

ORGANIZATIONAL SUSTAINABILITY

cohort program

Session 4
July 21, 2016

SESSION FOUR: GETTING REAL

How will we steward sustainability?

Today's objectives:

- ✓ Have reviewed and analyzed your matrix map.
- ✓ Have developed key messages based on your matrix map.
- ✓ Have identified organizational priorities and specific decisions.
- ✓ Have articulated a high level plan with next steps, including specific practices, roles, and timeline for implementation.

WHAT?

How far we've come and where we are now.

Sustainability is an orientation, not a destination. This means that we have to be in continuous dialogue about our organization's current sustainability. We know that our work changes, our funding shifts, and our environments evolve – quickly and often suddenly. As we make sense of these changes in real time we re-assess our impact and our financial health to remain adaptive and sustainable into the future. Let's take a moment to capture and acknowledge what you've accomplished so far in your journey towards sustainability. Include notes on the work you've done so far.

OUR CORE	Our identity, purpose and values.
MATRIX MAP FINANCIAL ANALYSIS	Financial assessment of mission and fund development programs.
REVENUE MODEL	Our core revenue streams and how they align to our impact.
PROBLEM STATEMENT & INTENDED IMPACT	The conditions we aim to change and how we will monitor our success in contributing to the resolution of the problem.
ADAPTIVE LEADERSHIP	Leadership and management practices we employ to foster sustainability.
SUSTAINABILITY MINDSET	The mindset we need to nurture in our culture to foster sustainability.

READING THE MATRIX MAP

<p>How do our bubbles cluster?</p>	<p>Heart – Money Tree</p> <p>Shining Star</p> <p>Break Even</p> <p>Crisis</p> <p>Stagnation</p> <p>Other / Mix</p>	<p><i>What is the pattern of how our bubbles cluster?</i></p>
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SO WHAT?

NAMING DECISIONS AND PRIORITIES



The Heart Quadrant

Starting Point: Keep and contain costs

- Can we envision this program achieving the same impact – or very close to it – with a different cost structure?
- Is there a different revenue strategy to consider?



The Star Quadrant

Starting Point: Invest and grow

- Do we understand the needs and motivations of stakeholders who make the star possible?
- Are there opportunities (i.e. new geography, new population, complementary programming) to expand the program's impact and revenue?



The Stop Sign Quadrant

Starting Point: Close or give away

- Can we innovate this program to move out of this quadrant?
- How long will we give ourselves to move the stop sign?
- Is that the best use of resources?



The Money Tree Quadrant

Starting Point: Water and harvest, increase impact

- Can the net surplus be increased and, if so, what investment will that growth require?
- Are there means to reducing the program's cost and improve the margin?
- Are there ways to achieve greater impact by making the program stronger?

DEVELOPING KEY MESSAGES

It is important not to jump to diagnosing specific program level problems or opportunities before forming a high-level narrative about the organization's overall business model and its implications for refinement. **This is a critical opportunity to have everyone—staff and board—truly understand the interplay of impact and economics in your organization.**

Examples:

Over the past ten years, we have successfully developed earned-income programs, but none of them is surplus generating when staff time is factored.

We have tried various things over the years to increase our support from individuals but none of them has really broken through.

We have a break-even culture here; nothing loses too much money but nothing makes much money either, so our balance sheet is very weak.

Our extensive use of volunteers and in-kind donations is essential to the health of our business-model; we would be at risk if either faltered.

We meet our budget each year on the back of one program so we need to be continuously innovating that program to nurture its relevance and appeal to constituencies.

While we have been financially prudent in not spending what we don't have on an annual basis; we will never have optimal theater space if we don't invest in our fundraising capacity and build a meaningful major donor program.

We are unsustainable in our current form. Significant restructuring is our immediate priority.

We allowed our programs to stagnate over the last 10 years and are fortunate to have the financial resources and new leadership capacity to begin innovating toward financial impact.

DRAFT KEY MESSAGES

Messages from your analysis of your bubble pattern?

Messages from your analysis of your revenue model?

NOW WHAT?
DRAFT DECISIONS & PRIORITIES



The Heart Quadrant

Notes:



The Star Quadrant

Notes:



The Stop Sign Quadrant

Notes:



The Money Tree Quadrant

Notes:

