

In Their Own Words

Lessons Learned in Achieving Financial Vibrancy by Ontario's Community-Based Employment and Training Agencies

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Thanks to the Project Sponsors



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Project Background

The Paths to Financial Vibrancy Project was led by the Ontario Network of Employment Skills Training Projects (ONESTEP) in collaboration with the Ontario Association of Youth Employment Centres (OAYEC) and A Commitment to Training and Employment for Women (ACTEW).

This first phase of the project was funded by the Ontario Trillium Foundation. Additional support was received by the Ministry of Training, Colleges and Universities. We are grateful for their generous support.

Through the summer and fall of 2006, ONESTEP consulted with over sixty agencies in Ontario's non-profit employment and training sector. We asked leaders of these agencies to submit their experiences through a "Lessons Learned Sharing Guide" that was available electronically through email or via an online forum. Over 200 community-based training, employment and literacy agencies across the province were invited to participate. We then brought leaders together for a day and a half Think Tank Forum in Toronto to learn more about effective practices within the sector. Our goal was to pool our sector's collective experience, knowledge and insight – our "collective wisdom" – of lessons learned on how to become financially vibrant.

The findings from the information gathering process were compiled into this Compendium Report. Additionally, we created an interactive website using new web 2.0 technologies. www.FinancialVibrancy.org was designed to be a hub of peer-to-peer learning on financial vibrancy. We will use this website as a foundation to continue to engage with the sector and develop peer-to-peer learning opportunities.

We worked with an Advisory Committee that consisted of outstanding Executive Directors from small, medium and large agencies from across the province. We consulted with expert resource people, including Marilyn Struthers, Jane Zhang of the Partnership Platform, and others. We also worked with evaluation consultants Janet Murray and Mary Ferguson of Eko Nomos.

Dr. Adam Lodzinski researched and wrote the content for the Lessons Learned Compendium Report. The overall project was managed by Shelley Smith of ONESTEP. Strategic leadership was provided by Bernadette Beaupré of ONESTEP, Matt Wood of OAYEC, and Jen Liptrot of ACTEW.

In the end, we produced the first ever account of financial vibrancy in practice in Ontario's community-based training agencies. We plan to continue to build upon this important body of work and keep the sector collaborating and learning from one another.

We are grateful to all the agencies in Ontario and their visionary leaders who recognized the importance of the peer-to-peer learning model and shared invaluable insights, experiences, resources and success stories.

Advisory Committee

Thanks to our Advisory Committee for their invaluable contribution to this project.

Bernadette Beaupre, Executive Director

ONESTEP

Website: www.onestep.on.ca

Jen Liptrot, Executive Director

ACTEW

Website: www.actew.org

Matt Wood, Executive Director

OAYEC

Website: www.oayec.org

Stephen Cordes, Executive Director

Youth Opportunities Unlimited

Website: www.you.on.ca

Nella Iasci, Executive Director

Job Skills

Website: www.jobskills.org

Sherri Simzer, Executive Director

Employment & Education Centre

Website: www.eecentre.com

Michael Harris, Executive Director

Kingston Employment & Youth Services

Website: www.keys.ca

Lorraine Boland, Executive Director

YES Employment Services (Thunder Bay)

Website: www.yesjobsnow.com

Anca Sultana, Director, Sector Programme et Services

Centre des services Communautaires de Vanier - Vanier Community Service Centre

Website: www.cscvanier.com

Ted Palmer, Executive Director

Business Education Council of Niagara

Website: www.becon.org

Cathy Harrington, Director, Employment Development Services

Lutherwood Youth Employment Centre

Website: www.lutherwood.ca

Defining Financial Vibrancy

The Paths to Financial Vibrancy Project is inspired by the research of Marilyn Struthers of the Ontario Trillium Foundation who coined the term financial vibrancy, and defined it as:

“... the capacity of an organization to make the transition from one sustainable moment to the next. It is a set of capacities that create a ‘lens’ or a way of thinking about their work that enables these organizations to manoeuvre through instability in an opportunistic and optimistic way. In a rapidly changing economic environment, the goal may not be to achieve stability, but to build the fluidity to change organizational shape, build alliances and take up the opportunities of the moment. (Struthers, 2005)”

In this research, Struthers sets out the six capacities that 60 highly financially successful Canadian nonprofits describe, when asked about their financial success in the current funding climate, as a part of a Voluntary Sector Initiative (VSI) study. These capacities are: building relationships & linking with others, financial literacy, reflection and planning, communication, the ability to envision and implement a sustainability model and nurturing participation.

Our goal was to pool our sector’s collective experience, knowledge and insight – our “collective wisdom” if you will – of lessons learned on how to become financially vibrant. The nine “paths” we have identified are standard organizational functions into which we have set our collective learning on how we are developing the six capacities of financial vibrancy in the day-to-day work of our organizations. This shift or “quarter-turn” in thinking on the functions of nonprofits will move our organizations forward in adapting to the changing funding environment we are working in.

Research shows that there is no single path – or route – to financial vibrancy. In other words, financial vibrancy is not about better fundraising (or any other single activity), it is about building organizations that attract investment and are attractive to funders of many types because of their focus on their work. Accordingly, we focus on the following nine inter-related paths:



About this Report

The insights found in this report are the actual experiences “in their own words” of over 60 community-based training agencies. The insights from the sector are divided into the nine inter-related paths and further sub-divided based on key issues within these paths.

The Governance Path

Board Recruitment, Development and Decision-making
Mission, Vision, Values and Goals

The Strategic Planning Path

The Program Innovation Path

Diversifying Revenue: Program Innovation and Social Enterprise
Proposal Writing

The Partnerships Path

Agency Partnerships
Community Partnerships

The Financial Management Path

Financial Monitoring and Management
Business Planning

The Program Evaluation Path

The Communications Path

Public Relations, Marketing and Branding
Government Relations

The Human Resources Management Path

Recruitment and Retention of Talented Staff
Fostering Professional Development
Leadership Capacity-Building

The Technology Path

Strategic Technology Planning
Project Planning and Implementation
Web-Based Services

For each of the nine inter-related paths, content is divided into the following sections:

- The Link to Financial Vibrancy
- Lessons Learned (Guiding Principles | Key Success Factors)
- Success Stories
- Food for Thought | Notes from the Field
- Recommended Resources

We recognize that to be financially vibrant means different things to different agencies and that determining what financial vibrancy means for a given agency is an essential first step. Accordingly, we developed a self-assessment tool to help readers gain a clear sense of the financial “shape” their organization is in along each of the nine paths. The self-assessment tool is available for download at www.financialvibrancy.org.

Once the self-assessment form is complete, and readers begin to explore the path(s), we remind them:

- Developing financial vibrancy is a holistic process: though each of these paths contributes in unique ways, they are inter-related and building capacity in any one path is likely to have positive impacts on others.
- Progress is always incremental.
- There are no one-size-fits all solutions. Reflection is necessary to envision a sustainable financial model for any agency, just as it is necessary for developing staffing or program models.
- In some cases, agencies may well benefit from outside advice. We advise them to consider a consultant if:
 - Their agency has not had a lot of experience developing the path(s) that they are interested in
 - there is a wide range of ideas and/or concerns among stakeholders around current issues that need to be addressed
 - no one internally has the experience or facilitation skills needed or the objectivity to advise the development of the path(s) identified
 - they need a “time out” to engage their organization in reflection.

This Report is the first phase in an ongoing plan to support the work of community-based training agencies. We are building a community of practice on financial vibrancy. Interested readers can find out more about how they can be involved by visiting the website at www.financialvibrancy.org

THE GOVERNANCE PATH

1. **The Link to Financial Vibrancy**
 2. **Board Recruitment, Development and Decision Making**
 3. **Mission, Vision, Values and Goals**
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1. *The Link to Financial Vibrancy*

Effective governance systems are essential to financial vibrancy. Financially vibrant Boards are able to reflect on the organization's work and generate new ways of working, new relationships and new sources of revenue to help meet the agency's mission. Financially vibrant Boards are also able to communicate well and can articulate the value the agency contributes to the community.

Food for Thought



Old-fashioned governance systems need to transform themselves from a static fiduciary-based model to a strong, team-based 'generative' model.

What is a 'generative' model? From the point of view of enhancing financial vibrancy, a generative model of governance/leadership is one that produces consistent excellence in operations and also a steady stream of new ideas for products/services. This includes a dedicated research and development function in all roles on the Board as well as among Managers and Staff.

Clarity about vision, mission, and goals are essential in changing times to avoid drifting off mission in the pursuit of revenue. This means being clear and steadfast in what you and your agency value most and what your goals and mandate are. It is all too easy to drift, and begin to chase revenue-generating ideas and opportunities that are a poor fit with what your organization stands for and what it does best.

2. *Board Recruitment, Development and Decision-Making*

✓ **Success Story: Partners in Employment, Stratford**

"We host a 2 day Annual Visioning Retreat for the Board members at "a very nice" location (which we get at not for profit rates). We choose a topic that we want to focus on for the next year and the Board sets goals around the topic (the staff then develops and

implements strategies to achieve the goals, which are reported back to the Board). The Board members have a chance to get to know one another better (developing trusting relationships). We have very long term committed Board members with the ability to dream. Our agency was started 12 years ago with a 16,000 budget and now has a \$750,000 budget.”

✓ **Success Story: Goodwill Industries, London**

“Over its sixty plus years (over 100 as a Goodwill movement and an early social enterprise), this Goodwill has continued to recruit Board members from a broad cross section of the community balancing business expertise with community perspective... seeking individuals who can assist moving the organization forward whether to accomplish strategic directions or to assist when a particular challenge is before us. The organization has a strong foundation and identity in the used goods collection and recycling business which in turn generates direct employment and training opportunities as well revenue for community services to meet expressed needs or to launch/test new Mission focused ventures.”

✓ **Success Story: Business Education Council of Niagara**

“The higher the profile and community leverage the Board has, the more the credibility of the organization is enhanced. The Business Education Council of Niagara recruits the highest level executives possible from business and education. The Board consists of Directors of Education, Vice Presidents from local Colleges and Universities, and senior business executives and entrepreneurs. We also look for people who are Board members of other major institutions and community organizations. This enables more productive partnerships since they carry the BEC message to other organizations and theirs to us. Having this level of representation makes it much easier to recruit new members.”

Lessons Learned on Board Recruitment, Development and Decision-making

a. Guiding Principles

- Key responsibilities of the Board are:
 - establishment and maintenance of the vision, mission and values of the organization.
 - legal responsibility for fiscal accountability
 - legal responsibility in terms of the agency’s compliance with legislation and policy
 - representation of the organization to the funders and to the public
 - monitoring costs, functions and activities in order to ensure that resources are managed effectively
 - approving overall planning and direction

- selecting the E.D.
- performance appraisal of the E.D.
- Board continuity and self-management.

<i>Notes from the Field</i>	<p>“We don’t necessarily want doctors and lawyers on our Board – we want visionaries.”</p> <p style="text-align: right;">Pathways Skill Development, London</p>
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- Many different models for effective Board decision-making exist. Reflect on what is working and not working in the structure and decision-making processes of your Board. Make sure your Board is working with the model most suited to them, and one that has the greatest potential to build organizational vibrancy.

Recommended Resources on Models of Board Decision Making

http://www.boardmatch.org/flash-splash.html	Boardmatch is a program developed by Altruvest Charitable Services. Its mission is to expand the talent pool, and enhance the governance skills of charitable sector Boards and senior leaders.
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http://www.boardsource.org/	BoardSource is a U.S. based non-profit organization that aims to increase the effectiveness of non-profit organizations by strengthening Boards of directors through consulting, publications, tools, and a membership program.
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http://www.carvergovernance.com/index.html	The Carver Model promotes policy governance as a means of governing non-profit organizations. These policies identify the many ways in which a not-for-profit organization needs to show accountability and provide a framework for the responsibilities of the Board.
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http://strategis.ic.gc.ca/epic/site/cilp-pdci.nsf/en/h_cl00020e.html	<u>Primer for Directors of Not-for-Profit Corporations (Rights, Duties and Practices)</u> . A good resource on governance for both staff and Board members - very clearly laid out with excellent definitions.
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<i>Notes from the Field</i>	<p>“Over the past years our Board has reviewed various governance styles. What has worked best for us is a flexible Board willing to help out in whatever style is appropriate at the time. In the beginning when we were smaller, it was useful to have the Board more involved in various activities that might be considered more operational. However this was always at the invitation of the Executive Director and not at the direction of the Board. With more maturity as an organization our Board has evolved into a more governance board however they are very active in areas appropriate to their position.”</p> <p style="text-align: right;">Victoria County Career Services Inc., Lindsay</p>
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- Leadership and vision at the Executive Director and Board level contribute to financial vibrancy. The ED has a central role and actively develops a Board that can contribute expertise that builds the organization’s profile in the broader community. ***Remember that there is a strong relationship between Board vision and organizational effectiveness.***
- Senior leadership of the organization and the Board need to be integrated in the planning. This helps to create a solid understanding and buy-in from this group and recognizes that the entire leadership of the organization is working together toward a shared mission.
- While there are many things that Board and senior management can work together on, it is equally important to make the distinction clear between what are Board functions and what are operational issues:
 - The role of your Board should NOT be to run your agency.
 - You have to ask yourself every time an issue comes up: is this issue an operational or a Board issue?
 - But things are not always that simple... it also depends on the maturity of the organization, the staff, etc. Therefore, it is important to match your Board roles and processes with your organization’s maturity and organizational type – and your sources of revenue.
- Effective Boards engage in reflection and self-evaluation of their effectiveness in such areas as their ability to:
 - envision a sustainability model for the agency
 - develop congruence between who sits on the board, the governance and financial model and the work the agency exists to do

- network and develop relationships with people and organizations who provide access to funds
- engage a broad range of stakeholders in thinking together about the work
- keep their eyes on the prize – of mission and values in the midst of a project-based funding environment.

b. Key Success Factors in Board Recruitment

- Have a good policy on the role of the nominating committee. These committee members have wisdom and tact; they are circumspect, persuasive, and know the membership of the organization.
- Recruit business and entrepreneurially oriented people on your Board, people who have expertise in specific areas that could strengthen the governance of the organization (finance, business development/government negotiations, strategic planning, HR management, labour, social services, social enterprises, and legislations), as well as stakeholders from the community you serve.
- Recruit based on the need of the organization: as an organization grows, matures and evolves the expertise and skills needed of the Board change. ***In thinking about financial vibrancy the question is: what kind of financial skills do we need access to at this point in our development?***
- Select individuals who are going to bring a diversity of perspectives that at times may challenge your thinking on issues. Not all Board members should think alike. Generally, diverse Boards lead to healthy governance.
- Be clear about what is expected of Board members – in terms of supporting the philosophy and mission of the organization as well as time commitment. ***Not everyone has to be a financial thinker, but everyone has to think financially.***
- Recruit Board members for expertise, energy, ideas and availability as well as their connections to government, media, community leaders, business, community agencies, funders, and other stakeholders.
- “Hire” your Board members as carefully as you would hire any candidate for a senior management position within your agency. Consider developing a hiring tool asking questions such as:
 - What are your personal goals and how would serving on our Board further your goals?
 - What skills and unique strengths do you bring to the Board team?
 - What are your thoughts on how we could strengthen our organisation’s place in the community?
 - How do you think about money?

- Make sure that Board members have the same values about the work and about resources as the agency does – skills are important, but values of Board members are as important as skills
- Recruit an outstanding Board Chair (with the right personality and skills to fit the Board’s goals). Some qualities of a good Chair are:
 - s/he must have the time to do the job – there are more time demands on the Chair than on any other Board member
 - s/he must be good at delegating – that is, not just be good at leading the team but also good at building it
 - s/he must be firm, know the rules of order, and able to deal effectively with disruptions and impasses
 - s/he must have the ability to be a strong and reliable support to the ED and to other Board Directors.

c. Key Success Factors in Board Decision-Making

- Spend time orienting incoming people on how decisions get made in the organization. Provide specific tools to help orient new members; for example, a fact sheet on programs and services, staff profiles, funding sources and amounts, number and kinds of clients served, the key strengths of the agency, and the challenges currently faced.
- Involve different staff in Board meetings when appropriate (e.g., perhaps on certain committees or special task forces) so the Board gets to know at least some of the frontline staff and the issues and challenges they face, and the staff understands more clearly how decisions are made at the Board level.
- Keep you Board informed of good news – not just bad news, otherwise it will take on a “bunker” mentality and be in constant “crisis mode.”

<i>Notes from the Field</i>	<p>“We strive to keep our Board members informed about our programs and services through monthly presentations. The Board members enjoy these and it helps them know what we do. The presentations are on various topics. We also profile Board members in our newsletter, as well as staff and invite them to our social lunches etc.”</p> <p style="text-align: right;">Victoria County Career Services Inc., Lindsay</p>
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- Don't over-commit the resources of the organization. The ED should set "task" boundaries... or risk being overloaded (e.g., if the Board wants a retreat, why shouldn't they organize it themselves – or at least help organize it?)
- Consider making it a routine procedure for the Board to consider the organization's mission and values in every major decision (e.g., financial, policy) it has to make.



Food for Thought

If you have a bigger Board, is everyone really engaged? Is it better to have a smaller Board of all fully-engaged people, or a bigger Board that may be more representative of the community, but in which not all are contributing?

Resources

http://www.boardsource.org/	BoardSource is a U.S. based non-profit organization that aims to increase the effectiveness of non-profit organizations by strengthening boards of directors through consulting, publications, tools, and a membership program.
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3. *Mission, Vision, Values and Goals*

✓ **Success Story: Brockville and Area YMCA**

“In our community, our YMCA has a long history. However, its history did not always include its mandate to be ‘open to all, regardless of circumstance’. In 2003, we engaged, for the first time, in Annual Giving campaigns. The purpose of this exercise was to engage the community at large in supporting our work, especially our work with those unable to pay full fees for our services and programs. With a small goal and a staff of one, our YMCA forged ahead and clung strongly to our values and mandate when developing our ‘Case for Support’. We are in our 4th year of Annual Giving Campaigns, and our success has been tremendous, not only in dollars, but in the community’s recognition of their YMCA as a worthy charitable organization. Our goal in 2003 was surpassed by 11%; our goal in our 2006 campaign was surpassed by 50.8%.”

✓ **Success Story: Ontario Association of Youth Employment Centres (OAYEC)**

“We are an Ontario-based charity umbrella group that runs two fee-for-service businesses. Although we had always confined our membership and activities to Ontario in the past, we quickly realized that the market for our services was Canada-wide. The Board considered that our Ontario-focus was not a critical part of our mission, and so very easily provided the leeway to pursue fee-for-service contracts across Canada. In this way clarifying our mission allowed us to overcome a potential barrier to financial vibrancy.”

Lessons Learned on Mission, Vision, Values and Goals

a. Guiding Principles


- A **vision statement** spells out goals at a high level and should coincide with the Board's goals for the organization. Simply put, the vision should state what the Board ultimately envisions the business to be, in terms of values, contributions to society, and the like; therefore, self-reflection by the Board is a vital activity if a meaningful vision is to be developed. As a Board, once you have defined your vision, you can begin to develop strategies for moving the organization toward that vision.
- The **mission statement** should clearly and succinctly represent your organization's purpose for existence. It should incorporate meaningful and measurable criteria addressing concepts such as the moral/ethical position of the enterprise, clients served, services, the geographic domain and expectations of growth.
- The mission of an organization is its justification for coming into existence; what inspired people to start up the organization in the first place. WHY? A mission statement is an expression of why the organization started. It combines the WHY with a WHAT. For example: *People employed and working in careers that are fulfilling is of benefit to the health of both the individual and of our community (Why). Our mission is to get people working in jobs that they love (What).*

b. Key Success Factors in Mission, Vision, Values and Goals

- Establish a strategic framework that consists of:
 - a vision for your future,
 - a mission that defines what you are doing,

- values that shape your actions,
 - goals and action plans to guide your daily, weekly and monthly actions.
- Develop links between your strategic plan, the goals of the organization, and the goals of teams and individuals, so that everyone within the organization can clearly and easily connect their work to the bigger picture.
 - Promote the values within the staff. Shared values, not just about service and work together, but also about money, are the strongest component of the culture of your organization – they also form a strong part of the recruitment model for any organization.

Food for Thought




The intent of the Mission Statement should be the first consideration for any employee who is evaluating a strategic decision.

The Mission Statement should have a grand scale, be socially meaningful and be measurable.

Your Mission Statement is a statement of purpose and function.

Food for Thought



When you begin the process of strategic planning, visioning comes first. When visioning the change, ask yourself, "What is our preferred future?"

<p><i>Notes from the Field</i></p>	<p>“Our mission/vision and values are front and centre. We celebrate the values. We talk about positive examples at every staff meeting. We stay fixated on mandate. We set critical indicators that enable us to measure mandate accomplishment.”</p> <p style="text-align: right;">Pathways Skill Development, London</p>
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<i>Notes from the Field</i>	<p>“In all of our sites we have our vision, mission and values publicly posted in a large format so that they remain at the forefront of our work. At the same time, as we are making decisions at a variety of levels we continually come back to what our values, mission and vision would say in terms of helping us to work through a situation.”</p> <p>Lutherwood, Waterloo</p>
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<i>Notes from the Field</i>	<p>“One very important value we try never to lose sight of at ATN is respect for ourselves and our clients. We are proud to say that we value each and every learner as an individual and believe that there is a job out there for anyone who wants it.</p> <p>We practice an “open door” policy for our clients, allowing them to return to us for months or years after initial intake, even when their formal involvement in our programs has ended. Over the past fifteen years this has resulted in a constantly increasing ATN “family” of clients who return when they need help, or just to share a success story. This approach is sometimes more time intensive, but extremely rewarding for both staff and clients.”</p> <p>ATN, London</p>
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THE STRATEGIC PLANNING PATH

1. The Link to Financial Vibrancy
 2. Lessons Learned on Strategic Planning
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1. *The Link to Financial Vibrancy*

In essence, strategic planning involves maximizing your agency's various strengths and capacities toward an agreed-upon goal by articulating the steps and timelines it will take to reach that goal. It is a means of maximizing the return on your agency's human, financial and other resources.

Strategic planning is a way of integrating all of the other paths to financial vibrancy in a way that is unique to your agency: *this builds synergy*.

In contrast to the ongoing and program-focused nature of day-to-day agency management, strategic planning is a "big picture" process that reflects on the future direction of the agency as a whole and DRIVES – as well as integrates - efforts in all other paths (e.g., financial management).

2. *Strategic Planning*



Food for Thought

Whereas leadership goes from top to bottom, strategic planning goes from bottom to top.

✓ **Success Story: Lutherwood, Waterloo**

“We recently went through a process of updating/refreshing our strategic plan, which was approximately five years old. As part of this process we developed three working groups – historical reference group (focused on core activities/defining moments in organization's history and factors that impacted directions), trends (what are the trends in our current environment and anticipated future trends that will impact our services) and reviewing the vision, mission and values. The working groups included representatives from front-line, management and Board. Following the development of the draft, reps from these groups visited all of the staff teams, shared their ideas, the draft plan and solicited feedback. This feedback went back to the working groups to incorporate.

Through involving all key stakeholders from the start and building a plan which incorporated their ideas, we were able to develop a strategic plan which staff, management and Board have not only adopted but embraced, with a full understanding of the context in which we operate.”

✓ **Success Story: Ontario Association of Youth Employment Centres (OAYEC), Toronto**

“Revenue diversification is an explicit element of our strategic plan. The plan does not specify how we will achieve this. Rather, that is left up to staff to do the operational and business planning and come up with recommendations. This has allowed us to pursue and prioritize different revenue streams without confining us to a single project or specific WAY of generating that funding.”

Lessons Learned on Strategic Planning

a. Guiding Points

- Strategic planning is multi-faceted; being reflective, present-oriented, future-oriented, as well as action-oriented all at the same time.
- Good strategic planning facilitates good governance, financial management, and program effectiveness.
- To feel a sense of pride and “ownership”, everyone (staff, management, Board) must feel they contributed to the plan and their voices are reflected in it. The strategic plan is the AGENCY’s plan (not just a Board, staff or management plan).
- Consultants may be a good resource but remember: consultants don’t drive the strategic planning process, you do. Typically, consultants conduct interviews with key informants, carry out focus groups and surveys and facilitate a one or two day strategic planning session. They may also write up the results of the session, reflecting the direction YOU set.
- The more you’re involved, the more the strategic plan is ‘owned’ by your organization. A strategic plan will lay out the organizational plan for the next several years. Don’t be ‘hands off’ in this process. If you use consultants give them a framework – this is who we are, this is where we want to go, and this is what we think we need to get there. The consultant can then help fill in the middle piece to determine how to get there

Food for Thought



Research on financial vibrancy shows that in financially vibrant organizations the understanding of who “everyone” was got much bigger.

Financially vibrant organizations think about planning not just with themselves (i.e., the standard group of inside players), but with a host of other players. In other words, they are able to think in very broad terms about who their stakeholders are.

One of the things this means is: if you work with the same stakeholders all the time, you likely have access to the usual pots of resources. It is only when you discover how to find common ground with new partners – i.e., new stakeholders – that you are likely to uncover unusual (and new) sources of revenue.

b. Tasks/Steps to Developing a Strategic Plan

1. **Strike a Strategic Planning Committee.** Review relevant documentation and conduct initial interviews with the E.D. and Board chair. Plan for strategic planning: who will be involved, who will actually be responsible for it, the time requirements, whether or not to hire a consultant
2. **Conduct interviews, focus groups and surveys with a broader base of stakeholders.** Stakeholders may include Board members, managers and staff; representatives of funding agencies; representatives of umbrella groups, representatives of partner as well as competing agencies, and clients. Interviews, focus groups and surveys can shed light on:
 - Current and projected demand for service, gaps in services, future growth
 - Expected changes in government policy, information on competitors market share
 - Needs assessment of stakeholders to gauge public opinion and identify future needs
 - New or unusual sources of revenue or resources.
3. **Critical to the strategic planning process is an organizational review: What are your agency’s strengths, weaknesses, opportunities and threats (SWOT).** SWOT analyses or some variation are important to get as much input as possible so that realistic and flexible plans can be formed both short and long term.
4. **Conduct one or more strategic planning sessions.** Use the SWOT results as background information for the Strategic Planning Session(s) along with any

other background material. Typically the session will be one to two days in duration (the timing of the session could be two consecutive days or spaced apart by a week or two) and is central to arriving at a vision that identifies priorities and strategies that confirm the agency's mission and values, future direction, and builds revenues for sustainability. ***Avoid having too many people in the session, though it should include agency Board members, the ED, senior managers, staff representatives, as well as (possibly) partners and other stakeholders.***

Among the questions to address are:

- What is our organization's mission?
- What are our key values?
- Who are our clients? (Key question: what are the characteristics and needs profiles of the clients we serve?)
- Who else in our community might share our interest?
- How well are we meeting the needs of our clients? Where could we do better?
- Where are our growth areas?
- Who else in the community has the capacities we want to grow in our organization?
- From a marketing perspective, what are our unique strengths?
- Is there a need or demand for these qualities?
- How can we develop these strengths – or other required strengths - further?
- How can we market them?
- Do we want to grow, or is our aim fostering sustainability and financial stability?
- If we want to grow, how and in what way should we grow?
- How and by when should we meet our growth targets? (Key question: how can we incorporate program evaluation/monitoring to help us grow and ensure we are meeting the needs of the clients we serve?)



Food for Thought

Program evaluation can be integrated into strategic planning in a number of ways. For example, program evaluation can shed light on how well an organization responds to challenge; how quickly it can solve a problem; how well its various program components work, and how well its team works as a whole. One could also evaluate how well the organization's financial model fits with the current environment and with its work.

5. **Draft strategic plan.** These sessions will result in a rough strategic plan including agreed upon vision, mission, and values of the organization, strategic directions and skeletal action plans associated with each strategic direction.
6. **Develop a finalized strategic plan.** The document should include a work plan with overall schedule, time lines for implementation, resources required, persons responsible, performance measures, and measurable objectives. It should also include a business/resourcing plan to accompany each of the strategic directions identified in the strategic plan.

Recommended Resources


<p>http://www.managementhelp.org/plan_dec/str_plan/str_plan.htm</p>	<p>From the Free Management Library, an on-line service which provides free and easy-to-access resources regarding the leadership and management for the non-profit sector. This document is a well-written guide to strategic planning for non-profits that has a very detailed section on SWOT analysis.</p>
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c. Key Success Factors in Strategic Planning

<p><i>Notes from the Field</i></p>	<p>“Sharing our feeling of successfully achieving goals set the previous year is a great boost for Board and staff and volunteers. We developed a blueprint 20 years ago for the direction of the Agency as our vision. It was in the form of a schematic. We always take a look at it as a benchmark of how far we have come and congratulate ourselves on our achievements.”</p> <p style="text-align: right;">Niagara West Employment & Learning Resource Centres, Beamsville</p>
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- Keep the plan simple, achievable and easily understood by others. Focus on the things you do really well. Set realistic timelines and revisit your plan annually. The Strategic Plan must be dynamic and be able to evolve over a period of time. The plan must be able to accommodate change and contingencies.
- If it is your agency’s first time doing a strategic plan, consider it a learning process. For instance, after the first time using a consultant, many agencies find they can do their strategic plan themselves or with minimal external assistance.
- Make sure mechanisms are in place to ensure the plan is implemented and the implementation and outcomes are monitored.

- Do a formal review of your success in meeting objectives at the end of the year. This becomes your starting point for next year’s plan. There may be objectives that are not yet completed but need to carry over to be fully met.
- Include meeting objectives as part of ED, managers and staff performance reviews. Everyone should fully understand their role in enabling the organization meet the goals of the Strategic Plan. This gives ownership in both establishing the goals and accomplishing them.
- Avoid a long drawn out strategic planning process that goes on for a year or longer. This can become frustrating because there isn’t enough momentum in the process to feel like anyone has completed anything.

	<h3>Food for Thought</h3>
<p>Often agencies become too reliant on a strategic plan. It is important to set clear intentions and to have an idea of where you want to go, but don’t get too tied to the results. There are too many things that we have no control over. <i>Only try to control what you can control and do that well.</i></p>	

- If not already incorporated into your strategic plan, develop a work plan with overall schedule, timelines for implementation, resources required, persons responsible, performance measures, and measurable objectives. This will ensure that there is a direct link between strategic plan, operational plan and goals of staff.
- Develop a tool that will allow you to keep your strategic plan present in all decisions rather than filed away.

<p><i>Notes from the Field</i></p>	<p>“Our strategic plan is on a placemat, which we have available at staff, senior management and board meetings, particularly as we are working through challenging situations. It helps us to evaluate activities/decisions within the context of our plan.”</p>
<p>Lutherwood, Waterloo</p>	

THE PROGRAM INNOVATION PATH

- 1) **Link to Financial Vibrancy**
 - 2) **Revenue Diversification: Program Innovation and Social Enterprise**
 - 3) **Proposal Writing**
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1. *The Link to Financial Vibrancy*

Financial vibrancy is about creating a strong and sustainable link between an agency's program model and their financial model. It is essentially creating congruence between the two in both value and function and this at the core of innovation in organizations.

Financially vibrant organizations ask not how can we sustain our work, but what is the work we can sustain? This quarter-turn in thinking brings a pragmatic and innovative approach to financing that is not about proposal writing, but about access to more and different ways of financing.

If an organization believes that it is always one proposal away from sustainability it may run the risk of focusing only on better proposal writing, instead of thinking through the financial model that will be a unique fit to their work.

2. *Revenue Diversification: Program Innovation and Social Enterprise*

✓ **Success Story: Employment and Education Centre, Brockville**

“We have always kept our mandate as employment related. We continue to look for ways to deliver value added service. In 1996 we realized folks out of work have financial problems. We initiated our credit-counselling program. We are able to do debt management plans (we negotiate a payment plan with all creditors...most times eliminating interest owed and we manage the payment for the client) assist with bankruptcy if required and do general awareness workshops. The creditor makes a percentage of repayment a donation to our agency.”

✓ **Success Story: YMCA Employment Services, Sudbury**

“A few years ago it was identified that a group of low income senior citizens wanted to stay in their homes as long as possible but could not afford the basic maintenance of their yard in the summer and snow shoveling in winter. Working with the manager of employment programs for the municipality we implemented a Community Helpers Program. The municipality paid for a crew foreman and the expenses for the program.

Ontario Works participants volunteered through the Community Placement Program to help the seniors. It was a win-win situation for all involved.”

✓ **Success Story: Pathways Skill Development and Placement Centre, London**

“We have created three unique training programs in the following areas: Light Industrial, Property Maintenance and Construction Technologies. Each of these programs was developed in conjunction with employers to ensure that the curriculum met the demands of the industry. Each program combines theory with hands-on practical experience. The programs have been highly successful with more than 85% of graduates finding and maintaining employment.”

✓ **Success Story: NCDS Career Works, Fort Frances**

“Northern Career Development Services in Fort Frances recognized the need for a grief counselling service in their community. Having an employment counsellor on staff that was certified to provide it, the agency approached organizations such as local school boards and neighbouring Aboriginal Band Administration offices to ask if there would be interest in the service. Encouraged by the positive response, the agency was able to diversify its services and revenue with the addition of this badly needed community service.”

“NCDS Career Works developed the *Aboriginal Youth in Construction Skilled Trades* program targeting ten First Nation Communities. Aboriginal youth are faced with the highest levels of poverty, unemployment, low education levels and lack of access to services and training. With this in mind NCDS is actively marketing to local First Nation communities through forums to encourage first Nation youth to become involved in Skilled Trades (particularly in the area of construction which has been identified by the Aboriginal Human Resource Development Strategy as a preferred area by aboriginal people). Construction trades are employment areas that provide more opportunities for youth to stay and work in their own communities.

This program development initiative is multifunctional. It will increase our own intake numbers and improve our Skilled Trades workshop numbers and outcomes, while addressing a known shortfall in the labour market. It will also allow NCDS Career Works to better partner with First Nations and become part of the solution to some of the problems that exist for young aboriginals and finally allow NCDS Career Works to have a clearer and improved profile in the Rainy River District.”

✓ **Success Story: Preparatory Training Programs of Toronto**

“Preparatory Training Programs of Toronto (PTP) has become a leader in literacy and employment programming. Over the course of fifteen years it has developed a wide range of resource materials including assessment tools and learner handbooks for enhancing workplace literacy that continue to provide a solid income stream for the agency. Further, PTP has developed a niche for itself within the employment services market: positioning itself as an agency with special expertise in helping people with literacy needs find work. PTP developed a successful model of working with employers and has enjoyed steady rises in funding as funders recognized their unique contribution to the range of employment services available in Toronto.”

✓ **Success Story: Goodwill Industries, London**

“Serving over 5800 individuals in South Central Ontario in registered services, with a close to 200-person workforce including 30% with employment barriers or challenges, we continue to review and revise existing services in response to changing needs and the marketplace while pursuing new directions. We operate eight retail stores, two Career Centres and a temporary staffing service, have several partnership programs at other locations and have a budget of \$7 million. This Goodwill regularly engages in Strategic Planning and has strong program, sales and budget monitoring capabilities. At times, our employment and training activities have helped to support our retail arm and vice versa over our history allowing for this resilience and longevity.”

✓ **Success Story: Youth Opportunities Unlimited (YOU), London**

“Our agency developed its first social enterprise at a time when it was winding down its involvement in a large job placement program and handing delivery of that program to a local partner. The agency recognized that it was losing direct access to local businesses and losing control over how its clients were gaining access to the labour market. The challenge facing the agency was to develop a service for business that would allow its clientele to participate directly and gain employment through some of the networking with business customers. The organization created a recycling service targeted to small business and implemented primarily by youth. Through working in the business, the clients gain a hands-on work experience at industry standards and develop networking, sales and other "soft skills". The program has leveraged increased awareness and support for the agency through the business customers and new partners as well as increasing earned revenues for the agency.”

✓ **Success Story: Business Education Council of Niagara**

“Innovation must become part of the culture of the organization. For example a BEC staff member came up with our slogan “Innovation is Our Motivation”. We recently formalized our pursuit of innovation by forming an R&D Committee consisting of a volunteer staff member from all program areas and one manager. The committee encourages submission of new program ideas from staff and has developed criteria that they apply to see if the concept is worth pursuing. The submission has to be researched by the staff member or members before submission. If the committee considers the idea feasible they then help the staff member to put together a short proposal to go to the Executive Director. If it is still appears to be feasible the staff member, the program manager and resource staff (usually finance) are asked to put together a full business plan.”

Lessons Learned Diversifying Revenue: Innovative Program Development and Social Enterprise

a. Guiding Principles

- Because most CBET agencies deliver programs and services, program innovation and business development go hand in hand. The more innovative the program, the more likely it will be funded.
- At the heart of program innovation is a good idea. The idea can be big or little, bold or modest, but above all it must be a viable solution to a real need. Arriving at creative solutions to program development and delivery should tangibly benefit both clients and agency.

b. Key Success Factors in Innovative Program Development

- Think of your program innovation as a business proposal. Develop a comprehensive business plan for any new program or social enterprise. Pay particular attention to client, revenue and service projections.
- Set up an evaluation framework that is reviewed with Management and/or the Board so that as you go through a first time delivery you can adjust and have your own lessons documented for next year.
- Listen to the people who use your services. Their experiences on what helps and what doesn't, and what has transformed their lives will provide valuable clues to what new programming you might develop.

- Identify the cultural changes that will be needed within your agency to be successful in social enterprise. A social enterprise model will bring more emphasis on private sector metrics and accountability. Is your agency ready to embrace that without being at odds with its traditional values?

<i>Notes from the Field</i>	<p>“Creativity and play go hand in hand... our best board meetings are those when there is a lot of laughter. Creative ideas can seem silly at first, but this is often just the first step to something exciting.”</p> <p style="text-align: right;">KEYS, Kingston</p>
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- Spend time identifying the assets that your organization has vis-à-vis the social enterprise you are undertaking – include physical assets as well as knowledge based assets.
- Foster an environment where people can always come forward with new ideas or to brainstorm ideas. Some of the best ideas come from people who are involved in frontline work. Invite new ideas from management, staff, the Board, your clients and others who share common interest with your organization.
- Recognize successes *as well as* failures. It is easy to get excited when a new idea catches on. However, don’t lose sight of all of the ideas that may not have caught on. It might not mean that it was not a good idea. It might have been an issue of timing. What is important is to keep the ideas coming forward.
- Seek opportunities to take your program knowledge and apply it to different groups and with different funders. Existing programs that work well for one group of clients might also work well for others.

<i>Notes from the Field</i>	<p>“We often start with concept papers and distribute draft ideas before we invest a lot of time into program development. It provides a good option to explore interest without taxing resources.”</p> <p style="text-align: right;">Lutherwood, Waterloo</p>
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- Involve funders in ongoing discussions around needs identified. Most funders really only learn what is needed from their applicants. Seek funders who are

willing to look at what may be possible and to work collaboratively with you to address the needs you have identified.

- Be willing to take calculated risks, but be careful not to overextend in terms of management, staffing etc. Know your risk tolerance and what you have the capacity to deliver on. Determine how much time, money and effort you are willing to put into a particular program innovation and have an exit plan.
- If you do decide to seek out a partner, look for ways to build upon the strengths of partners in program development. Building capacity in your organization by working with a partner who already has different strengths adds credibility to a proposed program and capitalizes on opportunity.
- Don't create a social enterprise solely to make revenue – identify clearer goals for the enterprise that are based on your mission, vision and values.
- Don't let the voice of 'nay-sayers' on your team dominate or quash your vision (but at the same time be open to constructive criticism).
- While social enterprises are run based on a business model, don't assume that they can be run strictly like a traditional business. It is also important to recognize that they continue to fulfill a training need for clients.

c. Tips on Organizational Groundwork for Program Innovation

- The ED must be prepared to be a strong leader to act in a timely fashion, to be opportunistic, to consult Board and staff, and to motivate the team through uncertainty.
- Ensure staff that are (or will be) delivering the program are part of the planning process.
- Make sure that you have a change management plan in place. A communication plan is a critical component of it.
- Review with your existing staff their qualifications beyond the necessary requirements for the job within your organization. Identify if there is a service or program that could be developed from your employees' qualifications and whether they are willing to undertake new responsibilities. This allows you to utilize existing staff, resources and credentials and therefore is at minimum cost to the organization.
- Foster a workplace where everyone is always looking for opportunities to ensure you are always serving your community the best that you can.

- Seek talent from outside your usual circles – which could mean people who have never worked in a non-profit environment.

d. *Tips on Program Integration at the Agency and Community Level*

- An important aspect of program development involves integrating programs in order to leverage existing capacity and resources to develop new programs, or more often, modify existing programs to better suit client and community needs. This involves *physical integration*, *program integration* and *community integration*.
- Integration leverages capacity within programs, allowing for specialization, increased access and the ability to better tailor programs to specific needs and circumstances. In short, integration leads to cost efficiencies, allowing service providers to do more with less.
- **Physical integration:** When modifying existing programs, or designing new initiatives, physical integration makes it easy to combine the expertise of a variety of program staff, each with their own areas of expertise and perspectives.
- **Program integration:** Streamline referral and intake procedures, increase accessibility, dovetail curriculum and allow participants to move seamlessly between interventions.
- **Community integration:** This involves developing partnerships with a diverse range of local stakeholders, and becoming involved in a variety of activities and issues. This networking and partnership building is very seldom funded, but is very important to program development. These networks allow agencies to learn from partners and better understand the inter-related array of challenges faced by disadvantaged communities.

Food for Thought



In the process of integrating programs, it is crucial to be aware of the capacity of staff and resources to handle increased and diverse responsibilities. There is a point where the efficiencies and effectiveness of program integration is nullified by over-extension of resources and the overwhelming of staff. A commitment to ongoing monitoring and program evaluation is necessary, and it is also important to encourage and respond to staff input and have them directly involved in program design. ***The primary driver of program design must be quality and impact of programs, not cost savings.***

3. Proposal Writing

Lessons Learned on Proposal Writing

a. Guiding Principles

- At the heart of program innovation, and therefore any successful proposal, is your idea – as mentioned earlier, the idea can be big or little, bold or modest, but above all it must be a viable solution to a real need. The attractiveness of the core idea conveyed in the proposal is key to its success.
- Be sure to reflect on and articulate in the proposal what the ***value*** is of the proposed program for specific groups of stakeholders (e.g. clients, agency, partners, community), including the funder. What are the aspects of your approach that will make it of special benefit to stakeholders? Show why your agency is the best group to deliver the program, who you will work with to add to your capacity and highlight your past successes.
- In addition to competitive bids (or calls for proposals), seek out the hidden pots of money. Consider pitching funders an idea, even if there isn't a call for proposals. It can pay to be proactive. If you have a good idea, do prospect research to find funders where your idea solution would resonate. Meet with the prospective funders to 'pitch' the idea. Know what they are looking for, what their mandate is and use their language.



Food for Thought

A funding transaction is a relationship. Funders have needs too. It is only through conversation about what is planned and how agency and funder might seize the opportunity can the proposal writer actually get the right details in.

b. Key Success Factors in Proposal Writing

- Besides adequately addressing the terms of reference, and clearly articulating the proposed program's unique features, be sure to address such questions as:
 - What is the need that the proposed program is meeting? What is the evidence of that need?
 - How does your program address this need?
 - What evidence is there that your solution is viable?
 - In what ways will stakeholders benefit from this program?
 - Are there any additional benefits that may result from the proposed program?
 - What is your agency's track record and current mandate vis-à-vis your proposed program?
 - What are or will be the qualifications and experience of staff delivering the program?
- Instead of simply appending resumes of the staff team, consider taking the time to write a two or three sentence summary of how each person's background qualifications and experience relate to the functions that they would carry out in the proposed program.
- Other key questions that likely need to be answered include:
 - What will be the capacity of the program? How many clients will it serve? Over what period? Are there performance targets set?
 - How will the program be evaluated?

- What is the potential for cost-recovery in the program itself? Can the program eventually fund itself? At what point?
 - Why do other organizations think your agency would be the best one to lead this work?
 - What are the benefits that other organizations in your sector will derive from your work?
 - Why is this proposal worthy of funding (and by implication *more* worthy of funding than its competitors?)
- Familiarize yourself with the terminology used by funders and paraphrase “catch phrases” that will demonstrate your understanding of their priorities and goals.
 - Invest in a good proposal writer on your staff team. Not everyone has ability to clearly communicate in this format.
 - Write as though the reader knows nothing about your particular agency.
 - Standardize pieces of information (boiler plate) about your agency so you can easily draw upon them; i.e., your services, vision, goals, clients served, testimonials, references.
 - Evidence of outcomes speaks volumes, such as positive testimonials and stats and facts. Use evidence you gather through your program monitoring and other (e.g., organizational review) activities.
 - If your proposal is not successful, ask for feedback from the funder. Find out what were the strengths and weaknesses of your proposal. What made the selected proposal successful?
 - Never submit an unsolicited proposal (and invest the time it requires to put together a quality one), without ascertaining interest.
 - A potentially fatal error in proposal writing is to confuse objectives and goals – and in the worse case scenario, to talk too much about what you propose to *do*, and not enough about what you will *accomplish*. Remember that funders have expected outcomes and accountability is key for long-term viability.
 - Don’t over-promise: be realistic about what you can accomplish. It is better to under-promise and over-deliver than to make a promise you can’t keep.

c. Tips on Budgeting

- Submit a budget that is below the specified maximum, even a couple percentage points can look really good to a funder (or more to the point phone up and ask about what a realistic pitch for your project would be).
- If cash and in-kind contributions factor into the proposal, what is the value specified for in-kind services? For example, what is the hourly value the funder places on volunteers when calculating the value of in-kind services? Does the funder allow program income (e.g., fees, sales, fundraising) to be included as part of the project's matching contributions?
- Spell out your costing as specifically as possible. Although it is true that for most proposals the overall cost is a major consideration, cost is not always the overriding factor. If the proposal is otherwise attractive, and if your costing is transparent enough, a funder may have reasonable suggestions about how or where to trim costs.
- If you need to outline a payment schedule, allow for start-up costs such as advertising, recruitment of personnel, program marketing/promotion, purchase or leasing of equipment and expenses associated with making a new site ready.
- Be clear on what your true costs of delivering the project are and be realistic about them in your proposal development. While budgets can often be reduced, you need to understand what you absolutely need to have in place to ensure a successful program.
- Always ensure adequate resources for communication to stakeholders and partnership development – these take time and money and are often overlooked – treat it as “deliverable.”
- Ensure that you understand how you have arrived at your budget figures and can back up a figure that it listed in a proposal. You don't necessarily need to provide these details to the funder but you need to have it ready for the negotiation period. Build a reputation for realistic budgeting. Accuracy in administration and overhead are particularly important since the method used will apply to all funder's proposals.
- Request advance payments of at least two months since you can't afford to finance the cost flow. Most funders are receptive.

Recommended Resources

http://www.socialcapitalpartners.ca/index.asp	<p>Social Capital Partners invests in social enterprises that employ populations outside the economic mainstream in Canada. The goal of these social enterprises is to acquire scale, to exist without external subsidy, and to create improved social outcomes and financial self-sufficiency for the populations they employ. SCP also hopes to encourage and catalyze other innovative funding mechanisms for social initiatives.</p>
http://thcu.ca/ohcc-thcu-proposal-writing-course	<p>The Ontario Healthy Communities Coalition and The Health Communication Unit of the University of Toronto have produced an on-line course to help not for profit organizations plan and prepare winning proposals. It is a self-directed course with six modules, i.e. Developing (or Revisiting) Your Program Plan, Seeking Funding, Managing the Proposal Development Process, Developing Your Proposal; Producing and Packaging Your Proposal, and Submitting and Following-up. A course book and worksheets are available as free downloads.</p>
www.enterprisingnonprofits.ca/	<p>The Enterprising Non-Profits web site is a source of information on their programs and a resource for social enterprise development.</p>
http://www.torontoenterprisefund.ca	<p>An excellent resource on social enterprise.</p>
http://www.the215.ca/oldsite/events	<p>The Centre for Social Innovation, based in Toronto, offers the Social Enterprise Development Program – <i>From Ideas to Action – a hands-on training program.</i></p>
http://www.se-alliance.org/	<p>The Social Enterprise Alliance is a US-based association of individuals and organizations who are involved in building effective, more sustainable non-profits through earned income strategies. It has various membership levels, a good e-newsletter, discussion board, and annual conference.</p>

THE PARTNERSHIP PATH

1. **The Link to Financial Vibrancy**
 2. **Lessons Learned on Agency Partnerships**
 3. **Lessons Learned on Community Partnerships**
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1. *The Link to Financial Vibrancy*

Agency Partnerships

Both the financial vibrancy research, and the work of Lester Salamon – a prominent US sector researcher at the Johns Hopkins University Institute for Policy Studies, Center for Civil Society Studies, <http://www.jhu.edu/ccss/index.html> - point to partnerships as the leading way that non-profits are transforming their work in the current fiscal environment.

The capacity to build relationships – to work together to envision and build new ways of working – often make the difference between being able to offer a valuable program or service or having to pass up the opportunity for additional revenue. Collaboration between partners can also enable the exchange of capacity in each of the partnering organizations.

Community Partnerships

In the larger context of community capacity building, collaboration and partnership formation strengthens networks, improves access to information and opportunities and enhances community. It is a win-win scenario for both your agency and your community. Networks of partnerships build community capacity to respond to issues from within.

2. *Agency Partnerships*

- ✓ **Success Story: Niagara West Employment & Learning Resource Centres, Beamsville**

We have had a very successful consortium of agencies that deliver programs for the mature worker working together since before 2000. We have formed a sub-committee of the local training board, have held a conference and are planning another, have produced materials together and we regularly collaborate on issues. We also consult on funding barriers, problems, etc.”

✓ **Success Story: Job Skills, Keswick**

“Job Skills had been funded to deliver a Youth Entrepreneurship program in southern York Region but did not have an office location in that area at the time. An agreement was made with COSTI (Markham) to utilize their space, resource area for participants, training room and some program support services. The program ran in the evenings when COSTI did not utilize the training space and costs for the services and space were pre-determined. Billing was set up between the two organizations on a pre-agreed schedule. Job Skills benefited by being able to offer a program in an area where they were not currently providing service. COSTI benefited by hosting a program in their space that they did not deliver but complemented many of their own services. The clients benefited by being able to access service locally without traveling long distances and also by being able to access COSTI’s other services. The funder benefited by being able to provide funding to Job Skills who had a successful history of running the program in another area and not having to find another delivery agent without a track record (the funding decision to offer the program in the South was made in a very short period of time). This assured wide-access of service for clients in a large region with no gap in service.”

✓ **Success Story: Lutherwood, Waterloo**

“Our organization has invested heavily in partnerships as a method of building capacity. As an example, we have formed a partnership with the local College and another non-profit to provide services to companies closing or downsizing. Rather than competing with each other for contracts, that each of us would not have the capacity to serve individually, we have developed a collaborative approach that has shared our resources, profiled our services and created a win-win.”

In another example, we combined our knowledge of self-employment with another local agency that focuses on the needs of New Canadians. Combining our technical knowledge with the organization’s knowledge of their client group, we developed a successful program model to support New Canadians in running a small business. While each could have developed the program separately, our individual knowledge bases would not have allowed for the range of programming. Combining our areas of expertise resulted in a very successful program and multiple partnerships that have emerged from this relationship.”

Lessons Learned on Agency Partnerships

a. Guiding Principles

- Partnerships can be defined basically as establishing mutual or common interest and working together to accomplish goals; they can be voluntary or mandated.

- Partnerships have some important advantages; they often:
 - promote new levels of enthusiasm and "buy in" among stakeholders
 - provide value-added to both funders and clients
 - strengthen the level of expertise in a project
 - expand service offerings to clients
 - allow agencies to venture into growth-promoting projects that they wouldn't be able to undertake on their own
 - provide access to more opportunities for management and staff
 - provide economies of scale
 - result in better service co-ordination

- Partnership exists on a continuum: ***cooperation, collaboration, coordination, and partnership***, each representing different levels of relationship between two or more organizations. Co-operation is common, and the least demanding. Collaboration occurs from time to time in the life of an organization (e.g., collaboration on a specific project), and is clearly more demanding on the time and effort of an organization than co-operation. Coordination requires collaboration on the development of agreed-upon protocols plus regular contact. Formalized partnership is the most demanding and the most (potentially) long-term form of relationship. Think twice about forming a partnership if all you really need is more co-operation, collaboration or coordination.

- Funders sometimes "arrange" partnerships, and if this happens to your organization, scrutinize the deal very carefully. Ideally, start developing partnerships before being asked to by funders. The success of a partnership depends on many factors (and pressure from a funder isn't one of them) and it takes time to find a good match (as well implement a good start up process).

b. Key Success Factors in Agency Partnerships

- Actively seek out partnerships as a way to strengthen both current and future services. Often the beginnings of good and lasting partnerships happen by one organization taking the initiative to find a compatible partner.

- Incorporate partnerships as a key principle in your service delivery model. This instils a culture of looking for partnerships on a regular basis and provides an opportunity to try out partnerships slowly rather than trying to form them in the midst of developing a program model under tight timeframes.


- Seek opportunities to work together on smaller initiatives before you commit to a larger partnership opportunity. This provides an opportunity to evaluate your compatibility.

- Ensure that there is a common set of values and a common approach to service before embarking.

<i>Notes from the Field</i>	<p>“The key to any successful partnership that Job Skills has formed in the past nine years... has been compatibility of mission and vision as well as the type of organization, i.e. not for profit. Corporate ‘sponsor’ partnerships have been utilized on an ‘event’ basis, not for supplementing program funding.”</p> <p style="text-align: right;">Job Skills, Keswick</p>
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- Look for complementarity. Search for partners that will strengthen services by complementing yours. Avoid partners with the same services/skills.
- Always partner with an agency that does some things better than yours (and vice versa). This is how synergy and value-added is created.
- Be clear on exactly what short and long term goals will be achieved and what benefits will be gained from your perspective. Partnership must serve a strategic purpose for each partner. Note too that each partner's goals should complement one another, but they do not have to be identical.
- Determine who will take the lead in managing the process, in addition to forming a partnership committee. This person becomes the contact person, as well as to some extent, a lightning rod (or put more gently a “relationship keeper”), who should be able to quickly clear up minor misunderstandings that might otherwise seriously impede the process of partnership.
- If you think your agency might find itself in a risky partnering position (if you think someone may pull out), have a “Plan B Partner” in place.
- Consider ‘worst case’ scenarios to ensure there is a viable exit strategy. Make sure that all parties understand, and agree to, the process used to exit the partnership and include this in your partnership agreement. Get a partnership agreement in writing as soon as possible in the proposal writing process.
- Be very clear about the division of responsibilities in the eventual administration of the program. If need be, develop a case management model and other protocols ahead of time. Consider also, the mechanics of how program maintenance functions (e.g., payroll) will be carried out.
- Ensure that you have a conflict resolution process in place to address any difficulties that may arise through the partnership.
- Give credit to your partner in all communication related to the project. This reinforces the partnership.

- Never enter into partnership for the sake of partnership – it involves too much time and effort (and therefore cost) to be undertaken simply for its own sake.
- Never feel that you need to enter into a partnership because you are approached to be a partner. While it may be a nice compliment, the partnership must meet your needs as well.



Food for Thought

Build relational capacity in your organization, so that your agency will be “partnership ready” should the opportunity arise on short notice. Network on an ongoing basis among agencies in your own and other sectors to form relationships that may lead you to potential partners that you would otherwise not be familiar with.

3. *Community Partnerships*

✓ **Success Story: Brockville and Area YMCA**

“A few years ago we became the leader in this community in introducing and implementing Developmental Assets for our children and youth. As a result, we became the lead agency in securing federal funding for three consecutive years in order for our counties of Leeds and Grenville to form the coalition that is presently charged with this responsibility. This coalition has grown to accommodate over 40 agencies and individuals from the community.”

✓ **Success Story: YES Employment Services, Thunder Bay**

“Understanding your community needs present and future is a critical piece to successful capacity building for organizations and community. In Thunder Bay we know that while our general youth population is declining we can project that the number of aboriginal youth coming into Thunder Bay from surrounding reserves continues to increase and will continue to shape the way we deliver service in the north. To this end, we provided a project with aboriginal communities hiring aboriginal youth to design a website of aboriginal services and launch it to the community (www.aerc-thunderbay.org).”

✓ **Success Story: Business Education Council of Niagara**

“BEC is currently managing a multi-million dollar project to develop a Niagara portal (www.yourniagara.ca) and get municipal services on-line. This partnership includes 12 municipalities, two school boards, as well as the college and the university in Niagara. Community capacity building requires a very special and complex partnership to be effective. It is for this reason that there is often a need for a neutral entity to manage the project for the partners who are attempting to build community capacity. We offered to provide this service, and it has worked well for the project and us.”

Lessons Learned

3. Key Success Factors in Community Partnerships

- Although the following points pertain to all partnerships, they are especially important when multiple agencies within the community are involved:
 - All partners have to agree to the vision.
 - All partners must contribute time, money and effort in proportion to their stake in the project.
 - It is critical to develop a reporting system that the partners are confident in.
 - Don't be afraid to ask for advice and share problems with the partners, and to reflect on what is working well.
 - When serving specific groups ensure that they are an integral part of planning, co-ordination and implementation.

<i>Notes from the Field</i>	<p>“Three years ago we initiated lunches for all youth service deliverers to share information, prevent duplication of service and identify gaps. We are still hosting these lunches once each quarter and have 30 to 40 participants. Not bad for a small community of 22,000 people.”</p> <p style="text-align: center;">Employment and Education Centre, Brockville</p>
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- Establish a lead organization that is neutral and trusted within the community to take on the responsibility of driving the partnerships and delivering the program.

- Form a steering committee to monitor the development and implementation of the project, produce materials together and regularly collaborate on issues etc.
- Identify ways in which all partners can be actively involved in various elements of the partnership. This helps to keep the partners engaged.
- Ongoing communication among all partners is essential. Build in mechanisms for regular communication. This includes sharing successes as well as addressing challenges.
- Share resources and support other community agencies with tools that you may have expertise in, i.e., Web development, networks, etc.
- Give credit to all partners involved in the project in all communication. This reinforces the collaborative effort.
- Make a concerted effort to share views of the partnership in public communication rather than the views of the individual organizations.
- Develop mechanisms for decision-making and conflict resolution. The larger the partnership, the more difficult it is to achieve consensus.
- Don't assume that your partnership will stay the same over time! Agency staff may change, new and emerging issues may come up that impact on the program – good partnerships will be flexible enough to evolve. Consider doing “check-ins” every six months (or more frequently) with all partners to identify emerging issues and respond to them.
- If your partnership has a complicated structure (multiple partners, district roles, or overlapping roles), or deals with sensitive issues, don't hesitate to get some legal advice! This can be especially important in formalized partnerships that involve co-delivery with vulnerable client groups, co-ownership or use of capital assets, or intellectual property.
- Never speak on behalf of the partnership or make decisions on behalf of the partnership if you have not consulted with the partnership or have the mandate to do so.

Recommended Resources:

http://www.socialplanningcouncil-cnd.org/pdfs/publications/sustainability_final.pdf	<u>Building Sustainable Non-Profits: The Waterloo Region Experience.</u> A useful manual on partnership formation and community capacity building.
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Downloadable resources:

Check out the Partnership Assessment Checklist and Partnership Agreement Checklist online at www.financialvibrancy.org. Feel free to adapt and modify as you see fit to best suit your agency. Courtesy of Skills for Change, Toronto.

Check out the sample Partnership Agreement online at www.financialvibrancy.org. Feel free to adapt and modify as you see fit to best suit your agency. Courtesy of KEYS, Kingston.

THE FINANCIAL MANAGEMENT PATH

1. The Link to Financial Vibrancy
 2. Lessons Learned on Financial Monitoring/Management
 3. Lessons Learned on Business Planning
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1. *The Link to Financial Vibrancy*

Financial Monitoring and Management

Financial monitoring and management is not simply about keeping track of receivables and expenses. It is the practice of estimating the actual cost of delivering programs and services on per unit basis of service or some other metric that helps illuminate the costs that impact on a particular revenue stream. This contrasts with the practice of pooling all revenues from all revenue sources and pooling all expenses.

The cost-accounting process allows for you to be aware of the true costs of programs and to work towards minimal amounts of subsidization. This allows you to make decisions based on a sound financial knowledge of the program.

Business Planning

In developing a business plan, you are articulating not only how your agency's program(s) will unfold from a service delivery perspective, but also how it will unfold financially, given its costs and forecasted revenues.

✓ **Success Story: Business Education Council of Niagara**

“We have 44 staff. Our income comes from a combination of project delivery, fee for service, brokering programs and administrating multi-partner programs. For example, we manage the Early Years program, which in Niagara involves 20 partners. We're responsible for promotion, marketing, administration and meeting objectives. We were asked to broker and administer the program because we're neutral. No one wanted the government to do this (businesses think government is fully paid for so won't donate). The books are all computerized, we have monthly reports, there's staff input and manager input so it's transparent. We have one meeting per year to present finances. We are also ISO registered. If anyone is over budget by 20% they come to the ED, otherwise financial matters are handled between the finance manager and program managers.”

✓ **Success Story: Business Education Council of Niagara**

“BEC was the first organization of our kind in North America to receive ISO 9000-2001 registration. We were featured in ISO magazine out of Geneva Switzerland and in

Quality magazine out of Chicago. We have a formal process to monitor continuous quality management and a process management system to constantly ensure all facets of our project management system is consistent and up-to-date.

All projects have measurable objectives and financial objectives set at the beginning of the project and have the BEC evaluation system used for all of them. Managers report monthly on actual vs. target project objectives and target budgets. If any are not on target without a realistic reason an action plan is devised to bring it back on track. All managers have an opportunity to have input since all programs are presented to the management team.

The Board of Directors receive a report on targets vs. project objectives and target vs. financial objective with an explanation and an action plan where needed. The evaluation of program services is done for all programs offered by BEC during the project or at the end. Programs where the evaluations have any negatives (even if the evaluations are overwhelmingly positive) those have to be evaluated and action plans designed where required.”

Food for Thought



Financially vibrant organizations do not limit their thinking to good stewardship and financial management. They go further and reflect on how their resourcing model and program model fit together and connect to their values about the work they do and the people they ask to help to do it. It is a more systemic approach to creating an integrated vision of how money works to create value in communities. From this perspective, a financial statement is just a check-in with the financial roadmap and a proposal is a means to a collaborative relationship with someone else’s money, rather than a stopgap to keep the program going for a little while longer.

2. Financial Monitoring and Management

Lessons Learned on Financial Monitoring/Management

a. Guiding Principles

- Financial management cannot be driven by the finance department. The job of the Finance department is to provide timely and accurate financial reports according to the organizational structure and to advise management. Management needs to drive the Finance Department. To do so, good management systems are required to track budgets, forecast expenses, regularly account for variances, and develop

and track annual budgets. The Board is also closely involved through a Finance Committee to monitor on a quarterly basis the budget and balance sheets.

- There's no magic to financial management: the keys are organization, accurate and timely posting, transparency, effective communication and sharing.
- Department managers may want to use financial planning forms at the beginning of each new fiscal. These forms have all the anticipated costs for the department for that year. The form is submitted to finance and helps to plan for the budget line items within departments.

b. Key Success Factors in Financial Monitoring/Management

- You need an accounting system that meets your needs and has room to grow as those needs change. For example, as your funding diversifies, it also usually necessitates expanding and making your accounting systems more flexible.

<i>Notes from the Field</i>	<p>“We started with one location and one program and now have many locations. We’ve seen lots of changes in how we do bookkeeping. At first, I just did the books, then set up the books and turned them into computerized books. When we grew it was entirely different, and we now have four people just doing the books. I don’t know if what I did was innovative or if it’s standard, we just did what makes sense.”</p> <p style="text-align: right;">Job Skills, Keswick</p>
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- Sophisticated accounting packages allow you to track specific payables and receivables (e.g., by company name), as well as categories of payables and receivables. Such systems can also cross tabulate any of them (alone or in combination) by many variables (e.g., by time period such as year-to-date, quarter, month, etc.), as well as by project, by site, by funder, and so forth.
- A well-designed accounting system will pay for itself in the time it saves by enabling you to quickly generate the various reports different funders need, as well as the various reports you need to keep tabs on the income and costs associated with all of your projects.
- As important as a computer based accounting system is you must have an excellent paper filing system for documentation and other paperwork.

- Use consistent and effective budget tracking systems. Have a good template that is used throughout the organization to track expenses.
- Develop a realistic cash flow at the beginning of a project. Regularly track and report budget variances – monthly or bi-monthly.
- If a monthly budget report for a project is over budget by a set amount (e.g., 20%) the Executive Director must become involved to work out an action plan with the project manager or staff
- As with most small businesses, cash flow needs to be monitored constantly. If you don't have a line of credit one should be set-up in case it is necessary to get over a cash shortage period. But don't let your line of credit become a regular part of your business. It should be used only in instances where payments have not yet caught up with project expenditures.
- Make sure all non-compliance issues are reported to your Board of Directors. Non-compliance in meeting objectives of contracts, material variances to budgets and any risk factors could have a short or long term impact on your finances if they are not addressed successfully.

c. Specific Steps in Setting up a Financial Monitoring/ Management System

- Purchase a computerized accounting package no matter the size of the organization. Inexpensive packages can be purchased for a few hundred dollars and will provide the bookkeeping and reporting function needed for smaller organizations. They are more accurate, exportable to other software such as excel that are commonly used in financial management. They save staff time thus paying for the purchase very quickly.
- Set up a chart of accounts that is designed according to contracts. ***This shouldn't be done by accountants on their own*** – the system has to be intuitive and user friendly, and it is only with your input that it'll be that way. Lay contracts out and create matrix of all line items that need to be accounted for defined with clear language of what is eligible and what is not, which can then be published.
- Attempt to develop a chart that can be used for all or most of your projects.
- Learn from audits about how to improve the structure of your chart of accounts.
- Develop a rolling cash flow for 12 months in order to be able to see gaps in funding/cash flow well in advance.
- Maintain a separate Statement of Revenue and Expense for each Project, no matter what the funding source, then combine them into one Consolidated

Statement of Revenue and Expense (or Statement of Operations) to arrive at overall organizational figures.

- Treat infrastructure/organizational administrative costs as a Project, with a separate Statement of Revenue and Expense even if “Revenue” consists of payments from other projects.
- If a funded Project continues via a new contract from year to year, set up new revenue and expense accounts for the new contract at the project start date and end the revenue and expense account for the previous contract at its end date. This avoids the improper overlapping of the accounting information of two separate contracts within a fiscal year. This will provide accurate Statements of Revenue and Expense for both projects.
- *Always share information* with appropriate staff:
 - Finance Department staff should all be aware of Projects starting and ending, of latest changes in funder’s reporting and budgeting requirements, of background and/or reason for certain practices, of changes in staff, and other information relevant to accounting.
 - Project Leads and those responsible for purchasing supplies or hiring staff should be aware of relevant budgetary approvals and limits.
 - Management and Project Leads should be provided with monthly updates of year-to-date budget variances so that they can react appropriately in a timely manner.
 - Maintain a large white board in the Finance Department listing all current projects, including project name, number, start and end dates so that this information is readily available to those who need it. A blank column on the board can be used to indicate when last report was sent. This is an information system that can also be created in your accounting software. This can then provide access to information remotely to your managers.
 - Set up a shared, secure finance server so that all Finance Department staff can save documents to the same folders and have access to all documents relevant to their work, without having to ask the person who originally prepared the document to send them a copy.
 - Have regular departmental staff meetings to keep all staff informed and to give staff the opportunity to share ideas and/or concerns.
- Cross-train all departmental staff so that all can do certain tasks, e.g. posting, cheques, reports to funder, and at least two can perform other tasks, e.g. payroll, in the event of another’s scheduled absence or sudden departure.

- Develop a Procedures Manual for the Finance Department so that new staff can learn from it and current staff can refer to it when performing a task usually undertaken by someone else, or infrequently done.

3. Business Planning

Lessons Learned on Business Planning

a. Guiding Principles

- In many respects a business plan is like a program proposal or plan, and some funders use the terms interchangeably.
- Driven by the strategic plan, a business plan forecasts the revenues and expenditures for each initiative cash flow from one or more programs – or funding streams.
- The business plan must ensure that the new initiative will be full cost recovery or generate a surplus (though some initiatives may intentionally run a deficit). The expenses must include an appropriated cost for administration and overhead or it will not contribute to organizations growth and sustainability.
- A business plan should be created for each new initiative; as well, a master business plan can be created which integrates the forecasted flow from all programs/services provided. *It is in this process that you explore and envision a financial model and its fit with your mission.*

b. Key Success Factors in Business Planning

<i>Notes from the Field</i>	<p>“Working within Job Connect we are required to write a business plan every year – we complete this activity with staff and dedicate a whole day to this. It is important for us to review what we completed the previous year and look at the positives and the negatives of those various initiatives.”</p> <p style="text-align: right;">John Howard Society, Welland</p>
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Food for Thought

Thinking about pricing represents a culture change within and outside a non-profit organization. This can cause tensions – you need to respond to the community, realize where you are gaining financially and politically: some things you can give away, some things you may want to sell due to time and money invested, or an opportunity for revenue generation to support other parts of your operation.

- If funding will be based on a fee-for-service arrangement (e.g., x hours of instruction to y learners over z weeks), be sure that your estimates of client volume are sound, and that client volume will be sufficient to sustain the program financially.
- The above is especially true of outcome-based funding (e.g., funding based on the successful placement of clients in a full-time paid position for at least 3 months following the program). In this case, not only are accurate estimates of client volume critical, it is also important to have a realistic estimate of the likely percentage of successful clients – i.e., deemed successful according to the funder's criterion.
- Be conservative - consider your organization's cash flow – allow for start-up costs such as advertising, recruitment of personnel, program marketing/promotion, purchase or leasing of equipment and expenses associated with making a new site ready (e.g., renovations).
- Don't let your reserve funds simply be put into a savings account earning 2% or 3% interest. Learn to invest responsibly, but don't invest without developing an investment policy first.

Check out the sample Investment Policy online at www.financialvibrancy.org Feel free to adapt and modify as you see fit to best suit your agency. Courtesy of KEYS, Kingston.

RESULTS MONITORING PATH

1. **Link to Financial Vibrancy**
 2. **Results Monitoring**
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1. *The Link to Financial Vibrancy*

Financially vibrant organizations are able to describe the value they produce in the world and tell effective stories to funders and to their communities about whose lives have improved, and how, as a result of their work.

Increasingly, funding is as much driven by results as it is by needs. Program Evaluation (or more simply results monitoring) is no longer optional; it is essential to the long-term financial viability of most programs and services - and by extension the financial health of the organizations that provide them.

Program evaluation contributes to financial vibrancy by:

- demonstrating organization and program effectiveness and accountability, which are essential for building partnerships, developing new sources of revenues, and attracting funders
 - helping to figure out what is working and perhaps as importantly why it is working
 - helping organizations see what capacities they have developed and which ones they might invest further in
 - helping organizations see what outcomes they produce, and therefore to look more systematically at the potential to partner
 - building ‘bragging rights’ - positive feedback (e.g., testimonials) and findings (e.g., placement statistics) can be incorporated into marketing materials.
 - supporting continuous program improvement, which enhances an agency's funding prospects.
- ✓ **Success Story: **JobsNOW Employment Resource Centre and Assistance Services, Kenora****

“The JobsNOW Employment Assistance program in Kenora was a result of the collaboration of four separate organizations that had offered separate employment assistance services for several years. Along with the talented staff, came very different service delivery processes and documentation procedures that had all worked very well in

their time. The amalgamation of these services however, required a full reassessment of statistics gathering and reporting procedures, forms, etc.

We found that clients were often confused with the duplication of questions on the numerous forms and applications necessary for interventions. They would often interpret each question differently (thinking that different answers were required), leading to inconsistencies in the application. Together, all staff assessed each form, application process and documentation method. They identified duplication and/or redundancy of questions, and revised the client registration and needs assessment forms. This has enabled us to more accurately record and report on program activity and applicable targets, and assist in the evaluation of both for future planning and development.”

✓ **Success Story: Ontario Literacy Coalition, Toronto**

“Program/project evaluation has been really useful to our organization. It has helped us to really question what we are doing and why we are doing it, and look at the usefulness of it. There is a need in our field to better understand evaluation (assessment) and not look at it as a negative, but a continuous improvement process. When organizations think of themselves as a learning organization – where mistakes can be made and they will not be penalized for it, then programs can really thrive and improve.”

✓ **Success Story: Goodwill Industries, London**

“Listening to our customers – through our participant, referral source and employer evaluations, observations and our web-based client tracking system – helps us focus on our results, effectiveness and needs while also providing the base for service evaluation, board and funder reports. We try to avoid the trap of seeing these functions as serving the system of others but as essential information tools to help us. We also engage in community needs identification processes both with others and as an agency and have had two external reviews in the last five years. Results include:

- ✓ Demonstrated track record with several funders/private sector referrals sources so that they come to us for new programs and forge relationships with other services.
- ✓ Development of services to meet needs (e.g., Nutrition for Work program, Self-employment for people with disabilities, temporary staffing services).
- ✓ Staff interest, involvement and attention to feedback and outcomes has increased.
- ✓ High ratings in service delivery evaluations attesting to our commitment to quality.”

Lessons Learned on Results Monitoring

a. Guiding Principles

- Program evaluation helps determine how well a particular program works and if a program is not working as well as expected, it may be possible to shed light on:
 - what specific aspects of a program are not working and why (e.g. by identifying shortcomings in program content or delivery, or by identifying systemic influences that impede clients' progress such as gaps in service, waiting lists, inappropriate referrals, etc.), and
 - what action can be taken to address the challenges.

- There are basically two kinds of program evaluation: formative (or process) evaluation and summative (or outcome) evaluation. In plain language, evaluation can be used to measure the ***quality*** of delivery and/or the ***impact*** of delivery respectively.
 - ***Formative or process evaluation*** focuses on what clients experience and accomplish during the course of a program and obtains diagnostically-useful feedback regarding program delivery.
 - ***Summative or outcome evaluation*** assesses the impact of program implementation. It typically focuses on what clients experienced and accomplished some time after the program has been completed, and specifically, whether the program succeeded in assisting them in changing what it was that brought them to the program in the first place.

- Generally speaking, funders are more interested in evaluations of the impact of delivery (“summative evaluation results”).

Quality Assurance

- For most community-based agencies the purpose of investing time, money and energy into program evaluation is not to conduct scientific investigations, or to address macro level or policy questions, but to ensure the highest quality service to their own clients, in other words, quality assurance (QA).

- For the most part, QA is synonymous with terms such as Total Quality Management (TQM), Quality Management (QM), Continuous Quality Improvement (CQI), and Quality Control (QC).

- Essentially, quality assurance is a four-step process that can address BOTH program delivery and program impact questions:
 - Step 1: Choose program performance indicators (aspects of program delivery and impact that are important to measure)
 - Step 2: Set performance targets (also called benchmarks) for each of these indicators
 - Step 3: Monitor program performance to see if it meets these targets
 - Step 4: Make any necessary adjustments in program delivery based on that feedback and, if necessary, review performance targets.
- Once quality assurance (QA) is integrated into a program's operating routine, positive feedback loop is established that helps everyone involved in the program learn continuously about what is working, and what needs improvement.

b. Key Success Factors for Results Monitoring

- Consider using the following performance indicators and benchmarks, taken from ONESTEP's *Delivering Value: Employment Indicators in Ontario's Community Based Training Sector*. These benchmarks were arrived at in 2004 using an Ontario-wide sample of 1,100 clients from ten CBT agencies (see next page).
- Gather program monitoring results in relation to program targets and integrate this evaluation into a variety of levels including staff meetings, management meetings and Board meetings. Everyone should have a clear understanding of core measures and staff should be aware of the pertinent results. Utilize staff as an active part in developing strategies to respond to issues identified.
- Make results public and accessible.
- Form a Quality Assurance committee or working group made up of program managers and staff. Taking this step helps reinforce the view that QA is an ongoing collaborative investment that is dedicated to continuous improvement. It is also a practical step because QA data gathering needs to be co-ordinated and findings need to be summarized. It might also be added that another body (which involves Board Members) has to decide what QA findings are communicated, how they are communicated, and to whom. The function of most QA committees or working groups is to guide implementation rather than strategy.
- Advocate for funding of QA activities, and assign dedicated resources to accomplish QA goals.

- Gather QA data for a period of at least 3 months to obtain baseline measures for your agency. Performance on each of the recommended standards can easily be determined using simple counts and percentages. No complex analyses need to be applied, and data can easily be entered on a spreadsheet for quick, ongoing tabulation.
- Present your baseline findings and compare them to the recommended benchmarks. If one or more targets are not reached, it is important to find out why and develop a plan of action in response.

The following suggestions may be helpful in putting your agency's benchmarking results in perspective.

- First, and foremost, remember that benchmarking is not a race. Benchmarks are the most helpful when they are used internally for purposes of ongoing reflection and program improvement.
- Focus on the positive. Even if a particular result is shy of the benchmark for that measure, remember that the benchmark is high (benchmarks, by definition, must be high), and that overall, there is more to celebrate than bemoan. Remember that this is an opportunity for you and your staff to take stock of what you are accomplishing and have already accomplished together, and do an even better job in the months ahead!
- A deviation of 1-2% is not significant in most cases, and is well within any benchmark's measurement error or, simply put the "error factor" associated with measuring virtually anything – especially something as complex as a benchmark.
- Remember that your benchmark results form a *profile* across different measures. This profile, like any other, is multi-dimensional, which means that no one number "sums up" how your agency is doing. Typically, agencies perform very well in some areas and not quite as well in others. This is to be expected.

DELIVERING VALUE: CBET PERFORMANCE INDICATORS AND BENCHMARKS

Performance Indicator	Benchmark
Placement in full-time/permanent employment	<i>80% of clients will secure either full or part time permanent positions</i>
Job retention	<i>85% for 3 months or longer</i>
Average length of time to find employment	<i>Time from the start of intake/assessment to finding employment will be no more than 28 weeks</i>
Client satisfaction	<i>80% of clients surveyed will report that they are either “very satisfied or “extremely satisfied”; and no more than 5% will report that they are either “somewhat dissatisfied” or “extremely dissatisfied” with the service provided</i>
Client–job match	<i>60 % of clients surveyed will rate the match between the job they obtained and their employment goal as an average of at least 4 on a 5-point job match rating scale in the areas of working conditions and use of skills or education and training to their full potential</i>
Percentage of placements representing job advancement for clients	<i>60% of clients placed will indicate that their new job prepares them for more and better jobs in the future</i>
Increase in income over prior employment	<i>40% of clients will earn <u>more</u> than in their previous job, and no more than 20% of clients will earn <u>less</u> than they did before</i>

- If you are truly not satisfied or unhappy with a particular result, don’t look for excuses, look for explanations. Examine your results holistically. Put the results in context – remembering local labour market conditions and the client base itself. If, on the other hand, the results point to program areas that admittedly need improvement, then that too is a positive outcome. Consider the following actions:
 - ✓ Meet with staff to brainstorm solutions, perhaps visit other agencies to learn how they deliver similar programs.

- ✓ Undertake a case file review. As clearly demonstrated in Delivering Value, many CBT clients are multi-barriered, so it may make sense to ascertain whether or not benchmark shortfalls are occurring primarily among the most highly barriered clients. Some clients are seriously challenged by their barriers and need your agency's help in overcoming them – both in terms of concrete assistance as well as emotional support and advice. It is these clients, especially, that need employment counselling.
 - ✓ Reflect on organizational capacity: Does your agency have enough resources to meet this target? What training supports need to be put in place?
 - ✓ Consider program re-design: are there shortcomings in program content or delivery?
 - ✓ If the shortfall is in one or more of the employer-related standards, then it is critical to begin contacting those employers who rated the program critically to find out why, and what you can do about it. This is essentially a job development function.
 - ✓ To make program improvements, set goals, set time lines, and in doing so, set the pace and your expectations. To help set the pace (and set expectations), it is important for you to describe clearly what you would like to see the organization achieve with respect to improvement in a given time frame - the time frame chosen will be expressed in months – not weeks. If the goals are realistic, and if the time frame is right, then the process of working toward those goals will likely maintain its direction and momentum.
- Integrate program evaluation into strategic planning. Program evaluation can be integrated into strategic planning in a number of ways. For example, program evaluation can shed light on how well an organization responds to challenge; how quickly it can solve a problem; how well its various program components work, and how well its team works as a whole. All of this information helps an agency assess how quickly and effectively it meets its community's needs.
 - Look for different ways to evaluate beyond core results. It is important to measure customer satisfaction. Feedback can then be incorporated into modifications to services.
 - Evaluate specific aspects of your program, in addition to its core outcomes.

<i>Notes from the Field</i>	<p>“We did a survey on how people heard about us, and we found out that it was mostly through word of mouth. Clearly, our staff was doing such a good job that it was spreading by word of mouth. The survey was simple but its results were used for all staff to see the big impact they were having.”</p> <p style="text-align: right;">Job Skills, Keswick</p>
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Recommended Resources

www.hmrp.net/canadianoutcomesinstitute	The Canadian Outcomes Research Institute (CORI) is a Canadian non-profit organization with an educational and research oriented mandate. CORI's mandate is to increase the effectiveness of human service organizations to meet the needs of those they serve by providing education, research, training, and services regarding outcomes and evidence-based practice.
http://national.unitedway.org/outcomes/	Outcome Measurement Resource Network is a comprehensive site of program evaluation resources developed by the United Way of America.
http://www.proveandimprove.org/new/index.php	Proving and Improving is a British based on-line guide to program evaluation and improvement.

THE COMMUNICATIONS PATH

1. **The Link Financial Vibrancy**
 2. **Public Relations, Marketing, and Branding**
 3. **Government Relations**
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1. *The Link to Financial Vibrancy*

Financially vibrant organizations are able to tell the story of who they are and what they do for community, clients, employees and funders in a compelling way. While every one is able to communicate mission and vision, fewer organizations can tell a compelling story about how they are making a difference.

For for-profit firms, a ‘value proposition’ is a short story that sets out clearly what the organization produces and why the consumer should purchase it. Nonprofits can tell similar stories, what outcomes they produce and why a funder should invest in this work.

Getting your message out as an organization, and developing an identity in your community is essential to your agency's financial vibrancy.

2. *Public Relations, Marketing and Branding*

✓ **Success Story: John Howard Society, Welland**

“Several years ago we reinvented ourselves. Our employment division was known as Youth and Community Employment Services. We hired a marketing agency and they developed us as Job Gym. They completed their services with an entire critical path for us to follow to reintroduce ourselves to the community. They developed and still develop to this day all of our marketing material, logos, giveaways, letterhead, business cards, etc. They keep us current and fresh looking to the public at all times.”

✓ **Success Story: Job Skills, Keswick**

“Several years ago Job Skills hired a marketing consultant to develop a logo and branding strategies for a self-employment program. As part of the process, he also helped us to identify our unique selling proposition, key messages and benefit statements, and developed a marketing strategy designed to increase awareness of the program in the community. The marketing consultant agreed to provide similar services as an in-kind donation as Job Skills was looking to update its own logo to reflect the Agency's growth and expansion of services.”

Lessons Learned on Public Relations, Marketing and Branding

a. Guiding Principles

- Public relations require a planned, proactive, strategic approach. It is important to take the time to develop Marketing/Communication strategies – long and short term, program specific and agency wide. This “roadmap” will focus your efforts on communicating who you are, what you can do, and how you can do it by establishing activities, responsibilities, timelines and a budget.

Food for Thought

Like in every path, planning is critical. As the old saying goes: "If you fail to plan, you should plan to fail."



You must never undertake communication activities, whether they are media relations, advertising new service offerings, promotions, or e-bulletins, without having a well thought through strategic communications plan.

You need to do your market research, understand your brand identity, have thoroughly tested messaging, and well-designed communications materials.

http://www.impacs.org/files/CommCentre/communications_planning.pdf

- Marketing is NOT a one-shot activity. “Out of sight, out of mind” is a marketing reality.
- Contrary to popular opinion, there is a difference between advertising, marketing, promotion and public relations and what approach you need and when. These terms are often used interchangeably but to maximize your outreach, understand what you want to accomplish and develop tactics accordingly.

b. Key Success Factors in Public Relations, Marketing, Branding

- Do market research to understand your target — who they are and what they want — and craft powerful and engaging messaging accordingly. Don’t think about what resonates with you – rather, think about your market segment. Plan what kind of tactics you will use and track the impact of your communications.

<p><i>Notes from the Field</i></p>	<p>“Market analysis was critical to the creation of one of our fee-for-service businesses, our EVIDENCE program evaluation consulting service. We were about to invest several \$000 in developing a business, so we needed to make sure it would be viable and we needed to make sure we knew where the most likely demand for the service would come from. The Market Analysis involved several tools including a "5 forces" analysis - to determine the main forces affecting the field we were going in to (the consulting industry) and an "industry analysis" - to determine the key business models that existed and which were most effective. We ended up with a service that became very successful very quickly and that avoids many of the pitfalls common to other organizations in the consulting business. We generated the content of the analysis through literature reviews and key informant interviews over about 18 months.”</p> <p style="text-align: right;">Ontario Association of Youth Employment Centres (OAYEC), Toronto</p>
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- In developing your Communications Plan think long and short term, program specific and agency wide. This “roadmap” will focus your efforts on communicating who you are, what you can do, and how you can do it by establishing activities, responsibilities, timelines and a budget. Monitor results to continuously improve your marketing efforts. However, you should continue to be flexible – by revisiting your plans regularly, you can modify activities as required, to stay on course.
- According to The Institute for Media, Policy and Civil Society (IMPACS) a strategic communications plan provides clear direction for an organization in terms of:
 - the communication environment (internal and external) for the organization
 - clear, measurable, achievable communication objectives
 - identified and prioritized target audiences
 - communication messages that reach these audiences
 - an action plan of specific communication tactics and vehicles
 - an evaluation or feedback mechanism that allows the organization to measure success
- If you are changing any part of your brand identity (logo, messaging, mission statement) or are undertaking a promotional campaign, and don’t have in-house

expertise to execute it, hire a professional. This doesn't require a tremendous investment, and it will be worth it in the long run. Charity Village www.charityvillage.com is a great resource for all types of strategic communications consultants. Even better, get a referral from other agencies.

- Consider negotiating pro bono work with advertising and PR agencies. Often they will take on this work as a part of their agency's corporate social responsibility. Other options are partnering with a corporation on a joint initiative. Again, be clear about how this work fits in with your strategic plan and your communications plan.
- Be very clear about your brand identity. Central to your brand is your mission, vision and values – it's the value of what you do and how you want to be perceived by your stakeholders. Your visual brand identifiers (logo, name, and tagline) will flow out of your mission and vision.
- Be consistent in your messaging. Ensure that all types of communication are “synergistic” or working in harmony to create effective communications. One person should be responsible for protecting the brand identity and all external communications should flow through her/him.
- Look at opportunities to liaise with community partners on joint marketing and/or communication activities to create a more effective message to clients that is more cost effective. These activities could range from developing joint advertising campaigns, joint media relations initiatives, or collaborative promotional events.
- Focus groups with a sample of your target audience are always a great way to test a new campaign, message, advertisement.
- Identify key media contacts in your area. Keep those media contacts up to date and foster an ongoing relationship by providing up-dated information on a regular basis. Use these sources to announce new programs and services; promote your success stories.
- Identify one or two (and no more) key individuals in your organization that could respond to media requests. Never respond immediately to a journalist cold call. To prep for an interview, ask key questions about the story idea and ask to call them back in 15 minutes (and make sure you don't take more than 15 minutes, they are working on a deadline). Ensure ALL staff (not just the reception) knows who to direct the call to if a journalist calls.
- Use your website as a promotional tool and stay abreast of new technologies that are making online communications easier and more engaging.
- Develop Communications procedures and policies for a Communications Procedures Manual. This should include most updated logos, taglines, mission

statement (your boilerplate). It ensures that new staff can learn from it and current staff can refer to it to ensure consistency in message.

- Evaluate your messaging. Tracking your various marketing pieces is key to finding out "how people heard about you". Learn what works, and what doesn't work, and build on it.
- If you send out e-newsletters, make sure they are sent at the same time every week/month/day. In addition to communicating news that is relevant to your stakeholders, they should be used to promote your brand. Ensure that all links work and that you are not sending the repeat material out – people will get bored and stop reading it. Organize information in categories so that readers can click on the areas that they are interested in.
- Your agency's overall Mission, Vision, Values and Beliefs as well as Service Standards should be posted in a visible location in each office. This ensures that clients know what they can expect both in service delivery as well as the Agency's overall philosophy.
- Promote your successes; use actual testimonials.

Food for Thought



Some of the most compelling communication campaigns are those that tell real-life stories of people who have been served through community programs. Document your own success stories and use them as much as possible to communicate the value of what you do (your mission). For an even more powerful message, connect the story to the thousands of people in your community that you serve. Use numbers and statistics to back up anecdotes.

- Don't neglect to publicly recognize and thank employers and other community partners for their contribution to your success.

Notes from the Field

“We have found involvement in organizations such as the Chamber of Commerce, the Rotary, and sales and marketing groups, has really improved our overall business. All of the business communities know who we are and call on us for their hiring needs. Our job fairs have increased and all our frontline staff are recognized. We also participate in fundraising golf tournaments, corporate events, etc. We sponsor many of the above as well.”

Employment and Education Centre, Brockville

c. *Tips on Internal Messaging*

- Share information with all staff on a consistent basis in order to ensure that all staff members are on the “same page” with the same information about your agency’s current status and future plans, programming information etc.

<i>Notes from the Field</i>	<p>“At Job Skills communicating with staff on a consistent, regular basis is key to ensuring that staff are informed, and armed with the appropriate information to do their work on a daily basis. At Job Skills this has been accomplished through a variety of means including:</p> <p style="padding-left: 40px;">regularly scheduled Senior Management/Coordinator/Leads meetings; twice annual all-staff meetings, a monthly Executive Director's report to all staff, regularly scheduled department meetings, as well as an open door policy with all Senior Management (including the Executive Director) that encourages staff to "just ask" if they have concerns or questions.”</p> <p style="text-align: right;">Job Skills, Keswick</p>
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- Use intranets to post materials and for internal dialogues. To keep these sites alive, ask management to take leadership and populate them with new materials and use the site themselves to dialogue with staff.
- Ongoing orientation of staff is necessary in order to ensure that everyone is familiar with the full scope of your agency’s programs and services – this is crucial to their effectiveness as “ambassadors” in the community to both community partners and potential clients.
- Ensure that staff are aware of all of the messaging that is provided externally so that they can be prepared to respond.
- Invest time in ensuring that staff have sufficient information so that they understand the context in which they are operating.
- Ensure that all managers are providing a consistent message to staff.
- In times of turmoil, prevent speculation among your staff by being open and transparent about the issues. Instil confidence; don’t sound the panic alarm, and maintain a ‘business as usual’ approach.

3. Government Relations

✓ **Success Story: JobsNOW Employment Resource Centre and Assistance Services, Kenora**

“Justify! Justify! Justify! This was especially evident in our negotiations with HRSDC Regional Office. (Which for us, way up here in Northwestern Ontario, is still in Toronto!) The remoteness of our community, the sparse population base and geographical factors all play a part in program expenditures that would not be an issue in the more populous areas of our province. The lesson? Be prepared to justify your expenditures and or program procedures with price quotes, relevant local labour market information and/or other supporting documentation to support your claims. Also, in view of these more stringent criteria, it is no longer safe to assume that since an ongoing project was once allowed certain expenditures, or has always followed a certain method or process in the past, that it is still acceptable procedure. Never assume!”

✓ **Success Story: Job Skills, Keswick**

“We wanted to develop practice firms, as we knew they were quite successful in Quebec. We wanted one in York Region but no one would fund them. We did our research by visiting a few sites that had practice firms, and we then sent a letter to Service Canada explaining why we think there should have a practice firm in York. We didn’t hear back for a year and a half. Then a new manager came on at Service Canada and within a short period of time they wanted a practice firm in York region. Because we had all the evidence, had created the model and were all ready to go we responded. A minister wanted to be involved in the opening of the practice firm, which was good PR for both the minister and the agency. The government also wanted program participants at the launch – so we brought in program participants. It was a very successful launch and it received good media coverage. The minister looked good, in a positive light; and from that we got money for two more practice firms.”

Lessons Learned on Government Relations

a. Key Success Factors in Government Relations

- Work from a solution-focused approach and use your knowledge of programs and services to help local officials address challenges that they are facing. Do your research on what their priorities are and present your services as viable solutions.
- Stay abreast of public policy changes by reading government policy briefings, new legislations, Hansard etc.

Food for Thought



Programs are not funded or delivered in a vacuum. Legislation, public policy, public perception and attitude, media coverage, political process and political will, funding priorities, and the availability of funds, are just some of the systemic factors that play a role in determining which programs are funded, the extent to which they are funded, and to some degree, how they are allowed to function. It is important to “be in the loop” in any decision-influencing or decision-making process.

- Build close relations with government funders by inviting them for site visits, offering your locations for their media releases, sending them newsletters, inviting them to speak at public events, and publicly acknowledging their work.
- Seek opportunities to sit on policy committees, attend policy consultations, respond to civil society coalitions, and meet with public officials.
- Always ensure that whoever is responsible for marketing in your agency is up to date with the funders’ visibility guidelines (e.g., rules around posting signage acknowledging the funder’s contribution).
- Outreach to elected officials: Ensure that all elected officials in your area understand your agency’s mandate, range of programs and services. Develop an outreach campaign to all MPs, MPPs and municipal representatives. See what can be done to work with them to support the community’s needs.
- Maintain contact on a regular basis with elected officials. Regular communication is key whether it be annual or more frequent meetings or occasionally forwarding reports or interesting articles.
- Make sure your agency is on stakeholder lists of government departments that do consultations – call your project officers on a regular basis to find out about policies being developed, revised etc. Be at the table when governments are asking for feedback on policies and practices. Also, stay in regular communications with MPs, MPPs and local politicians for the same reasons.
- Be flexible and opportunistic – new funding opportunities are difficult to predict and when they present themselves, you need to be prepared to hit the ground running. Be adaptable to the funders’ needs, while staying true to what you do (your mission). If these don’t align, determine if it’s a matter of positioning. You may be able to get what you want, even if it’s positioned by the funder differently.
- Be proactive in your talks with government and treat them as a partner. Although Government and agencies as partners may seem hard to reconcile after the past

several years, success to vibrancy is to look for opportunities to move forward the relationships for the sake of our communities.

- With respect to problems with government policy, avoid simply complaining. Show what you are doing and how it is aligned with core government priorities. Similarly, don't just disagree with policy – keep track of its impact and let them know how it is playing out in very specific terms.

b. Tips on Negotiating with Government

- Know what flexibility you have in negotiating on behalf of your organization. Know what your breaking points are after which it is not feasible to continue discussions.
- Learn what the conflict resolution process is so that if you can't reach an agreement you know the next steps in gaining clarification.
- When negotiating a difficult contract, have detailed information to support your argument so that you are negotiating based upon facts rather than perception.
- Wherever possible, negotiate directly. Follow up discussion with an email so that both have consistent understanding and to avoid future misunderstandings.
- Look at the negotiation process as an opportunity to educate funders about your organization and its processes and to strengthen your relationship with them.

Recommended Resources

The Management Library provides very good definitions of advertising, marketing, promotion, public relations and publicity:

http://www.managementhelp.org/ad_prmot/defntion.htm

Excellent resources for nonprofit agencies wanting to build strategic communications plans are available at:

http://www.impacs.org/communications/commplanning/document_view

THE HUMAN RESOURCES MANAGEMENT PATH

1. **Link to Financial Vibrancy**
 2. **Recruitment and Retention of Talented Staff**
 3. **Fostering Professional Development**
 4. **Leadership Capacity Building**
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1. *The Link to Financial Vibrancy*

An agency's human resources are its main asset. The right people with the right training are invaluable to the quality of an organization's programming and thus its ability to attract resources. Supporting people through training and other sound management practices is an investment in building organizational capacity.

At the same time an organization's human capital also translates into social capital. Networks of relationships with people and organizations present opportunities for leveraging, innovation and new pockets of resourcing.

2. *Recruitment and retention of talented staff*

✓ **Success Story: Preparatory Training Programs of Toronto**

“We were recruiting three new instructors and we wanted instructors who would bring some ‘other’ qualities and skills to the job because of our focus on workforce literacy. The ad read ‘We’re a little bit different – are you?’ Well – we received over 350 applications. Although it was a lengthy process – we ended up hiring some very talented staff – one in particular who is still working with us today – a Ph.D. candidate who had been a ‘cook’ at daycare for over 10 years.”

✓ **Success Story: Lutherwood, Waterloo**

“Our organization had developed an extensive recruitment and retention strategy based upon input from front-line staff and management. For us this has become a key component of our strategic plan. We recognize that our staff are our greatest asset and have invested heavily in both recruitment and retention strategies. Our strategy includes a variety of components including a competitive salary and benefit package (reviewed annually), a focus on the culture of our organization, peer mentor programs, incentives for staff who refer an employee to us, staff appreciation strategies, exceptional

performance awards which recognize demonstration of our core values, individual and team awards for exceptional customer service, active engagement of staff in planning and a variety of strategies all based upon a management philosophy which incorporates the importance of recruiting and maintaining excellent staff.”

✓ **Success Story: Pathways Skill Development, London**

“One of our staff, Isabella (not her real name), came to Canada less than 6 years ago. In her former country she was a Labour Judge and lawyer, but none of those credentials carried forward to Canada. Shortly after coming as a client to us, she began volunteering as an administrative staff member. She later was hired on staff full time and we began to assist her in moving forward in a new career in social services. After working on this program for three years and taking many internal opportunities to learn and develop professionally she applied to an internal posting for an employment counsellor and was successful. She continues her studies with Pathways’ financial support and has become one of our most valuable employees.

The story told above about Isabella is multiplied many times over at Pathways with individuals who begin their employment out of social assistance situations, often lacking high levels of confidence due to recent difficult events in their lives.

We are committed to developing our staff in every area through our culture, staff meetings, interactions and professional development funds. We have observed vast amounts of growth in many of our employees personally and professionally as we focus on the whole person, not just the particular role.”

✓ **Success Story: John Howard Society, Welland**

“We have an extremely detailed behaviour based interview process. This has allowed us to recruit the type of people we are looking for. The interview process is the same for all candidates. This was only revamped during the last year and we have found our quality of candidates has gone up with little room for “bad” hires.

We have a Director of HR who oversees all the agencies hiring, reference checks and offers of employment. We have low turnover rates for staff – we feel it is in part due to a publicized competitive salary grid, regular supervision and performance reviews, many opportunities for staff to complete Professional Development and attend conferences, including college and university courses. We have excellent leave and paid sick time, and an excellent relationship through the Labour/Management committee to ensure issues are resolved before potential grievances can occur. Staff are always offered the opportunity to job shadow other positions to encourage cross training and create organizational capacity.”

Lessons Learned on Recruitment and Retention of Talented Staff

a) Key Success Factors in Recruitment and Retention of Talented Staff

- Have a clear HR Strategy in your Strategic Plan, including an organizational chart. Utilize staff in the development of the strategy to understand what attracted them to the organization and what keeps them there, as well as what are the gaps in skills and where additional resources are required.
- Look within (i.e. clients, volunteers, student placements) when recruiting talent.
- Promote your organization's human capital by promoting and developing your existing staff through job shadowing, professional development, training, regular performance reviews, etc.

<i>Notes from the Field</i>	<p>“All of our staff have been with us for over five years. We spend a lot of time and effort team building and providing PD. We can't offer high salaries but we can offer self fulfillment and satisfying days.”</p> <p>Niagara West Employment & Learning Resource Centres</p>
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- Develop selection techniques that will help you screen for candidates that will be a good fit for the organization – this is key to retaining staff and maintaining the culture of the organization; for example:
 - ask staff who will be working with the new employee what they think are the most important skills and qualities needed from the candidate
 - after the interview, have one staff person walk out with the candidate and casually introduce him/her to others, show him/her around the centre – etc; this gives you the opportunity to get a better 'feel' if the candidate is a good fit
- Hire early for any anticipated leave (maternity). In most cases the person will get trained from the expert in plenty of time to competently begin the position when the person takes leave.

- If you have an entrepreneurial venture in development, hire industry experts to run the program. Similarly, don't hesitate to consider hiring people to operate your business who have never worked in a non-profit.
- If you want someone with different experiences and skill sets, don't go through your usual channels.
- Once staff are on board, empower them to do the work and don't micro-manage. Equip your staff, team leaders, etc. with the tools they need to do the job and then allow them to grow through experience and through expectations.
- Never fail to catch staff doing something right. Recognize and reward good performance.
- Don't hire without a clear job description, and a clear idea of how that position contributes to the program of which it is a part. Never say "We don't know what we want, but we'll see who shows up and maybe that will give us some ideas."
- If you have any doubts about a candidate you are considering offering a job to – take time to do a second interview – involve other staff – re-post if necessary. Don't fall into the trap of recruiting less than ideal candidate based upon a tight hiring deadline. Better to have a position unfilled than make a bad hiring decision. ***Bad hiring decisions can cost you a great deal of time, money and wasted effort.***
- Don't hire someone without checking references. Ever!
- Don't look the other way if an employee's performance is suffering and they are not working out for the organization. Don't jeopardize the group because one staff isn't working out.



Food for Thought

There is real work that needs to be done in terms of consolidating recruitment practices. There are many talented individuals in social service fields that have transferable skills, so if we pooled our search resources or databanks, we could make recruitment an easier process. Charity Village (www.charityvillage.com) is a good example of a website for people interested in the not for profit or socially conscious career path.

3. Fostering Professional Development

✓ **Success Story: YES Employment Services, Thunder Bay**

“To promote retention and staff development and success, we developed an internal training program. Staff sign up as sessions are available. As a result of our efforts we received the innovations award from MTCU in 2003 and we shared the training modules with the Job Connect service providers across Ontario via the ministry website. We have minimal staff turnover and our results continue to demonstrate success in achieving our contractual obligations.”

Lessons Learned on Fostering Professional Development

a. Key Success Factors in Fostering Professional Development

- Develop universal organizational goals that are reflected in individual performance appraisal. Everyone sharing a goal and working towards the goal reinforces your culture.
- Build concept of growth and development into core expectations of roles and incorporate it into performance appraisals/goal setting for the year. If training is a part of the plan, ensure they are able to apply their new skills in their work. Revisit the professional development plan regularly, every 3 months is recommended.
- Always encourage staff to challenge their potential by taking on special projects when possible. Connect these special projects to the employee’s performance plan for the year.
- Establish a workplace culture and supporting structure that encourages peer-to-peer mentoring. As the ED, be prepared and open to coach and mentor your managers and encourage them to follow your lead with their team.
- Always remember to congratulate staff on completing training programs and reiterating how important their accomplishment is to the overall standard of service delivery. Give opportunities for staff to pass along learning in structured settings.
- Look at succession planning for all key positions within organization, rather than just senior leadership. For example, if your payroll person was to leave tomorrow, who would be able to produce payroll?

<i>Notes from the Field</i>	<p>“We provide cross training for staff interested. This ensures we have folks to move in to positions if vacated or programming changes they have the skills to be part of another program. We provide 3% of salary for staff development. We recognize successes at staff meetings. We have a “you rock” box that staff anonymously put accolades in and I read them at our staff meetings. We do a staff retreat annually (1 overnight) bring in trainers and generally have a good time.”</p> <p>Employment & Education Centre, Brockville</p>
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- Cross train staff in various roles and goal setting and take some time with them to reflect on their career plans after the experience. Ensure that development choices are made as part of a clear development plan.
- Take advantage of training opportunities offered by funders (e.g., The United Way, or community groups (e.g., the Volunteer Centre). Foster small-scale professional development opportunities such as “lunch and learn,” and don’t forget about group learning / development projects.

4. Leadership Capacity Building

✓ Success Story: Lutherwood, Waterloo

“We have developed our own internal system for leadership training and development. On a bi-monthly basis, all staff at a supervisory level and above meet to discuss particular areas of focus related to managing within our organization. We have invested heavily in this training, recognizing that this level of staff directly impact the culture of our organization. Through small group discussions, focused presentations and case studies we have focused on how our management philosophy lives out on a daily basis. This has helped to ensure consistency in management across our large system of more than 300 staff. We believe that our staff and the culture that we are able to create is our greatest asset. This level of staff directly impacts our culture. The investment has directly paid off. For two years in a row we have rated in the top 10 of Best Small to Medium Sized Employers in Canada.”

✓ **Success Story: Preparatory Training Programs of Toronto**

“Three years ago, the ED left suddenly, and left the organization with many challenges. The management team took over – and one manager was appointed Acting ED. Other managers moved into more senior positions with more responsibility. Everyone ‘rose to the occasion’ and we had a very successful model – and a streamlined management team. Others were given opportunities to try out new roles as well. Former instructors were given the opportunity – with encouragement – to take on management roles.

In the end, the Board needed to hire a permanent ED. PTP’s Auditor – (who was also very interested in Board Governance) – advised the Board to hire an internal candidate if possible. It was his experience that non–profits that chose to hire externally did not do as well as those who hired someone who had a deeper understanding of the organization and work culture. The Board chose to hire the internal candidate – again – giving opportunities for others in the organization to take on more challenging roles.

At present, the ED and one Senior Manager are involved in an Executive Leadership training course offered by Wellesley Institute. The focus of this training is on transformative learning and building organizational capacity. The program was designed to have two senior people in the organization trained in order to ensure that more than one person gained the knowledge and experience acquired through this training.”

Lessons Learned on Leadership Capacity Building

a. Key Success Factors in Leadership Capacity Building

- Develop a management philosophy that articulates the culture you want to develop, share the philosophy with staff and hold managers accountable for demonstrating management philosophy through daily interactions with staff.
- Incorporate leadership development into your strategic plan. This may also include opportunities for the E.D. to develop her/his core competencies and leadership skills.
- Recognize what it takes to be an effective leader in your organization and community and develop those core strengths. In addition to expertise on the sector, good leaders are creative, inspiring, innovative and visionary. Seek out opportunities to improve upon your core competencies as part of your own leadership development plan.
- Stay as flat an organization as you can: treat all staff as equal, allowing staff to share as equally as possible in the responsibilities of administration and decision-making.

- Place a high value on open communication. Encourage staff to participate in Board meetings, strategic planning meetings, annual planning meetings, etc. to understand the whole picture and the role of each position in the functioning of the organization.
- Recognize high performing staff who display leadership skills and encourage them to take on new roles with more responsibility, develop new skill sets and expand horizons. Ensure that staff who take on these roles get the training, support, mentoring and regular feedback they need.
- Enable each staff person to take on some responsibilities of other positions and to represent the organization when necessary.

Recommended Resources

http://www.hrcouncil.ca/	<p>The Human Resource Council for the Voluntary/Non-Profit Sector (HRVS) is a great resource for HR and leadership information relevant to the non-profit sector in Canada</p>
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Different schools and organizations offer leadership development courses and programs for non profit Executive Directors and managers. These programs are for existing management within the sector and the costs are off-set by private foundations.

For instance the Schulich School of Business

- York-Maytree Executive Directors' Institute on strategic leadership.
- Emerging Leaders 2007: A Middle Management and Leadership Certificate Program to support the new generation of leaders in the non-profit sector.

<http://www.schulich.yorku.ca/NMLP.nsf/docs/Whats%20New?OpenDocument>

THE TECHNOLOGY USE PATH

1. The Link to Financial Vibrancy
 2. Strategic Technology Planning
 3. Project Planning and Implementation
 4. Web-Based Services
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1. *The Link to Financial Vibrancy*

Web-based services, communication, HR, accounting and cost accounting, and program monitoring all depend on effective and efficient information technology (IT). Not only does IT underlie and tie together a wide range of elements that contribute to financial vibrancy, but also can contribute to lower costs and an enhanced ability to take advantage of financial opportunities quickly.

Organizations with effective IT strategies have access to information, are able to network quickly and effectively and can share resources such as training and administrative capacity and the knowledge they develop.

2. *Strategic Technology Planning*

✓ **Success Story: Community Literacy of Ontario, Barrie**

“Community Literacy of Ontario is a provincial network serving 100 literacy agencies all across Ontario. We have effectively used technology over the past five years to save our organization in its internal operations and to save our members time and money.

Given that CLO is governed by a provincial board of 12 regional directors, it costs our organization a great deal of money to hold face-to-face Board meetings. Our organization is very small and face-to-face meetings were really stretching our budget to the breaking point. We tried conference calls, but had limited success because they aren’t very user-friendly for many people. Based on this, we tried out holding our meetings using live, state-of-the-art online software called “Centra” with voice-over-Internet capability. Now, we hold most board meeting and all committees meetings on Centra. Our Board and staff all love this interactive way of meeting and it saves us a ton of money.”

✓ **Success Story: Niagara West Employment & Learning Resource Centres, Beamsville**

“We hired two students from the third year in IT from Niagara College as our technical support six years ago. They were summer students but one remained as our “weekend mole”. We could only pay him a small amount but he came in on Saturday’s at any time of the day or night to maintain the computer labs. Subsequently he provided recommendations for purchases and upgrading of the networks etc. He is still with us and persuaded us two years ago to invest in voiceover technology. He and his partner both are at University in IT, have other part time jobs, but still continue to maintain and support our computer-networked labs as part of our staff team.”

✓ **Success Story: Community Literacy of Ontario, Barrie**

“Community Literacy of Ontario has had enormous success in using technology to serve our members for efficiently and less expensively (for them and us). For example, we have offered live, online, voice-over-Internet training to our members. This allows them to access training right in their offices without the expense and time of traveling to another centre for training. This is especially helpful as many of our members are located in rural and northern and remote areas of the province and travel is a major barrier for them. As well, all of our members face extreme financial pressures.

In addition, CLO has developed and designed a self-directed training website for our members called “Literacy Basics.” This website can be accessed free of charge at: www.nald.ca/literacybasics. There are currently four training modules available and four more were launched in December 2006. Our members give us rave reviews about “Literacy Basics” as it allow them to access free training when and where they need it. You can read more about CLO’s success with online training for its members at www.nald.ca/litweb/province/on/CLO/elearn/elearn.htm.”

a. Guiding Principles

- Strategic *technology* planning helps to tie technology to organizational goals. Proper planning demonstrates that leaders understand how technology can serve an organization – not the other way around.
- Good technology planning leverages existing planning skills and capacity to integrate technology into your organizational mandate.
- Effective IT is more than how your computers work, or what your website looks like. True, these are important uses of technology, but they must fit together into an effective system of managing information, communication, finances, and HR management.

- Investment in IT should be a part of your strategic plan, annual plan and annual budget. Don't get caught trouble-shooting random technology issues without looking at the system as a whole.
- Technology should be used as a tool to simplify things. Automating repetitive tasks and making administrative systems more efficient has the potential to lower costs, freeing up resources for 'high touch' front line services and mission based work.
- Since not all organizations have the necessary IT expertise in-house, consider forming strategic partnerships as part of the planning process. Strategic technology partnerships can help an organization to manage their IT projects more effectively. They can also increase the visibility of the organization, helping to attract sponsorships and donations. Sharing of resources with other organizations can reduce the cost of implementing and maintenance of the IT infrastructure.

b. Key Success Factors in Strategic Technology Planning

- Conduct a visioning exercise with the staff to understand how technology can help your organization. Getting feedback from the staff will help you to define your organizational needs.
- Don't just listen up, listen down as well. People in the field really know what the needs are. Getting feedback on what's working, what's failing and what's missing can make stronger prioritization decisions in the strategic planning process.
- Know what your long-term goals are for the organization and how you can achieve the goals by utilizing technology effectively.
- Define concrete, measurable, specific, and achievable objectives to achieve your organizational goals. Identify approaches and strategies that can be used to achieve your organizational objectives.
- Clearly document and plan a path to achieve your vision in your strategic technology plan.
- Assess the organization's current situation by conducting a technology audit.
- Detail the resources required to maintain and support basic technological infrastructure, but don't throw money at a problem that may be solved by streamlining your operations. New technology can't enhance a process that is fundamentally flawed. Make sure that the processes (e.g., client data entry, bookkeeping) are as streamlined as possible.

- Clearly communicate intentions to external partners – including consultants and funders.
- Integrate specific technology projects into your overall technology strategy.
- Revisit the plan every 2 to 3 years.
- Don't sweat the details. The specifics of execution belong in the technology project plan so you don't have to rewrite the strategic plan if implementation details change.



Food for Thought

Funders want to buy social and economic benefits, not boxes and wires. Projects that involve technology should sell the strategic benefit, not the toolset.

Check out the [technology visioning exercise](#) to guide you in your thinking about how technology can be used to help your organization. Courtesy of the Partnership Platform (Developed by IM/IT Ontario).

Check out the [strategic technology plan template](#) to guide you through the strategic technology plan process. Courtesy of the Partnership Platform (Developed by IM/IT Ontario).

Check out the [suggested external partnership model](#) to guide you in identifying potential partnerships. Courtesy of the Partnership Platform (Developed by IM/IT Ontario).

These resources are all available for download at www.financialvibrancy.org

3. *Project Planning and Implementation*

a. *Guiding Principles*

- A technology project plan should start with a big picture overview of what the project will produce (outputs or deliverables) and a list of the community or organizational impacts that it aims to have (outcomes).
- As a part of the technology project plan, organizations should develop a “project chain of command” that facilitates decision-making and general project management.

b. *Key Success Factors in Project Planning and Implementation*

- Identify ALL of the project stakeholders. Gather valuable input from every possible end user of the proposed project during the planning stage, beyond just the perceived “customer” for the project. This includes finance, marketing, fundraising, communications etc.
- Define measurable project goals. Be as specific as possible when establishing the success criteria for your project (e.g., increase fundraising by 20 percent for the first year by implementing online fundraising campaign).
- Conduct a needs assessment. A technology plan should be based on concrete demonstrable needs.
- Enlist external help with defining the technical objectives. If you don’t possess the skill set to properly create a project scope document, enlist help from others that do.
- Remember that a project is more than just hardware or software. The human factor in the technology often gets short shrifted. Put aside budget for professional development for your staff and technology support team will help to maintain and support the machines!
- Avoid scope creep. Scope creep can be defined as uncontrolled shifts in defined project objectives causing the boundaries of a project’s vision to expand beyond the project’s budget and resources. Define a project’s scope and maintain watch and control over the changes.
- Invite your IT person occasionally to management meetings so he/she can better understand the strategic and annual plans, and whether IT solutions are available to assist you execute them. This is particularly true if you are using an external provider so that IT Company/person understands the type of work you do and what you use the technology for and what you may need to help you do it better.

- Core applications such as word-processing, spreadsheets, email, and web browsers haven't changed that much over the last few years and do not require sophisticated computers to run perfectly. For example, the speed with which a website loads depends primarily on the speed of your internet connection as well as the traffic on and speed of the computer hosting the site you are visiting – it is rarely an issue with the speed of your machine.
- Generally, state-of-the-art computers have been designed primarily to meet the appetite of the gaming market and the needs of graphics/multi-media creators. The capabilities of these systems far exceed any application you are likely to run. So don't get caught up in the marketing hype. ***New technology is not necessarily better than older technology: it's all about finding the right solution to your needs, not necessarily the newest solution.***
- On the other hand, remember that new developments in computer technology – both in hardware and software – come out weekly. Don't feel intimidated or shy about asking “We'd like to be able to _____, is there anything out there that can do that?” Chances are there is, and consultants with experience working with non-profits will know what's out there at a cost you can afford. Don't be afraid to try out new technologies: sometimes newer is better.
- Most IT people are generalists: they are not expert in all content areas such as accounting, payroll or client information systems (e.g., for program evaluation). This means that software and system solutions in these areas require specialized expertise and customizing the right software package to your needs.
- Areas where you ***must*** invest in an experienced IT person include: internal computer security, website and server security, your office's computer network (LAN) and file backup solutions.

<i>Notes from the Field</i>	<p>“We have a staff person/team responsible for the website – this way all communication and updates can be done in a “just in time” manner rather than only changing the site quarterly or monthly. Clients comment that they use our site regularly and this is a huge marketing piece for us – most business comes by way of the website.”</p> <p style="text-align: right;">John Howard Society, Welland</p>
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Check out these resources, courtesy of the Partnership Platform (Developed by IM/IT Ontario): The [Small Technology Project Plan Template](#) to guide you through the project planning process for your organization. The [Questions for to Ask Potential Consultants](#) to guide you through the consultant hiring process.

These resources are available for download at www.financialvibrancy.org

4. Web-Based Services

a. Guiding Principles

- Your website is more than just information about your agency or organization. It is the image of your organization online. It is the platform through which you can communicate with your audience.
- Think strategically about your web presence. How can you utilize the web to achieve your organizational goals? Example: on-line volunteer recruitment/management; establish an effective communications strategy; on-line fundraising; program monitoring and results-gathering through surveys and feedback.

http://en.wikipedia.org/wiki/Web_2

"Web 2.0" provides an improved form of the World Wide Web, with technologies such as weblogs, Social bookmarking, wikis, podcasts, RSS feeds and other forms of many-to-many publishing. It is the second-generation of web-based services and refers to the transition of websites from isolated information silos to sources of content and functionality.

b. Key Success Factors in Web-Based Services

- Don't believe in "build it and they will come". Look into Search Engine Optimization (SEO) to increase your visibility. Advertise your website in all of your print materials. Use information on your website as a supplement to your existing programs and services.
- Update the content on your site regularly – never have dead links, old content, or incorrect contact information. Your website should be visually interesting, give a snapshot of what you do, be organized in an intuitive fashion, work well on a wide range of browsers or systems, highlight successes, provide contact information (email, phone, and mail) and always be kept current. Promote your website/email address on all your marketing materials. Cross-promote on other sites. Drive traffic to your site and track where they go and how long they're there ("stickiness").
- Design your site to be easy to navigate and a good reflection of your mission and vision. If you need to raise funds for the website, demonstrate to prospective funders what the website will do for you in terms of marketing and service delivery.
- Don't use too much flash on your splash page. In fact, do without a splash page.

- Don't have a page that people have to scroll forever to read. Break the content of the page into smaller sections makes it easier to read and navigate.
- Have a Computer Security Policy Statement for staff.
- Keep in mind who is going to use your site. Design your site so it is easily accessible to them. Keeping the graphics files and text files small will help people with modems. Make your site screen reader friendly for those who are visually impaired.
- Invest in innovative ways of communicating with your audience through your site. Use RSS feeds to keep news on your sites current. Broadcast RSS feeds so other sites can get up-to-date news and events from your organization. Blogging and Podcasting are great ways of sharing information with the community.
- Use Open Source Software and applications to save you money on licensing fees. However, make sure you have someone to maintain these applications for you.
- If you use the web for training, combine high touch (in person) with high tech. Online learning isn't well suited for conveying complex and interactive learning.

Check out the [Website Creation Strategy Form](#) to guide you in your thinking about your website. Courtesy of the Partnership Platform.

This resource is available for download at www.financialvibrancy.org

Resources

www.partnershipplatform.ca	<p>The Partnership Platform serves as the central meeting point between charities and non-profits, information technology companies, and volunteers. The Platform is a tool to define and initiate IT projects, work with strategic experts to assist with planning next steps, and connect with potential partner corporations and volunteers.</p> <p>The website contains a wealth of information as well as links to several other sites of value to non-profits.</p>
www.techsoup.org	<p>TechSoup.org is a U.S. based site offering non-profits a one-stop resource for technology needs by providing free information, resources, and support. TechSoup provides instructional articles and worksheets for non-profit staff members who utilize information technologies, as well as technology planning information for executives and other decision makers. The TechSoup web site offers additional support through discussion forums, newsletters, and service directories.</p>

http://www.imitcanada.org	IMIT Canada is a network of charities and non-profits that provide professional technology advice and services that strengthen the work of voluntary sector organizations.
http://www.voluntarygateway.ca	Voluntary Gateway is a website that provides information and resources on issues of interest to non-profits and voluntary organizations.
http://www.rebootcanada.ca	Reboot is a non-profit organization that provides computer hardware, training and software and technical support to charities, non-profits and people with limited access to technology.
http://www.canadahelps.org	Canada Helps offers a low-cost online fundraising option for Canadian Charities through facilitating online donation using electronic fund transfer (EFT) and electronic communication methods.