Sustainability 201

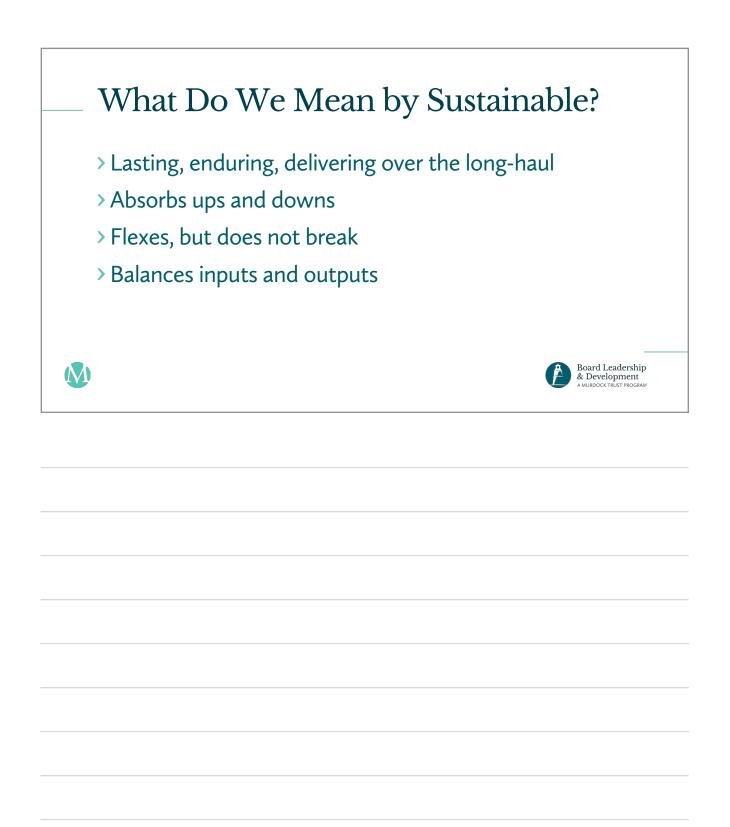The Work of High Performing Boards

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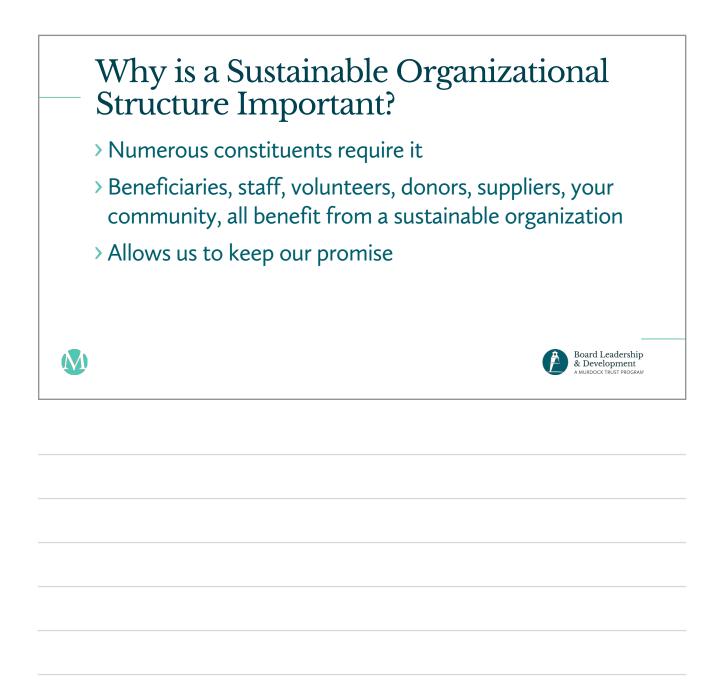
"We are not building this country of ours for a day... it is to last through the ages."

— President Teddy Roosevelt

Organizational Model for Sustainability

What Do We Mean by Sustainable?

> Lasting, enduring, delivering over the long-haul

> Absorbs ups and downs

> Flexes, but does not break

> Balances inputs and outputs

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Why is a Sustainable Organizational Structure Important?

› Numerous constituents require it

› Beneficiaries, staff, volunteers, donors, suppliers, your community, all benefit from a sustainable organization

› Allows us to keep our promise

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Organizational Model for Sustainability

Organizational Model for Sustainability

Three Important Concepts: Quick Review

1. Top leadership needs a working understanding of ALL core elements

2. The interconnectivity of elements is key to driving efficiency and optimizing resources

3. The organization should have a plan for each element

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Organizational Model

> Today we will go deeper into each of the five elements, highlighting three things:

> Their importance

> Actions a high performing board can take

> Questions a high performing board should ask

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Organizational Model for Sustainability

Mission: Quick Review

› Defines the core purpose of a nonprofit organization

› States "WHAT" services the organization provides

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Importance of Mission

› Guides the organization from the present into the future

› Provides direction when the organization needs to adapt to new demands

› Helps the board adhere to its primary purpose

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High Performing Boards

› Utilize their mission to make decisions

› Establish boundaries for appropriate courses of action

› Define and reinforce shared values, norms, and beliefs while clarifying these with stakeholders as part of mission stewardship

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Questions the Board Should Ask

› Does every board member know and understand the mission statement?

› Does our board regularly review the mission statement?

› Does leadership integrate the mission into meetings, gatherings, and functions?

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Target Audiences: Quick Review

› Every organization has several target audiences

› The primary audience is usually the beneficiary of the organization or its programs

› Identify your additional target audiences

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Importance of Target Audiences

› Beneficiaries are the reason for an organization's existence

› Understanding the audiences' needs directly relates to resources, program strategies, and board-level decisions

› Each target audience requires a strategy

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High Performing Boards

› Understand the needs of their target audiences are vital

› Recognize the needs of their audiences may change and/or vary depending on cultural differences

› Assess the need to adapt strategies to these changes

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Questions the Board Should Ask

› Does our board and leadership understand the needs of our target audiences?

› Does our board regularly monitor changes in target audiences?

› Should we adapt strategies to address changes?

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Organizational Model for Sustainability

Programs: Quick Review

› Programs are outputs and where the mission is executed

› Programs are your brand

› Programs have lifecycles

› The board's interest in programs is vital

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Importance of Programs

› Programs are where the mission comes to life

› What are your key programs?

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High Performing Boards

› Expand their understanding of how programs meet the needs of each target audience

› Make informed/strategic decisions about adding/discontinuing programs

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Examples of Program Pivots

› Connect programs with outcomes through evaluation and measurement

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Evaluating Programs with Quantitative Data

Meals served

People served

Attendance

Cost of program

> Choose five to six metrics

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Evaluating Programs with Qualitative Data

› Success stories

› The power of institutional storytelling

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Other Assessments: Keeping Programs Relevant

› SWOT (Strengths, Weaknesses, Opportunities, Threats)

› The four buckets for continual improvement:

1. What is going right with this program?
2. What is broken or could be improved with this program?
3. What is confusing about this program?
4. What is missing with this program?

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Questions the Board Should Ask

› Does each program keep our promise to its target audience?

› Does our board regularly review efficiency and effectiveness regarding programs?

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Organizational Model for Sustainability

Resources: Quick Review

Financial	Human	Gift-in-kind	Key strategies
Strategic plan	Equipment and technology	Property and facilities	Unique processes
	Key relationships	Data	

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Importance of Resources

› Resources drive the amount of output an organization achieves

› A scarcity of resources may limit an organization's impact

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High Performing Boards

› Continually monitor resources for effectiveness and efficiency

› Utilize simple tools to monitor relevant metrics

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Questions the Board Should Ask

› Does our board review each key resource area at least once a year using a master calendar?

› Have we developed metrics for measuring each resource?

› Do we have a tool that can assist in our review, such as a dashboard or exception reporting?

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Organizational Model for Sustainability

Future Direction: Quick Review

› Defined as how an organization delivers its promise in the future

› Emphasizes the board and leadership looking forward

› The future is more than one planning cycle

› How will we deliver our mission and promise two to three years from now?

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Importance of Future Direction

› Future direction informs your strategic intent and choices, which is why board involvement is necessary

› Looking through the window of 2+ years

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High Performing Boards

› Join leadership in being open minded, thoughtful, and committed to "looking around the corner"

› Create space where this can be accomplished, being proactive rather than reactive

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Questions the Board Should Ask

› Does our board regularly "look around the corner" in each element of our organizational model—target audience, programs, resources, and finally mission?

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Examples of Future Direction

› Assessments

› Infrastructure

› Financial stability

› Programs

› Staff culture

› Crisis management

› Physical master plan

› Future story

› Market and competitive landscape

› Board education

› Cultural competency

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Scenario Planning

› Cash flows

› Changing audiences/demographics

› New partnerships

› Physical space

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Pilot Simulator

Organizational Model for Sustainability

Why is This Important?

› Boards that understand their organizational model will increase performance

› Better understanding leads to better questions— answers lead to higher understanding, creating a cycle of improvement

› Continuous improvement builds sustainability

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MISSION

	NEVER		SOMETIMES		ALWAYS
	1	2	3	4	5

1. Does every board member know and understand our mission statement?

2. Does our board regularly review the mission statement?

3. Does leadership integrate the mission into meetings, gatherings, and functions?

TARGET AUDIENCE

	NEVER		SOMETIMES		ALWAYS
	1	2	3	4	5

4. Does the board and leadership understand the needs of our target audiences?

5. Does our board monitor change in target audiences?

6. Have we adapted to these changes?

PROGRAMS

	NEVER		SOMETIMES		ALWAYS
	1	2	3	4	5

7. Does each program keep our promise to its target audience, including donors?

8. Does our board review efficiency and effectiveness regarding programs and services?

9. Are all programs evaluated to ensure an awareness and sensitivity to a variety of cultures?

RESOURCES

NEVER		SOMETIMES		ALWAYS
1	2	3	4	5

10. Does our board review key resource areas at least once a year, using a master calendar?

11. Does our board have a tool that can assist in our review (e.g. dashboards, flash reports)?

FUTURE DIRECTION

NEVER		SOMETIMES		ALWAYS
1	2	3	4	5

12. Does our board regularly look around the corner in each element of our organizational model (e.g. target audience, programs, resources, mission)?

13. Does our board evaluate the use of technology in our future?

Next step: Prioritize the areas above in which you can improve your board's performance.

1. _____

2. _____

3. _____

ARE ANY ACTION ITEMS IN THIS SECTION
A CANDIDATE FOR THE TOP 5 STRATEGIC NEXT STEPS?