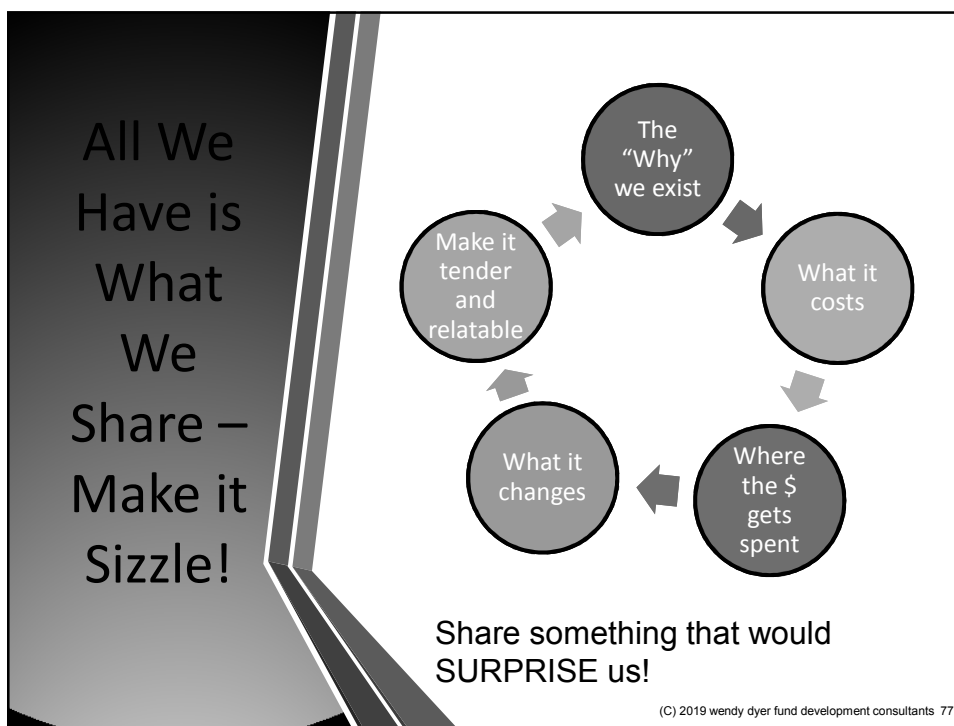
To be known and valued

To know where their money went

To know their gift made a difference

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Tricky Part is...

....need a multi-channel approach

| AUDIENCE | DESIRED BEHAVIOR | MESSAGE TO MOTIVATE | HOW OFTEN | BY WHOM |
|----------|------------------|---------------------|-----------|---------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
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Put Relationship Into Context



You've been part of our family here for 18 years



You've been one of our most committed volunteers for more than a decade



When you served on the board, you helped us get through some really tough times that put us on a solid path



Discuss: think of some special relationships you/your agency has with your donors

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Session #10: Optimizing Board Effectiveness

3.8.19

Gold Standard Boards:

Presented by: Laurna Godwin
Vector Communications



- ☐ Meet regularly with majority of members attending
- ☐ Understand/perform legal & fiduciary responsibilities
- ☐ Set policy & direction; provide financial oversight; monitor organizational performance (programs & services); hire, evaluate, guide and support CEO
- ☐ Utilize Committee structure to reflect agency strategic priorities & change as needed
- ☐ Strong Board Chair-Chief Executive partnership
- ☐ Board meetings focus on problem solving, inquiry, exploring root causes/new ideas
- ☐ Strategically select Board candidates to advance agency's work
- ☐ Conduct ongoing training about agency, its programs, field & landscape
- ☐ Participate in fundraising; advocate for agency; serve as ambassador
- ☐ Complete annual individual member self-assessment; and periodic board assessment

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High-Performing Board Members

- ☐ Know agency mission, vision, purpose, goals, policies, programs, strengths & needs
- ☐ Serve in leadership positions and undertake special assignments willingly/enthusiastically
- ☐ Be a lifelong learner as it relates to agency and issues it addresses
- ☐ Keep abreast of organization's finances, policies, services, and developments
- ☐ Come to meetings, having read board packet, willing to speak, ask probing questions & decision-making ready
- ☐ Help fundraise: make annual meaningful financial gift, promote/attend agency signature events, serve as ambassador; leverage connections, networks & resources; ensure annual fundraising plan in place, track progress toward results, rely on staff to educate & inform thinking, coordinate planning & support ability to raise funds
- ☐ Ensure commitment to diversity
- ☐ Play role in board development, suggest potential board members
- ☐ Keep confidential information confidential, i.e. executive sessions
- ☐ Complete board meeting evaluation; participate in improving board functions
- ☐ Understand and adhere to differences between governance and operations

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Governance Committee Tasks

- ☐ Set yearly Committee goals and meeting schedule in advance
- ☐ Identify, cultivate and recruit new board members
- ☐ Design and oversee board orientation/onboarding process
- ☐ Offer advice to CEO and other board leaders to enhance board effectiveness
- ☐ Review/update board & committee member roles, qualifications and expectations
- ☐ Take lead in developing, reviewing and updating succession planning
- ☐ Prepare annual board officer slate
- ☐ Annually conduct board member individual self-assessment; and periodically administer board self-assessment

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Governance Vs. Operations

- ☐ Governing board leads organization
- ☐ CEO is employed by & accountable to board
- ☐ CEO leads staff and manages all operational work
- ☐ Operational staff provides direct services to agency's clients

| Role | Governance | Operations | Shared |
|---|------------|------------|--------|
| Provide input into strategic plan | | | X |
| Approve strategic plan | X | | |
| Build a competent board | X | | |
| Set policy | X | | |
| Recruit and develop staff, conduct performance evaluation | | X | |
| Lead a staff meeting | | X | |
| Give staff members directives | | X | |
| Ensure agency's financial health | X | | |
| Determine staff salaries | | X | |
| Determine mission | X | | |
| Commit to mission | | X | |

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Consent Agendas

- ☐ Tool that focuses board time on important discussions rather than reports
- ☐ Board chair and CEO set board meeting agenda, determining what is and not consent agenda, based on nature: self-explanatory, controversial, warranting board discussion
- ☐ Consent agenda, included at top of board agenda, might include previous Board minutes, Committee reports, informational materials, previously discussed items requiring approval, routine documents and actions and CEO report
- ☐ Board packet includes consent agenda documents, to be read prior to board meeting
- ☐ Board chair asks at beginning if consent agenda item/s should be removed and discussed separately
- ☐ Consent items voted upon, **without discussion**, as a single package
- ☐ Non Consent Agenda items include mission moment, education, dashboards, board chair report, executive session, annual budget/financial reports

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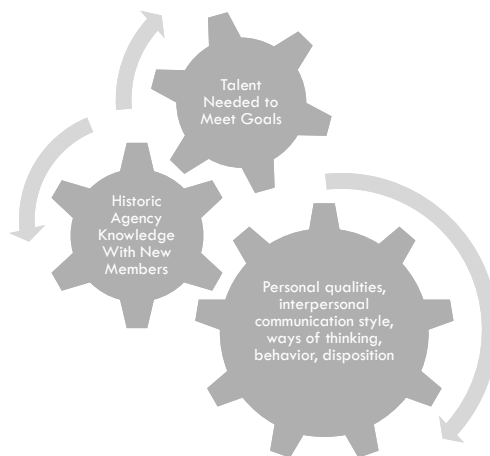
Executive Session

- ❑ Valuable to routinely include on board meeting agendas to not raise staff tension/suspensions
- ❑ Peer-to-peer meeting without staff present; allows Board to develop sense of itself as body rather than group of individuals – encourages more open dialogue
- ❑ Members ask questions they otherwise feel uncomfortable asking with staff present
- ❑ Often occurs at end of board meeting, with CEO staying for first part
- ❑ Board chair shares topic if known with CEO prior to executive session and shares nature w/in 24 hours after
- ❑ Minutes should indicate board met in executive session and give discussion topic.

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Board Matrix Considerations



Diversity:

- ❑ Know why diversity is needed
- ❑ Be clear about what is needed; agree to these needs
- ❑ Do not succumb to tokenism
- ❑ Understand diversity provides varying viewpoints and can make discussions & decision making more challenging
- ❑ Involve new board members right away
- ❑ Ask for feedback (recruitment, board meetings, their participation and expectations, etc.)

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Board Recruitment Process

- Identify
 - ▣ Governance Committee (GC) determines needs, reviewing strategic plan goals & board matrix results; shares present skills/attributes needed with full board;
 - ▣ Candidates identified by board members, volunteers, CEO, local leadership programs, organizations representing various racial and ethnic groups, major donors, LinkedIn, etc.
- Cultivate (prospects and candidates):
 - ▣ Perform as year round activity; identify most appropriate person to initiate conversation to gain interest in agency
 - ▣ If prospect interested, invite to agency event or join committee or task force
 - ▣ Manage expectations upfront
- Solicit:
 - ▣ GC Chair, Board Chair meet prospect for two-way discussion, then summarize what was learned about prospect
 - ▣ CEO meets prospect, gives facility tour; invites prospect to sit in on board meeting
 - ▣ Shares materials with prospect: board member & Committee job descriptions, last Audit, brochures & newsletters, board/Committee meeting schedule; board roster
 - ▣ If interested, GC Chair gets committee to vote and if passes, send to full board for vote
- Implement: after elected, conduct orientation, onboard, including mentoring new member

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Board Assessment

Governance Committee administers assessment upon:

- Board chair change
- Before capital campaign
- Before updating strategic plan

Intent:

- Provides baseline of board's strengths
- Indicates areas of improvement
- Allows reflection on board as whole, providing opportunity for discussing areas to strengthen
- Demonstrates to staff, new board members and potential funders that board takes its role seriously

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Next Steps

- ❑ Prioritize 3-5 “Opportunities for Improvement”
- ❑ Assign tasks to board members with required skills; if no skills available, get assistance
- ❑ Create a plan to address each opportunity
- ❑ Determine resources available to make change happen (human & financial capital)



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Session #11: Deeper Dive into Fund Development

4.12.19

Gold Standard Boards:

Presented by: Larna Godwin
Vector Communications

- ❑ Meet regularly with majority of members attending
- ❑ Understand/perform legal & fiduciary responsibilities
- ❑ Set policy & direction; provide financial oversight; monitor organizational performance (programs & services); hire, evaluate, guide and support CEO
- ❑ Utilize Committee structure to reflect agency strategic priorities & change as needed
- ❑ Strong Board Chair-Chief Executive partnership
- ❑ Board meetings focus on problem solving, inquiry, exploring root causes/new ideas
- ❑ Strategically select Board candidates to advance agency's work
- ❑ Conduct ongoing training about agency, its programs, field & landscape
- ❑ Participate in fundraising; advocate for agency; serve as ambassador
- ❑ Complete annual individual member self-assessment; and periodic board assessment



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Session #11: Deeper Dive into Fund Development

4.12.19

Presented by: Wendy Dyer, Wendy Dyer Fund Development Consultants & Rachel D'Souza Siebert, Gladiator Consulting

Utilizing latest Technologies:

Best Practices related to different Types of Fundraising:

Using a Racial Equity Lens:

- How do we use data captured from online giving platforms?
- What do we hope to gain from including technology & digital strategies in our fund development plan?
- Who are our donors? How do they give? Who is not giving?
- What platforms have we not tested? What are we waiting for?
- What is an acceptable ROI to get started?

Know Your Return on Investment

| | |
|---|----------------------------------|
| Grants = .20/\$1.00 = 400% | Mail appeals = .20/\$1.00 = 400% |
| Major Gifts = .10/\$1.00 = 900% | Events = .50/\$1.00 = 100% |
| Donor acquisition = 1.25/\$1.00 = (-)200% | |

Change can happen at every level of an organization



EQUALITY



EQUITY



JUSTICE

- Check our Bias(es)
- Consider who supports agency's Culture of Philanthropy
- Check our Fund Development structure & process
- Think about Communication

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Technology & Fund Development

Setting the Stage: Shared Language

- **Digital Fundraising:** All online/electronic ways to raise charitable dollars
- **Social Media Network:** Websites and applications that enable users to create and share content or to participate in social networking.
- **Micro-Giving:** Charitable donation of small increments of money from a single donor to a specific recipient.
- **Crowdfunding:** A method of raising capital through the collective effort of donors through a particular platform
- **Predictive Analytics:** A branch of advanced analytics that uses many data techniques to make predictions about future behavior
- **Persuasive Technology:** Technology that is designed to change attitudes or behaviors of the users through persuasion and social influence
- **Marketing Automation:** Technology that helps organizations streamline their prospecting, donor acquisition and retention, and ROI measurement.



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What We
Know Now

Breaking It
Down:

➤ **Digital Fundraising growth**


- ❖ In 2017, online revenue grew by 23%, up from 2016's 15%.
- ❖ One-time online gifts increased 19%.
- ❖ Online monthly giving increased 40%, accounting for 16% of total online revenue, up from 2016's 14%.
- ❖ Email messaging drove 28% of all online revenue.

Takeaways: Ability to craft educational & entertaining experience, engaging donors via THEIR consumption habits
With nonprofit driving donor behavior, deeper engagement beyond single campaign is possible

➤ **Emails and Website**

- ❖ In 2017, nonprofits raised \$1.13 per website visitor.
- ❖ Nonprofit website traffic included 40% mobile, 10% tablet users & 50% desktop users.
- ❖ Email revenue increased 24% (with increased list size & number of emails sent by nonprofits), accounting for 28% of all online giving.
- ❖ Despite increases, fundraising email response rate declined 6% to .06%

Takeaways: Functionality & Mobile Platform Matter
Website + Email Functions ARE NOT ENOUGH
Money still comes from Desktop Users



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Breaking It
Down:

➤ **Social Media Channels**


- ❖ Nonprofit Facebook posts reached average 7% of Facebook page fans, with 38% of audience not following nonprofit.
- ❖ Engagement Score (engaged users divided by total page fans) for average Facebook post totaled .44%.
- ❖ Facebook is enhancing Commerce Features, with charitable f/r fees.
- ❖ Instagram grew 44% (Twitter – 15%) in number of followers.

Takeaways: Facebook needs to be strategic part of one's Fund Devp.
Plan & Communications/Marketing Strategy
Test Digital Advertising
Retention! (Generosity is a Habit)

➤ **Crowdfunding & Peer-to-Peer**

- ❖ Among most popular ways for individuals to raise money for cause, project, or event; success rate averages 50%.
- ❖ Industry projected to grow to \$300B (< 1% is Charitable) by 2025; now \$17.2B in North America.
- ❖ Huge potential for Emergent Opportunity + Facebook + Crowdfunding.
- ❖ Donors average 24-35 years old ("Millennial" Generation).

Takeaway: Many options - research fees structure & state laws
Gen Z, entering workforce now, grew up with this norm



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Breaking It Down:

➤ Micro-Giving

- ❖ Consider this part of small gifts program, known to provide major funding for nonprofits, including disaster relief fundraising
- ❖ Impulse giving goes with micro-giving, with people tending to give multiple times, when asked to support initiative A, then B, & C vs 3 separate gifts to one initiative.

**Takeaways: Tie requests to specific need & defined outcome from gift
Offer potential higher levels of donor engagement over time**

➤ Predictive Analytics, Persuasive Technology & Marketing Automation

- ❖ Predictive analytics, providing best assessment of future circumstances, can help solve difficult problems & uncover opportunities.
- ❖ Website and app designers are using insights from psychology/behavioral economics on why people make certain choices, along w/ digital resources, to create sophisticated persuasive technologies.
- ❖ Marketing automation software, creating personalized appeals & leading potential donors on individualized pathways into an agency, will drive deeper engagement with its mission or specific program.

Takeaway: Keep an eye on evolving technology!

Marketing Automation is a cost- effective way for agencies to test newer technology



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Where do we start?

(Hint: with the end in mind!)

- How does our agency use data captured from existing online giving platforms?
 - ❖ What is working? Email? Social Media?
 - ❖ What does our data tell us about donor behavior?
- What do we hope to gain from including technology and digital strategies in our fund development plan/efforts?
- Who are our donors? How do they give?
- Generally, who's not giving to us?
- What platforms have we not tested?
- What are we scared of/waiting for?
- What is an acceptable ROI to get started?



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When Choosing Amongst Types of Fundraising Activities to Pursue — Know Your Return on Investment

Grants = $.20/\$1.00 = 400\%$

Events = $.50/\$1.00 = 100\%$

Major Gifts = $.10/\$1.00 = 900\%$

Mail appeals = $.20/\$1.00 = 400\%$

Donor acquisition = $1.25/\$1.00 = (-)200\%$

Costs more to secure new donors – yet we look for new donors rather than seeing what we can do with the ones we have!

3 out of 4 donors NEVER COME BACK!

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Corporations

Make sure their mission aligns with yours

Identify the demographics you serve that the corporation wants to support

With competition and less funding available, it has become more difficult to 'make the case'

Foundations

Should be treated like major donors

Make sure you are requesting the right amount – new applicants should not shoot low

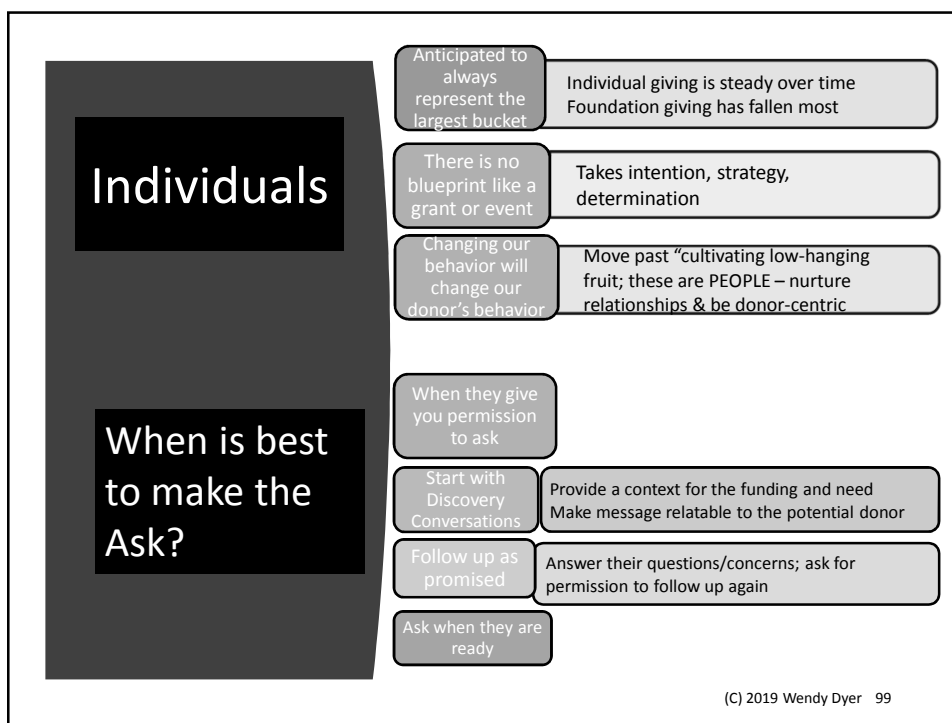
Invite them in at least once a year; send them updates without their asking

Invest time to research new angles; refresh your outcomes when they become stale

Keep an eye on DAFs (Donor Advised Funds); not yet regulated; seeing big increases

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Individual Giving

particularly major gifts – is the best return on investment

Annual Fund/Major Gift Planning

| Gift | Quantity | Prospects Needed | Identified/ Secured | Cumulative Categories |
|----------|----------|------------------|---------------------|-----------------------|
| \$20,000 | 2 | 8 | J. Doe; etc. | \$40,000 |
| \$10,000 | 4 | 16 | | \$80,000 |
| \$5,000 | 8 | 24 | | \$120,000 |
| \$2,500 | 12 | 36 | | \$150,000 |
| \$1,000 | 20 | 60 | | \$170,000 |
| \$500 | 30 | 90 | | \$185,000 |
| \$250 | 40 | 80 | | \$195,000 |
| <\$100 | many | many | | \$200,000 |

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Potential Ways to Make The Ask

Stewardship

We need \$_____ to make _____ possible. A donor just came in with \$_____ and we were thrilled! What do you want me to ask you for?

I'd like to ask you for \$_____ but the reality is I don't know how this fits into your philanthropy so let's talk about that a bit.

I may be out in left field but I do know that in order to _____, we need \$_____ - can you see yourself doing something like that?

You can NEVER thank someone enough – it is impossible

Devote considerable time to stewardship

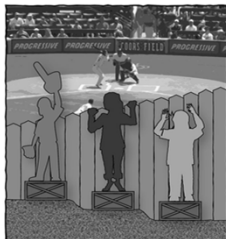
Build it into your healthy habits & Development Plan

Consider new ways to show appreciation

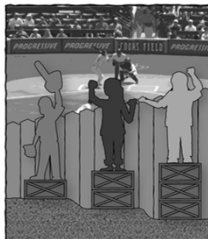
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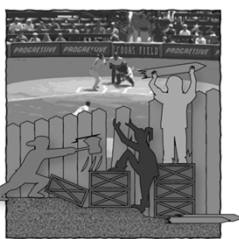
What is Racial Equity? (A Recap)



EQUALITY



EQUITY



JUSTICE

| Lens | Process | Outcome(s) |
|--|--|---|
| <p>The questions we ask of and to ourselves and our organizations in preparation for the work.</p> | <p>We apply racial equity when those most impacted by structural racial inequity are meaningfully involved in the creation and implementation of the institutional policies and practices that impact their lives.</p> | <p>Intentional evaluation of project, proposal or process examines how its implementation will sustain, narrow or expand racial inequities in the region.</p> <p>Racial Equity is a state where outcomes can no longer be predicted by someone's race</p> |

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Consider an IDEA – is it relevant or valuable to my agency?

Where do we start?

Who supports the agency's Culture of Philanthropy?


Decide an Idea is Important

Make it Formal

Make it Informal

Manage, Measure & Tweak

- **Change can happen at every level in an organization**
 - ❖ Is the idea important?
 - ❖ Who says, do they matter; who agrees and do they need to?
 - ❖ How does it look (or not look)?
- **Check Your Bias(es)** Tool: Harvard Implicit Bias Test
 - ❖ What do I believe about my role & activities as a Development Professional?
 - ❖ Where do I bring unconscious bias into the way I prospect, build relationships and make an ask?
 - ❖ What systems & power structures do I/my activities enforce?
 - ❖ What is one small change I can make to combat my own bias?
- **Consider the Board, other Key Devp Volunteers, Staff?**
 - ❖ What is their Composition/Matrix?
 - ❖ What are the "Peer to Peer" Opportunities?
 - ❖ What is their Personal Capacity vs Fundraising Effectiveness?
 - ❖ What Professional Development opportunities are provided?


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Development Activities & Operations

Corporate & Foundation Giving

Donor & Other Stakeholder Communication

- **Check our Internal Structure and Process**
 - ❖ How do we identify/attract prospects?
 - ❖ What criteria do we use for qualifying prospects?
 - ❖ Who asks for gifts; How do we thank & celebrate people?
 - ❖ How do we use feedback from donors & staff to inform our fund development program?
- **Consider the Complicated Power Structure**
 - ❖ What could change look like?
 - ❖ How do we build transformative relationships w/ funders?
 - ❖ How can we Reduce Harm vs. Achieve Vision?
 - ❖ What words/language do we use in our grant applications? Code Words about Race; Avoid "Poverty Porn"
 - ❖ What about Outcomes and Outputs?
- **Think about What & How we Communicate**
 - ❖ How do we communicate with stakeholders?
 - ❖ What data exists on who receives & responds to our appeals?
 - ❖ Do Generational Labels & other Stereotypes hold us back from raising more money?


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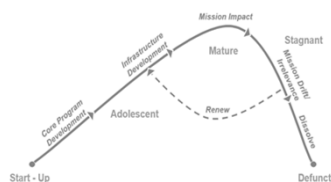
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SESSION 12: Strategic Alliances – Part 1

5.10.19

Presented by: Allie Chang Ray,
MUTARE Network

In any stage of its lifecycle, an agency has opportunities to increase mission impact through strategic alliance



Spectrum of collaboration

| Associations (Includes coalitions, collaboratives, communities of practice) | Joint Programming | Shared Services | Merger (Includes affiliate and subsidiary structures) |
|--|---|--|--|
| Definition: A group of organizations that voluntarily combine forces to accomplish a purpose over time | Definition: Contractual programmatic undertaking of two or more entities without actual legal incorporation | Definition: Jointly hiring a third party or agreeing to share an existing resource to provide services such as accounting, marketing, IT or office space to consolidate administrative functions | Definition: A combining of two organizations into one. This can be accomplished through legal affiliate or subsidiary structures, integrating one organization into another or the creation of a new entity. |
| <div> <div>← Less</div> <div>Level of integration</div> <div>More →</div> </div> | | | |

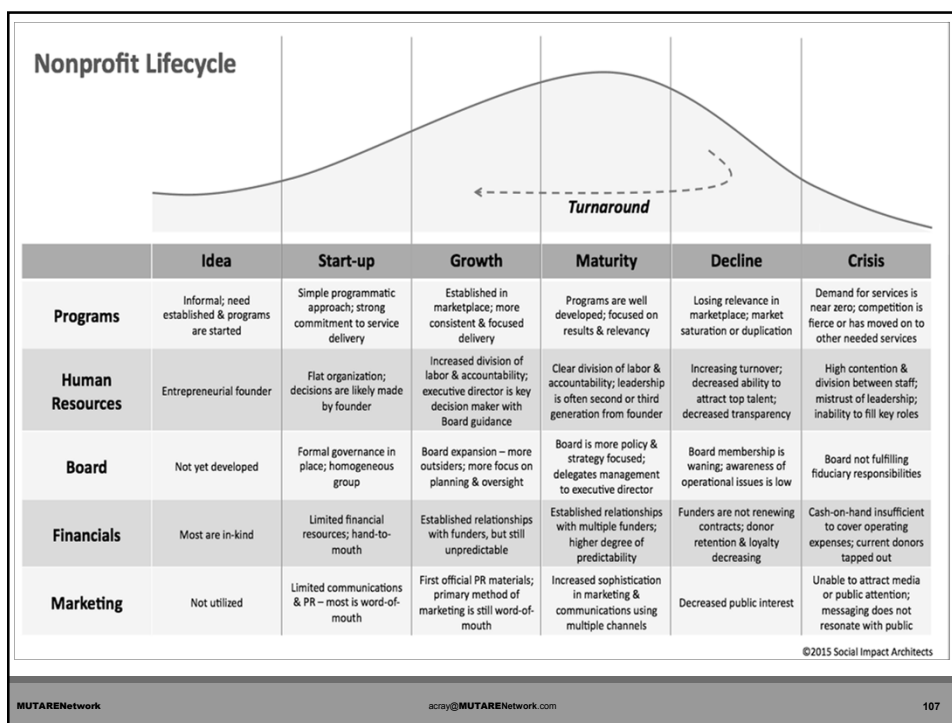
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Lifecycle Theory

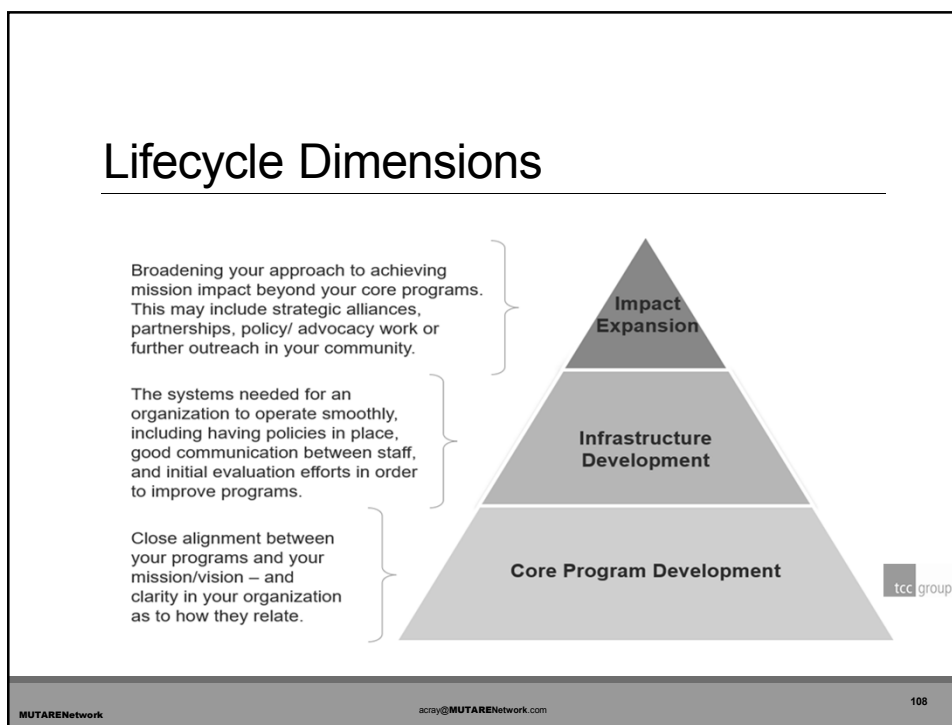
Used by nonprofit organizations to

- identify stages that exist in the lives of nonprofit organizations;
- provide patterns and predictability;
- build common understanding and buy-in;
- de-personalize issues and challenges;
- measure capacity improvements over time;
- normalize the difficulties inherent in growth/change; and
- set a trajectory toward organizational improvement and effectiveness.

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Primers of Strategic Alliance Conditions

Key reasons for a strategic alliance:

- Achieve greater leverage among stakeholders (e.g. build awareness or advocacy);
- Address complex issues that require coordinating multiple stakeholders;
- Provide an integrated continuum of services to meet beneficiaries' needs;
- Strengthen or expand program or service quality and performance;
- Gain back-office or administrative efficiencies;
- Achieve greater economies of program scale; and
- Extend reach with new services, or geographic areas

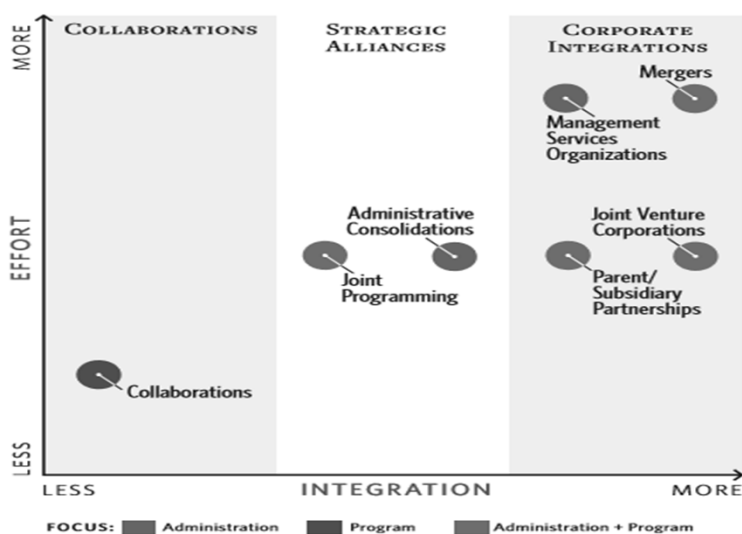
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The Partnership Matrix



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Funder Collaboration Models

Lower integration ← High stakes donor collaboration → Higher integration

Exchange
knowledge

Coordinate
funding

Coinvest in
existing entity

Create a
new entity

Fund the funder

Funder collaborations magnify impact and facilitate learning by:

- possibly shifting from one category to another;
- creating an integrated process where the stakes are high (typically multiyear efforts, more resource-intensive in time and money); and
- accessing others' expertise, having enough clout to pursue system-level change, and aggregating the capital needed to take a successful project to the next level.

Note: Before coinvesting or creating a new entity, many funders often have already worked together on less complex projects and established a level of mutual confidence.

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Common Themes

1. Weigh the cost-benefits, including the opportunity cost, of collaboration, especially if it is not strategic to the foundation or the program area.
2. Align on clear goals before investing. Otherwise, preserve decision-making flexibility.
3. Use a taxonomy to apply rigor to decision making regarding the collaborative's structure.
4. Be clear about the roles the various funding partners will play, as well as the investment required.
5. Set the exit strategy upfront and establish milestones along the way.
6. Put in place evaluation mechanisms and grantee feedback loops; adapt based on this information.
7. Engage the board in key discussions about collaboration when central to the foundation's work.

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SESSION 13: Strategic Alliances – Part 2

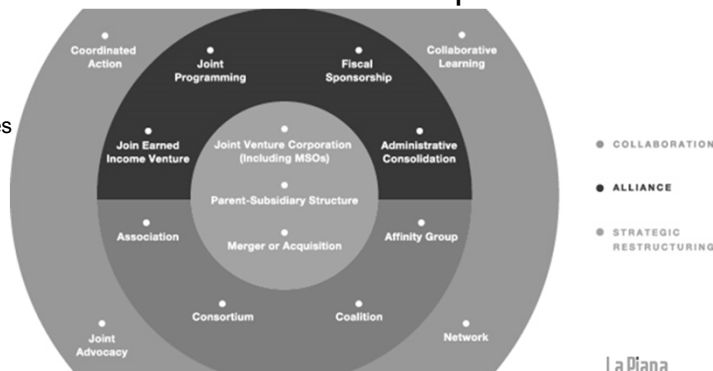
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Reasons for Strategic Alliances:

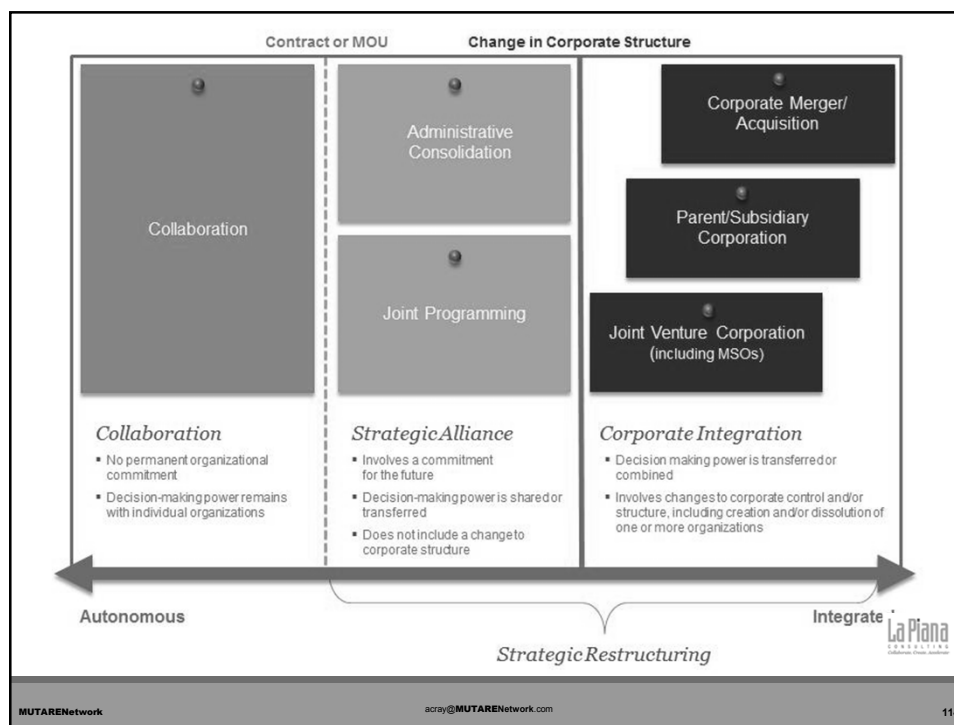
- Gain leverage among stakeholders
- Address complex issues
- Better integrate continuum of services
- Strengthen program quality and performance
- Gain administrative efficiencies
- Create economies of program scale
- Extend reach with new services/clients

Presented by: Allie Chang Ray,
MUTARE Network

The Collaborative Map



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Internal Drivers

- Leadership
- Programming
- Capacity
- Others?


External Drivers

- Competitive landscape
- Funding environment
- Policy and regulations
- Population and demographics

Define Strong Partnership Criterion

Potential guiding questions:

- What do we hope to accomplish?
- What are our organizational strengths and challenges?
- What would make a strong potential partner?
- Are there forms of strategic alliances or restructuring we are (or are not) open to considering?



Sometimes in the wind of change... we find our direction...

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Preconditions for Success

- Need
- Trust/Comfort Level
- Communications
- Equality
- Respect

Readiness & Decision Inputs

- board attitudes
- strategic goals
- past experience

correlate with the type of opportunities that are pursued.

Starting Point

- Identify potential partners
- Make introductions & connections (with proper authority)

Strategies for Sustainability

- Understand community
- Charter document
- MOU
- Evaluation plan
- Internal communication protocols
- External communication protocols
- Sustainability plan
- Share leadership
- Exit and/or dissolution criterion

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The Bridgespan Group's 2014 survey of 237 nonprofit and 101 Foundation leaders on participation in collaborations revealed:

- 91% of respondents were engaged in some form of collaboration.
- 75% viewed the range of collaborations as largely successful.
- All wanted more collaboration, particularly in shared support functions & mergers.

Identified inhibitors:

Lack of funder support for collaboration

Nonprofits say they receive little support; funders say nonprofits do not ask for support

Difficulty finding the right partner

Nonprofits rate this their highest barrier; funders rate it lowest

Well-intentioned funder influence re: joint programs can be taxing

Nonprofits say joint programs have highest failure rate, driven by funder requests; funders say joint programs do not fail

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Learning from Failure

Conditions that most often cause collaborations to fail:

- Loss of direction or focus;
- Lack of leadership, loss of leadership, or struggles for leadership; "Founder Syndrome" – founders gain too much power & block the growth of collaboration; new members excluded from decision-making & founders unwilling to change as collaboration grows or community needs change;
- Unequal involvement & recognition of members; burn out or unrealistic demands on members;
- Poor planning efforts; negative publicity;
- Some well-planned projects fail and their lack of success may be attributed to the collaboration, damaging morale & incentive to continue;
- Unwillingness of members to contribute resources needed to succeed;
- Turf battles and competition; historical disagreements between group members; substantial ideological differences and misunderstandings; and
- Bureaucratic structure.

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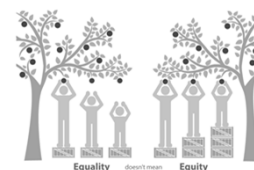
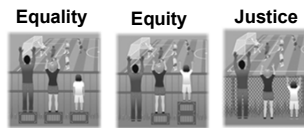
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Moving toward Racial Equity Using Choice-Points to Counter Implicit Bias

Focus on Understanding Community & Identifying/Using Choice-Points to:

- Create equal power through a community development approach;
- Set an agenda;
- Determine how resources are allocated;
- Take action through policies, systems and structural change;
- Employ community organizing strategies;
- Develop resident leadership; and
- Apply scholarship and research to inform the work, including evaluation.



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Takeaways for High Impact Agencies


- 1. Together:** Agencies work with and through others to create more impact than they can achieve in isolation.
- 2. Potential:** A powerful strategy to leverage collaboration potential is to form durable strategic alliances or restructuring partnerships.
- 3. Discovery:** Strategic partnerships can generate opportunities to strengthen mission - broadening reach, expanding programs & finding more efficient ways to support one's work.
- 4. Opportunity:** A powerful opportunity exists in thinking big about strategic partnerships – we can serve our core purpose well by finding creative ways to collaborate & partner through strategic alliances & restructuring.
- 5. Power:** There is power in the possibility of working together, aligning complementary strengths & resources and going beyond organizational boundaries to do together what we can not do alone.



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SESSION 14:

Executive Succession Planning

8.2.19

Presented by: Dick Goldbaum, Transitions in Leadership;
Allie Chang Ray, MUTARE Network

Succession Planning:
A systematic approach for creating continuity of leadership in an organization


Components of Executive Succession Plan

- ☐ Sudden loss
- ☐ Planned departure
- ☐ Talent/Leadership development

Board Succession Planning

- ☐ View holistically & align w/ current & future goals
- ☐ Consider Board's overall composition
- ☐ Focus on key leadership roles needed for the Board
- ☐ Define skills, expertise & traits
- ☐ Build Board knowledge on the nominating process

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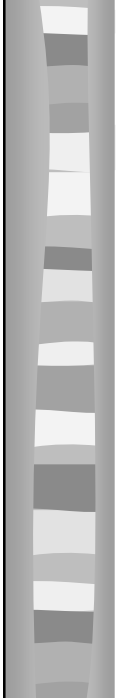


EXECUTIVE SUCCESSION PLANNING DELIVERABLES

- Prepares organization for planned or unplanned leadership change by providing well thought out guidelines and information needed to respond to a leader's departure
- Fulfills a critical responsibility of the Board - assuring qualified capable leadership
- Provides structure for decision-making when faced with leadership transition
- Assures stakeholders a level of sustainability during time of leadership change
- Creates an organizational culture of leadership development

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TRANSITION PLANNING Opportunity to Consider A Strategic Alliance

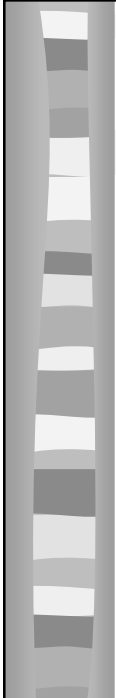
Alliances can help to:

- achieve greater leverage among stakeholders (e.g. build awareness or advocacy);
- address complex issues that require coordinating multiple stakeholders;
- provide an integrated continuum of services to meet beneficiaries' needs;
- strengthen or expand program, service quality and/or performance;
- gain back-office or administrative efficiencies;
- achieve greater economies of program scale; and
- enter new geographies, provide new services, or reach new beneficiaries

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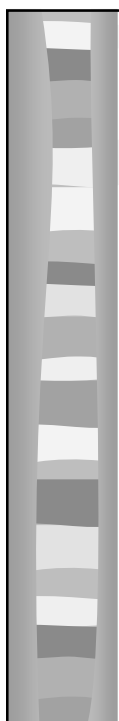
ELEMENTS OF A SUCCESSION PLAN

1. **Operational Manual for each position**
organized by month, including:
 - ☐ Activities essential to fulfilling position's responsibilities
 - ☐ Important stakeholders (contact/personal info)
 - ☐ Funding requirements (e.g. projected outcomes/deliverables, reporting dates & deliverables)
2. **Interim management options**
when faced w/ executive transition
3. **List of potential internal candidates**
for "temporary short-term acting" positions

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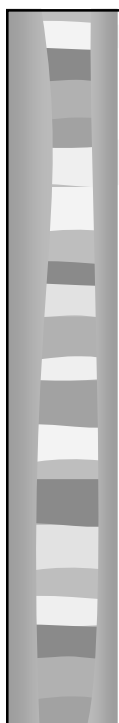


SUCCESSION PLAN ELEMENTS cont.

4. **Cross-training system**
 - ☐ Gives potential “acting” candidates and opportunity for leadership experiences
 - ☐ Source for sharing vital information
5. **Strategies for adjusting responsibilities**
when assigning duties for “acting” capacity
6. **List “acting” role compensation options**
7. **Communication Plan**
 - ☐ Retaining internal & external stakeholders
 - ☐ Informed throughout transition process

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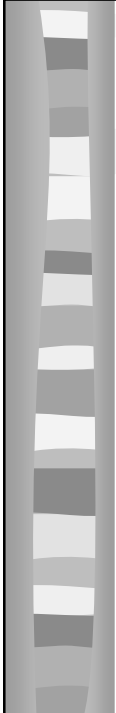


SUCCESSION PLAN ELEMENTS cont.

8. **Departure Plan**
 - ☐ Especially for executives/long timers
 - ☐ Plan ways of thanking/recognizing their legacy
9. **Plan to prepare for & implement search**
 - ☐ Options for who conducts the search process
 - ☐ Include Leadership Skill Assessment
10. **Prepare interim/search process budget**
11. **Create on-boarding new hire guidelines**

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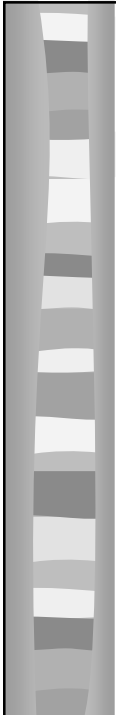
LEADERSHIP DEVELOPMENT

- ☐ Make it agency-wide
- ☐ Develop an organizational culture committed to leadership enhancement
 - ☐ Dedicate necessary resources
 - ☐ Tie to performance evaluations
- ☐ Conduct a skill set assessment process to establish baselines for each management position

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BOARD SUCCESSION PLANNING

Step #1: Assess

- ☐ Identify critical positions & highlight potential vacancies
- ☐ Select key competencies, skills & traits for continuity
- ☐ Focus development of individuals to meet future needs

Step #2: Evaluate

- ☐ Consider high potential volunteers already involved
- ☐ Select key competencies, skills & traits for future success
- ☐ Identify skill, competency and trait gaps
- ☐ Consider likelihood of recruiting qualified candidates

Step #3: Develop

- ☐ Capture knowledge of departing Board members
- ☐ Develop pool of talent to step into critical positions through targeted Board development strategies

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PLANNING GRIDS

Board Succession

| Position | Current Leader | Possible Successors | 2020 | 2021 |
|--------------|----------------|---------------------|------|------|
| Chair | | | | |
| Vice Chair | | | | |
| Secretary | | | | |
| Treasurer | | | | |
| Governance | | | | |
| Finance | | | | |
| Resource Dev | | | | |
| Other | | | | |

Leadership Devp.

| Competency | Self-Assessment | Gov Cttee Assessment | Notes |
|--------------------|-----------------|----------------------|-------|
| Leadership | | | |
| Initiative | | | |
| Judgment | | | |
| Strategic Thinking | | | |
| Planning | | | |
| Teamwork | | | |
| Commitment | | | |
| Subj Matter Expert | | | |

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Leadership Devp.

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SESSION 15: Strategic Visioning

9.13.19



Visioning

A process that supports a group of stakeholders in developing a shared vision of the future. It involves asking participants to appraise where they are now and where they can realistically expect to be in the future.

Presented by: **Rebecca Bennett**
Emerging Wisdom

CORE COMPONENTS

| | |
|---|--|
| CURRENT STATE ANALYSIS <ul style="list-style-type: none"> Strengths Weaknesses Opportunities Threats | FUTURE LANDSCAPE FORECAST <ul style="list-style-type: none"> Trends Disruptive changes Organizational preparedness |
| IMAGE OF SUCCESS <ul style="list-style-type: none"> Desired impacts Core organizational attributes | STRATEGIC PRIORITIES <ul style="list-style-type: none"> Areas of organizational focus, action and investment that advance the vision |

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STARTING WITH THE PRESENT

Four reasons for analyzing the current state:

The current state is the first input in planning for an agency's future. It provides a shared frame of reference for visioning and decision-making

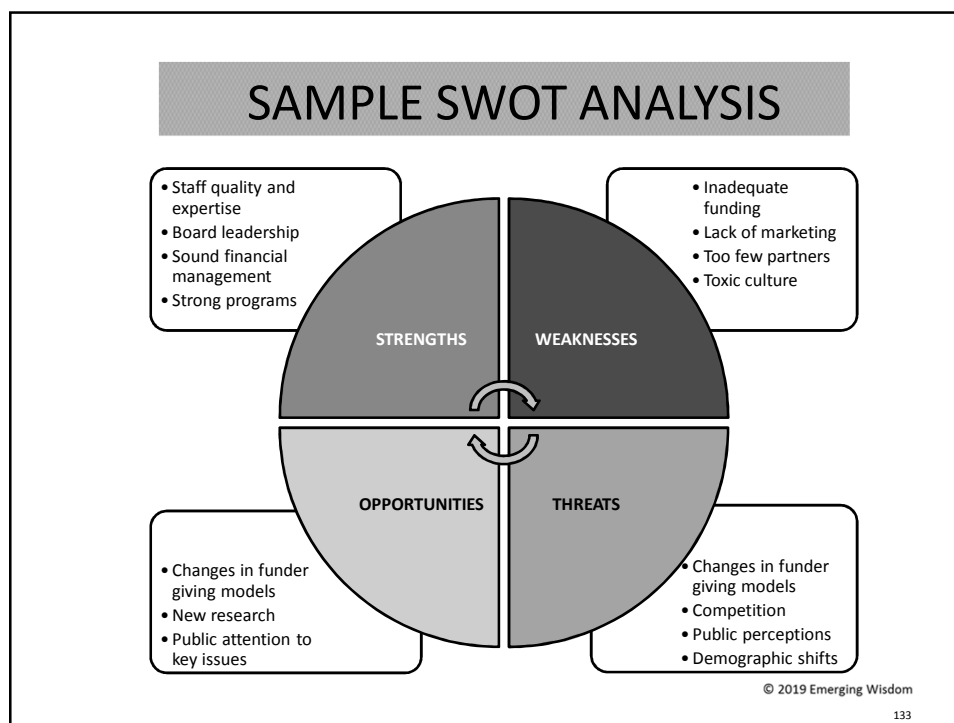
It creates a common understanding of agency conditions, capabilities, vulnerabilities, and opportunities

It identifies and prioritizes areas that need to be improved and / or invested in to reach agency goals

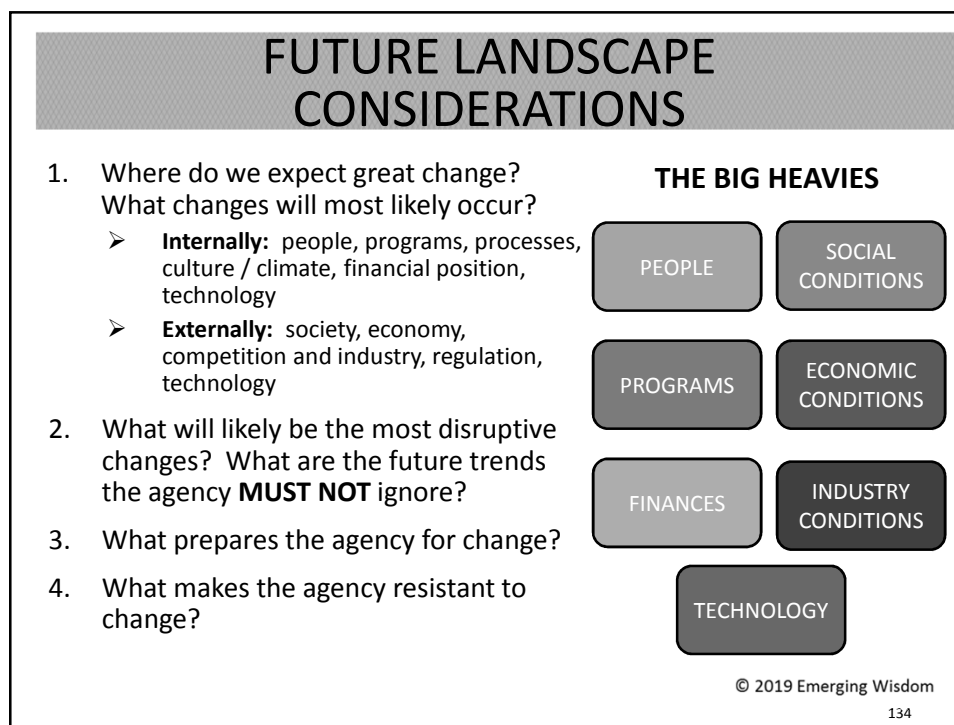
It establishes for stakeholders why change is needed and the logic behind future agency actions

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SAMPLE FUTURE LANDSCAPE

What are Our Greatest & Most Disruptive Changes?

- **People**
 - Heightened focus on diversity, inclusion and equity
 - Intensifying demand for digital literacy and competency
 - Increased workforce mobility, especially among younger employees
 - Growth of gig economy i.e. contracted labor force
- **Competition**
 - More non-profit start-ups and social enterprises
 - Evolving program models to address client needs
- **Money**
 - New United Way funding model
 - Increased funder emphasis on impact and collaboration
 - Reductions in corporate funding and growth in donor reliance
- **Community / Clients**
 - Aging population / client base
 - Continuing fragmentation and lack of collaboration between sectors

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SAMPLE FUTURE LANDSCAPE

What Prepares Us For Change?

- **People:** Application of a racial equity lens to decision-making and work; professional development program for agency employees
- **Competition:** New program model development underway; metrics for performance and outcomes assessment in place
- **Money:** Growing donor base, strong collaborations that reduce expenses and increase impact
- **Community / Clients:** Expanded senior services programs; digital outreach and platforms to attract younger clients

What Makes Us Resistant To Change?

- **People:** Insufficient staff capacity, poor internal communication
- **Competition:** Unwillingness to adapt / challenge the status quo, limited investment in technology
- **Money:** Overreliance on corporate and public funding
- **Community / Clients:** Limited community involvement in work and decision-making

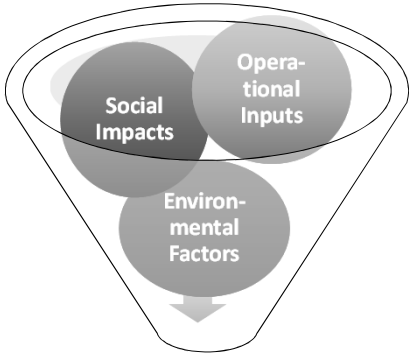
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VISION OF SUCCESS

Helps agency discern who it wants to be in its anticipated future. Emerges in response to mission mandate, current state analysis, and future landscape trends.

- Orients planning efforts
- Describes what reality would be like if your mission were being accomplished in optimal ways
- Provides a big picture that is both aspirational and practical
- Evolves in response to environment



Comprehensive Vision

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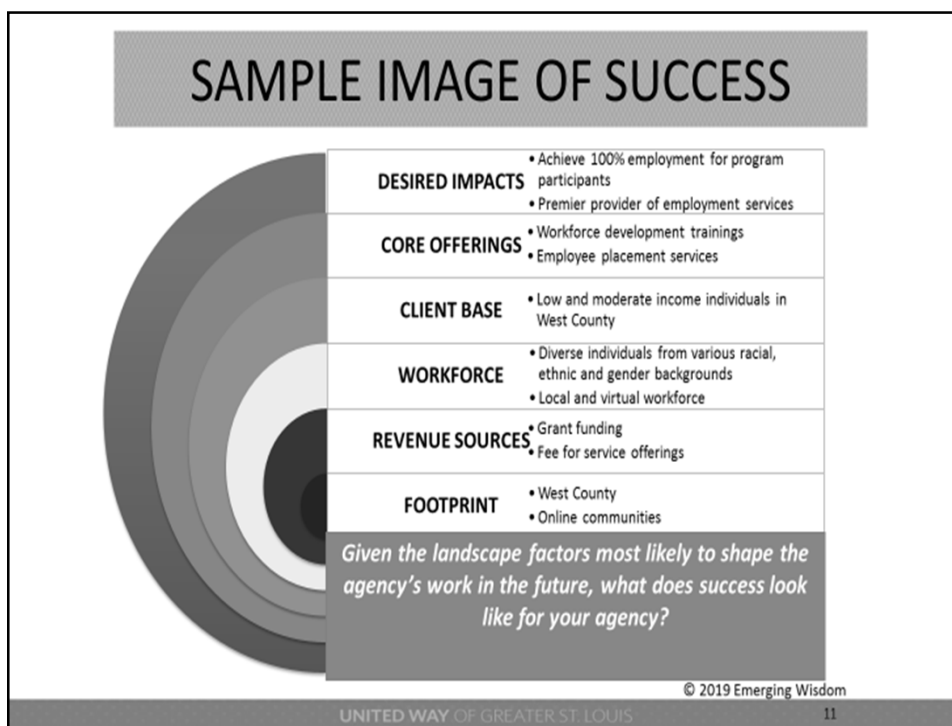
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KEY COMPONENTS

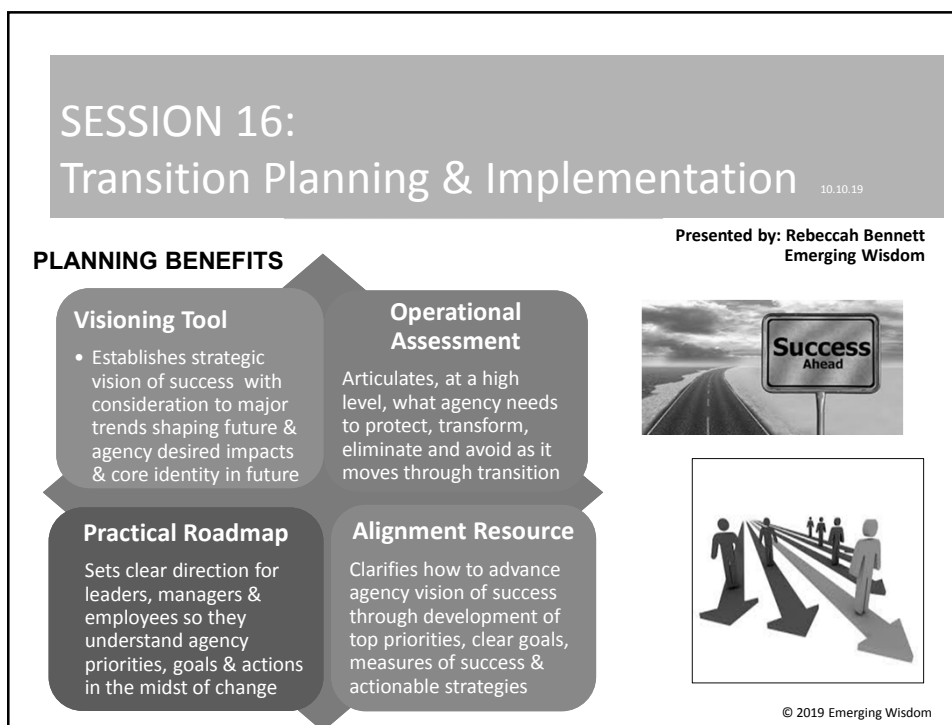
| | |
|---------------------------|---|
| DESIRED SOCIAL IMPACTS | What positive outcomes will occur for the agency's community / clients as a result of its work? |
| CORE OFFERINGS / SERVICES | What programs and services will the agency provide? What "Best in class" offerings will distinguish it from others? |
| CLIENT BASE | Who the agency will serve through its programs and services? |
| WORKFORCE | Who will execute the agency's programs and services? Who will be its employees and team members? |
| REVENUE SOURCES | How will the agency make money to support its programs / services and sustain its mission? |
| FOOTPRINT | Where will the agency offer its services? In what geographic and electronic spaces will it operate? |

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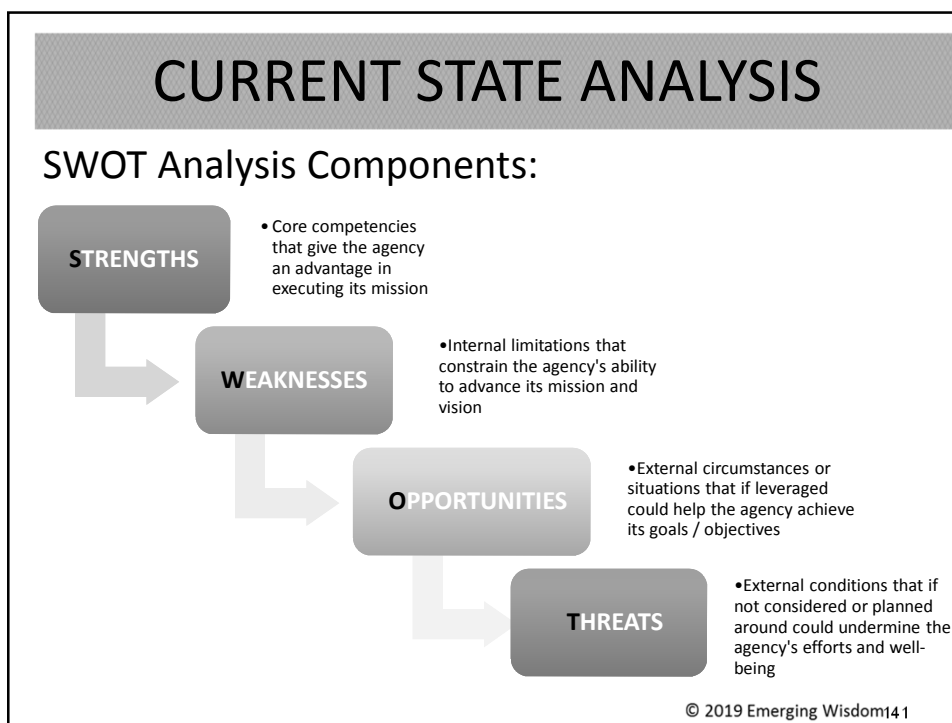
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GETTING TO THE FUTURE

Strategic Priorities: Answers the question “On what **MUST** an agency focus to advance its vision of success in the future landscape it anticipates?”

FUTURE

- Focus transition planning efforts
- Arise from SWOT analysis, future landscape assessment & vision of success - bridging between agency's current and future state
- Articulate high-level priorities for agency to invest in & take action on
- Frame organizational goals, objectives & strategies

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SAMPLE PRIORITY ANALYSIS

| What Are Key Drivers of Future Success? | Rationale – Why Is This Strategic & Not Just Urgent? | What Do We Intend To Achieve By Focusing Here? | What Will Happen If We Do Nothing? |
|---|---|--|--|
| Staff Engagement & Support | <ul style="list-style-type: none"> Agency is only as strong as its staff Staff satisfaction and engagement determine program delivery and quality Staff need development, support and resources to advance client outcomes | <ul style="list-style-type: none"> Heighten staff productivity and performance Create a culture of collaboration that advances learning and connection | <ul style="list-style-type: none"> Inability to attract and retain employees More staff stress / disengagement Weakened client services |
| Branding & Marketing | <ul style="list-style-type: none"> Visibility and reputation impact agency's base of support Reputation influences funding, client referrals and organizational partnerships | <ul style="list-style-type: none"> Increase visibility and influence among target audiences Market agency consistently across all programs and platforms | <ul style="list-style-type: none"> Inability to differentiate agency from competitors Diminished base of support Difficulty recruiting |

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OPERATIONAL TRANSFORMATIONS

- Consider how agency will have to both stabilize and transform its operations to advance its priorities in the midst of transition
- Focus on what agency will need to protect, modify, eliminate and avoid in light of its priorities & goals
- Invite agency to be proactive, rather than reactive, during periods of great change



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TRANSFORMATION MATRIX

- For each strategic priority, agency develops a transformation matrix:

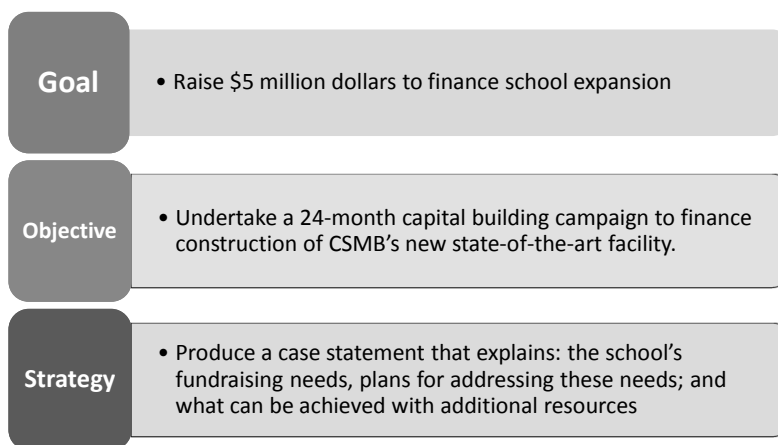


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SAMPLE Goal, Objective & Strategy



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STRATEGY CONSIDERATIONS

Focus on actions providing greatest return for effort expended.

- Impact: return on investment
- Effort: resources (time, money, labor) required for implementation
- Action Matrix:
 - High Impact / Low Effort:
Optimal return with minimal effort – Quick Wins
 - High Impact / High Effort:
return with major effort – Major Projects
 - Low Impact / Low Effort:
return with minimal effort – Fill Ins
 - Low Impact / High Effort: Thankless tasks



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Member Agency Strategic Transition Planning Series

Please contact Julie Simon at
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 with questions, comments or concerns

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