



Presenting:

Not-for-Profit Strategic Planning: A Junior Achievement Case Study

William Klimack

DAAG Conference 2013

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Not-for-Profit Strategic Planning

A Junior Achievement Case Study



A Member of JA Worldwide

**Junior
Achievement[®]**
of Southeast Texas, Inc.



William K. Klimack
Chevron
April 11, 2013

Agenda

- What is Junior Achievement?
- Strategic Planning Challenges
- The Analysis Plan
- Results
- Conclusion

Study Contributors

- David Skinner
- William K. Klimack
- Eric Johnson
- Paul Wicker
- Ron Behar
- Rocky Gay
- Chang Yan
- Richard W. Franke
- Jennifer Anderson
- Kevin R. Hattery



JASET

JA: largest organization dedicated to teaching students about entrepreneurship, workforce readiness and financial literacy

Strategic Goal

Achieve 20% student penetration
(260,000 students) annually by 2012

Short Term (2008-09) Goals

- 209,000 Students
- 10,000 volunteers
- \$5.2 Million Dollars

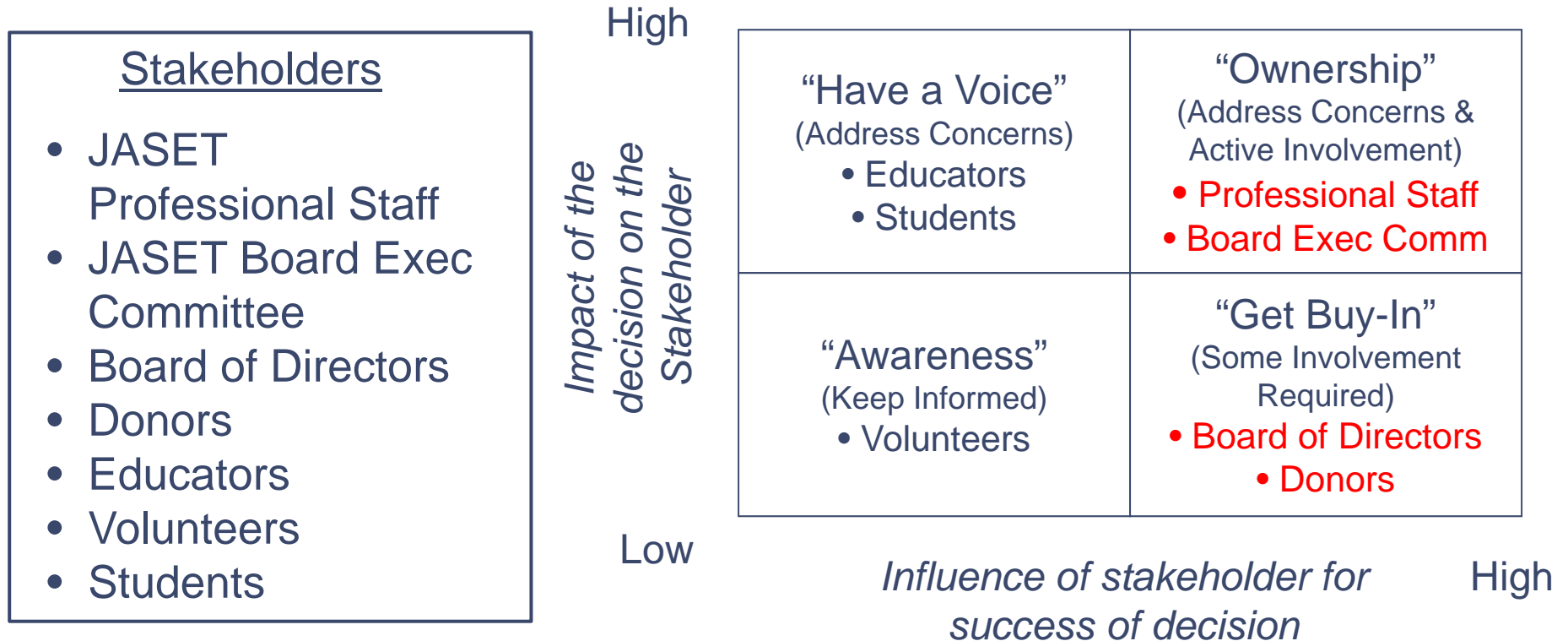
Long Term (2011-12) Goals

- 260,000 Students
- 12,000 volunteers
- \$6.2 Million Dollars

-
- 2009 – 2010 Strategy
 - Hurricane Ike
 - Economic Downturn
 - Donations
 - Volunteers

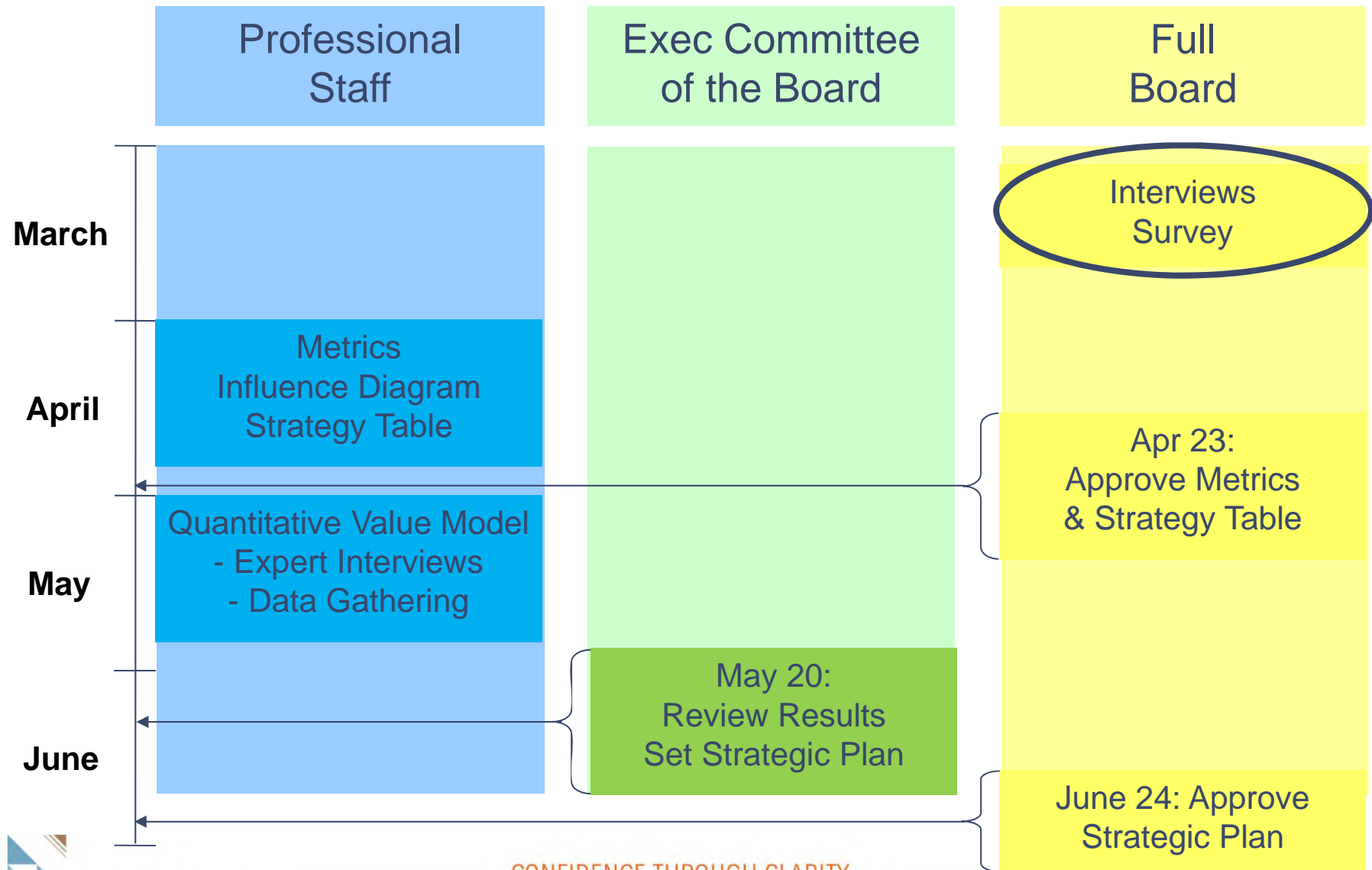


Stakeholder Analysis



from *Strategic Development: Methods and Models*, ed. Robert G. Dyson and Frances A. O'Brien, 1998.

Process Flow / Timeline



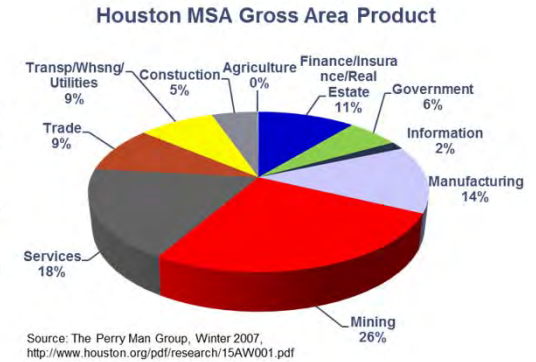
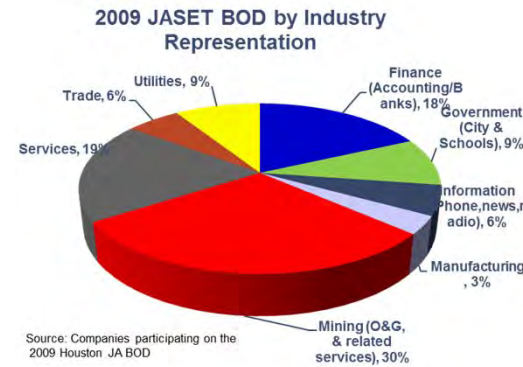
Board Interview Results

Interviews of:

- Executive Committee
- Key Members

Others:

- Survey
- Offer to Interview



Issue Categories

- Volunteers
- Funding
- Purpose of Standing Fund
- Messaging and Communications
- Follow-through and Execution



Volunteers



Insights

- Need tracking and retention program
- Need to set goals for volunteer expectation
- Create volunteer database
- Buddy / Mentoring system
- Need an internet site for volunteers
- Get volunteers to augment staff (non-teaching role)
- Volunteers from school system, teacher database

Possible Actions

- Seek different sources of volunteers
- Ask the school administration
- Seek younger instructors
- Collaborate with organizations with interests in young people
- Recruit volunteers for life
- Recruit parents
- Companies "own" a school
- Pair experienced teachers with new ones
- Use web-based recruiting
- Identify organizations wanting to teach, & encourage participation
- Focus on companies with more educated work force
- Develop incentive for volunteers
- Recruit people earlier

Decisions:

Now: Who, How and How to Retain

Future: How to implement programs;
incentives that will help attract as well as
retain volunteers

Key Risks:

Volunteers are critical and the key to successfully achieving the JA objectives

Volunteer base affected by economy



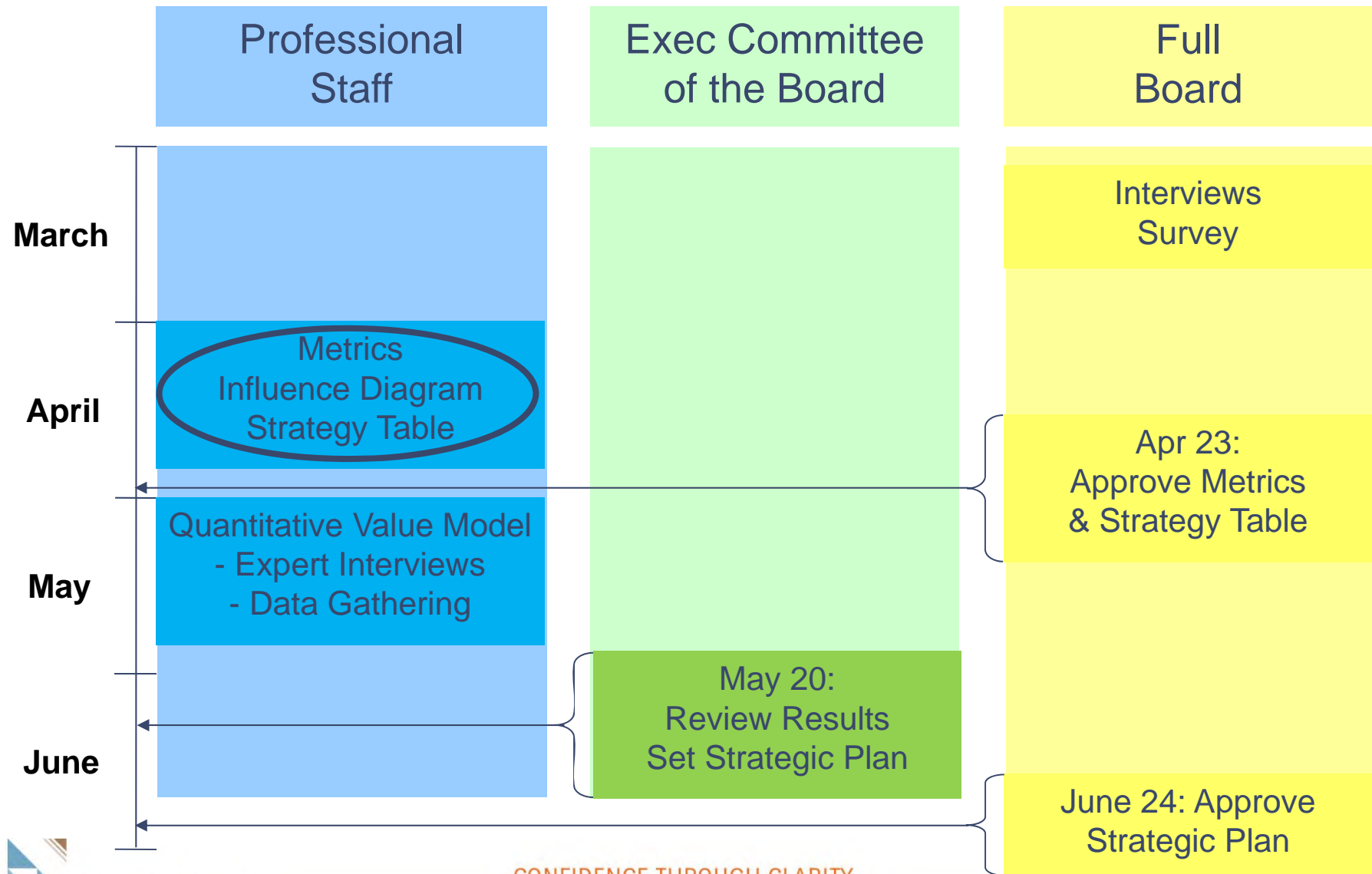
Decision Strategies

CONFIDENCE THROUGH CLARITY

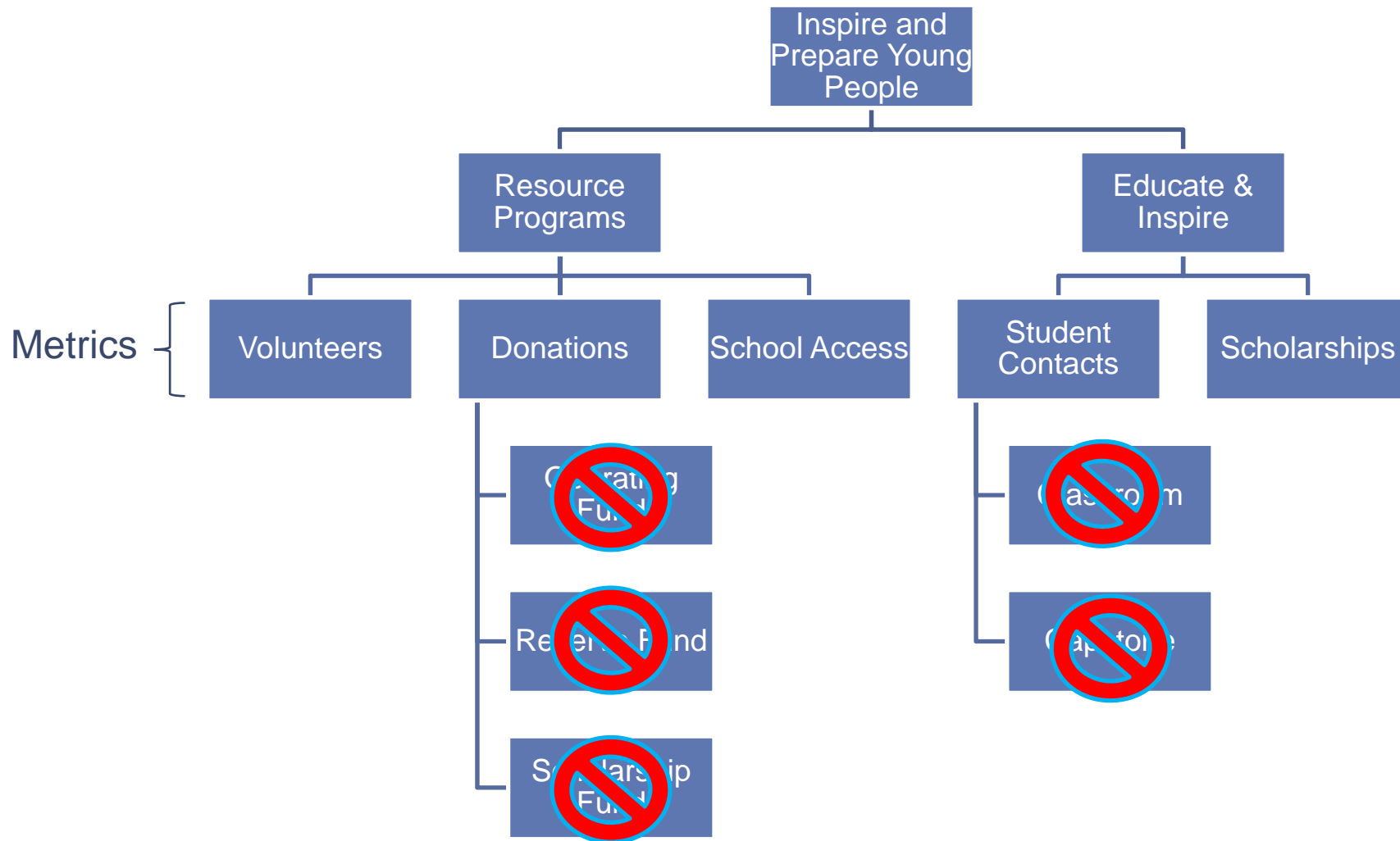


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Process Flow / Timeline



Value Hierarchy



Decision Hierarchy

Done Deals:

*Decisions already made;
policies*

- Curriculum
- Growth Target is 260k students = 20% penetration
- Maintain a contingency fund and a cash flow buffer
- We will commence systematic maintenance of our building

Strategic Decisions:

*Decisions to be made
based on analysis to be
done*

- Target Students / Schools
- Volunteer Recruiting - Who
- Volunteer Recruiting - How
- Volunteer Retention
- Scholarships
- Capstones
- Marketing Message / Awareness
- Board Composition
- Fundraising Approach

Side Analysis

- Intention for Fund Reserves

Tactical Decisions:

*Decisions to be made
separately, at a future date*

- Operating Reserves
- Offerings, within Curriculum
- When to Exit Initiatives
- Volunteer Retention
- Marketing Medium
- Marketing Target
- Communications
- Program Focus
- Roles & Responsibilities



Strategy Descriptions and Objectives

Strategy	Description	Objective
Business as Usual	Operations for all objectives as they are currently handled now.	Maintain our current program and fund raising goals, using the most commonly known and established methods.
Conservative	This strategy analyzes trying to continue our programs as best we can on fewer resources.	Provide the program as close to the numbers of students reached this year as possible, while trying to find alternative sources of funding and cutting expenses.
Ambitious	This strategy aims at optimizing the use of an excess of funding and volunteers.	Articulate possible paths that can be taken if JASET has unlimited funds. This includes advertising and other items currently unbudgeted.
Challenging Boundaries	This is a list of activities we might want to implement that demonstrate a different way of doing business.	To articulate initiatives we would be able to undertake if our focus is on being innovative.



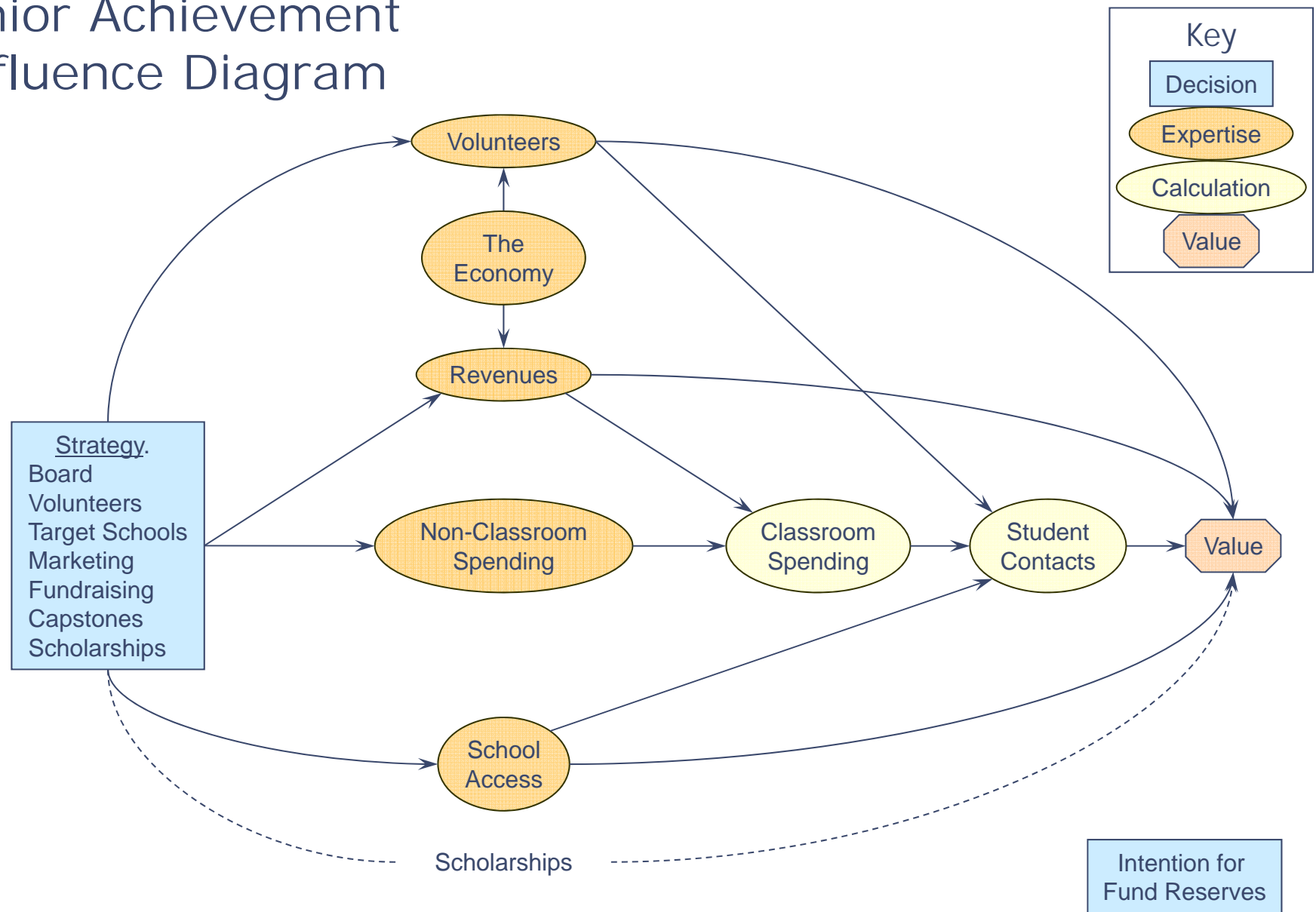
Strategy Table (1 of 3)

Strategic Themes	Target Students / Schools	Volunteers - Who	Volunteer Recruiting - How	Volunteer Retention	Scholarships
Business As Usual	<ul style="list-style-type: none"> o Broad brush, no focus o Whole District - more efficient 	<ul style="list-style-type: none"> o School district personnel o HS & College students o Organizations with interests in young people o Parents o Corporate o Retirees o Online Placement 	<ul style="list-style-type: none"> o Companies o Corporate whole-school o Orgs wanting to teach o Recruit for Finance Park o Build relationships with University leaders o Engage teachers to recruit parents o Collaborate with other agencies or universities (eg Boy Scouts, Rice) o Outsource recruiting to schools 	<ul style="list-style-type: none"> o R o D o vol 	
Conservative	<ul style="list-style-type: none"> o Focus on Elementary (less costly) o Stick with schools already committed to JA 	<ul style="list-style-type: none"> o Look into online program delivery, which may require fewer volunteers 	<ul style="list-style-type: none"> o Use more parents, HS and college students - large bunches inexpensively o Non-teaching roles (eg Fin Pk docent, JA staff augmentation) o Corporate incentives o Volunteering written into the syllabus o More online resources 	<ul style="list-style-type: none"> o O o rec 	
Ambitious	<ul style="list-style-type: none"> o Higher impact - reach secondary (MS, HS) students o Hispanic initiative o At-risk focus 	<ul style="list-style-type: none"> o Same volunteers as SQ o Add small business campaign 	<ul style="list-style-type: none"> o More awareness o More online resources o Memberships to associations o Corporate incentives 	<ul style="list-style-type: none"> o M o rec o vol 	
Challenging Boundaries	<ul style="list-style-type: none"> o Pre-K program o Online classes 	<ul style="list-style-type: none"> o Virtual Volunteer, distance learning o Entry-level business people 	<ul style="list-style-type: none"> o Required by employers o Strong enough for professional development need o Corporate incentives o Target corporate retirees 	<ul style="list-style-type: none"> o Develop a JA community of volunteers, with electronic communication and social network o Organize a council of long-term vols 	<ul style="list-style-type: none"> o Small biz start-up loans for students o Scholarships through 2 years of college o Create committee to study successful scholarship programs; apply the learnings o Use scholarships as lure to entice schools to participate more o Student competition to develop a business plan; and give scholarship to winner

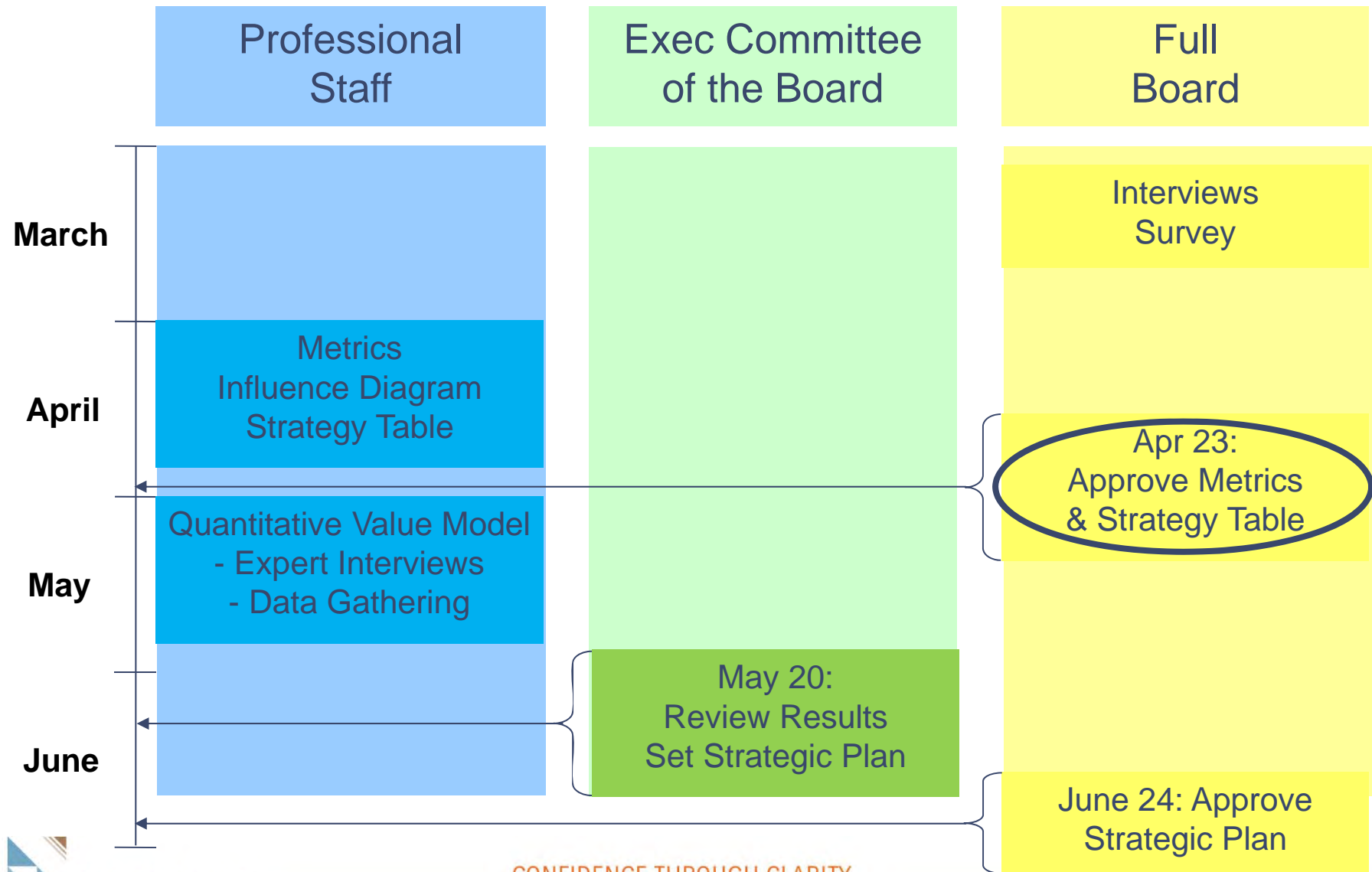
Column Headers

- Target Schools/ Students
- Volunteers – Who
- Volunteers – How
- Volunteer Retention
- Scholarships
- Capstones
- Marketing/Awareness
- Board Composition
- Fundraising Approach
- Operating Reserves
- Fund Reserve Intention

Junior Achievement Influence Diagram



Process Flow / Timeline



Board of Directors April 23rd Meeting Strategic Planning Workshop

Topic	Responsibility	Duration	Start Time
Plenary Session			
- Introduction & Last Year's Plan	Richard Franke	10 min	1:00 pm
- Interview/Survey Results	David Skinner	30 min	1:10
- Process & Process Tools	Bill Klimack	45 min	1:40
- Process			
- Metrics			
- Decision Hierarchy			
- Strategy Table			
Breakout Groups			2:30
- Metrics	Group Facilitators	30 min	2:30
- Strategy Table	Group Facilitators	90 min	3:00
- Metrics Consolidation Group	Bill Klimack	90 min	3:00
Plenary Session			
- Report out from Break Out Sessions	Eric Johnson	30 min	4:30
- Influence Diagram			
- Next steps			

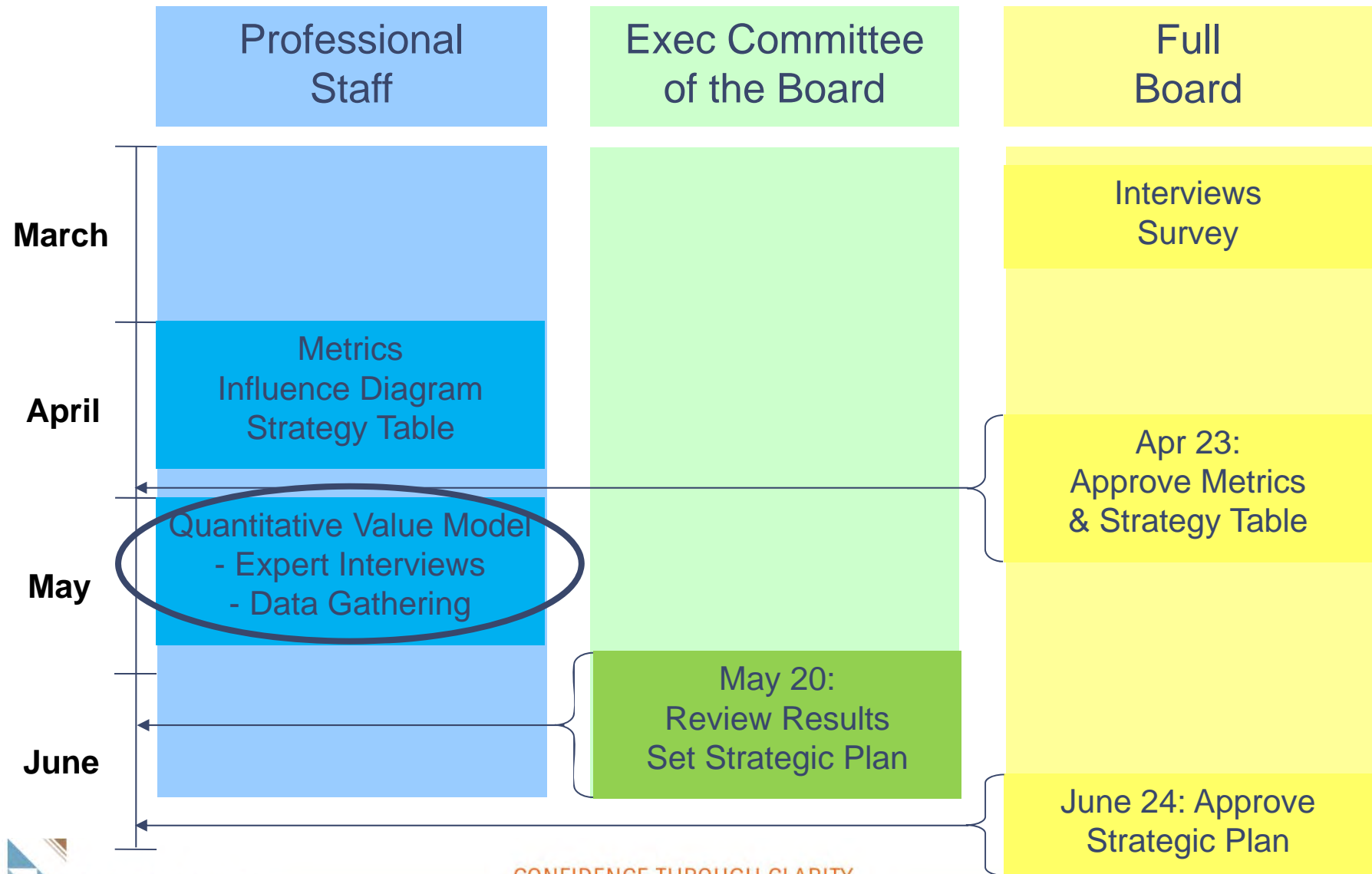
Value Function

Metrics	Educate & Inspire	Volunteers	School Access	Donations	Scholarships
Relative Weight	0.392	0.196	0.196	0.196	0.020
Upper Limit	300	15	1600	6000	1000
Units	Student contacts in thousands	Number of volunteers in thousands	Number of schools	Dollars in thousands	Scholarship dollars, in thousands

Value functions taken as linear (e.g., each student equally valuable)



Process Flow / Timeline

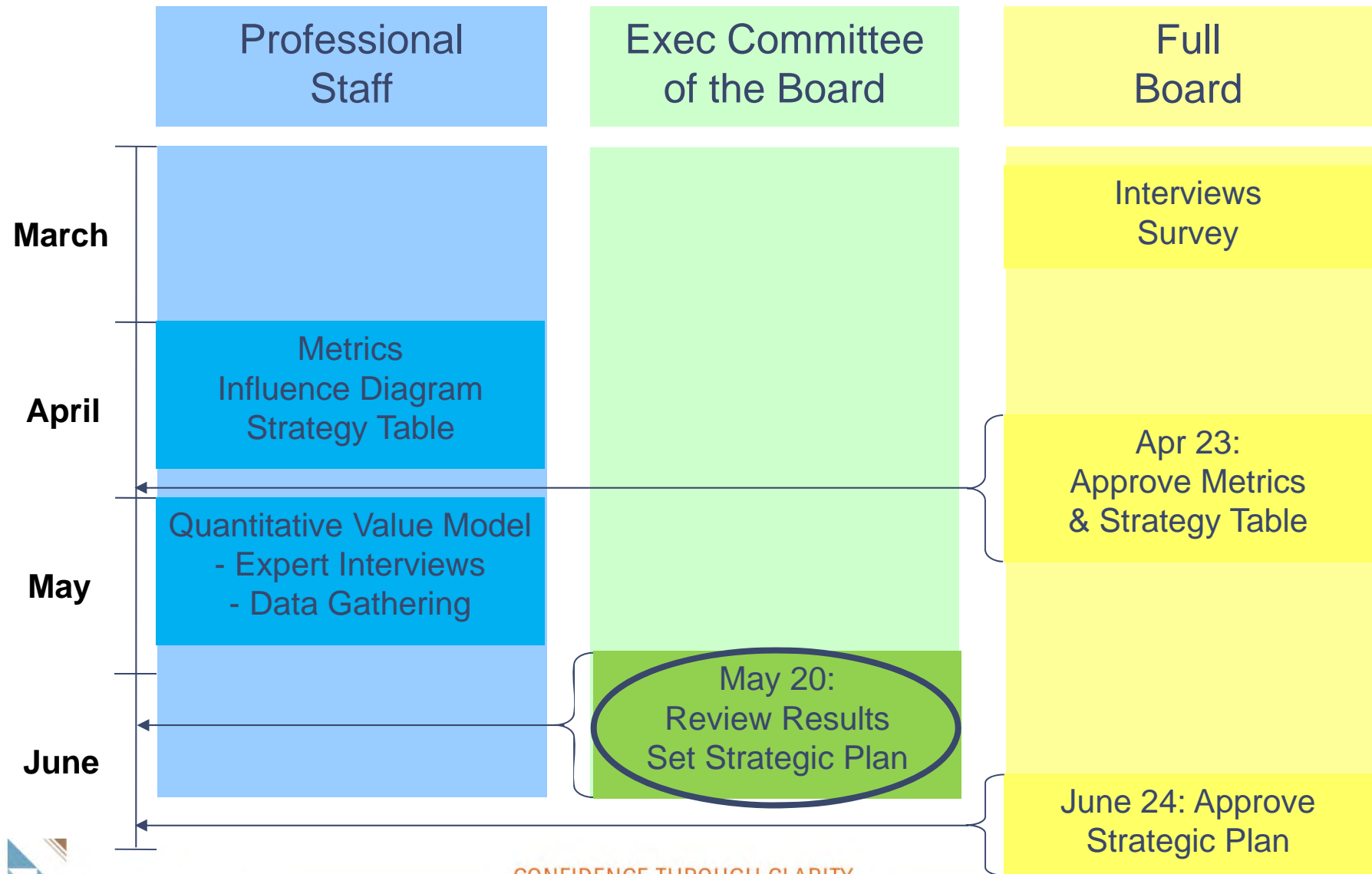


Derivation of Student Contacts

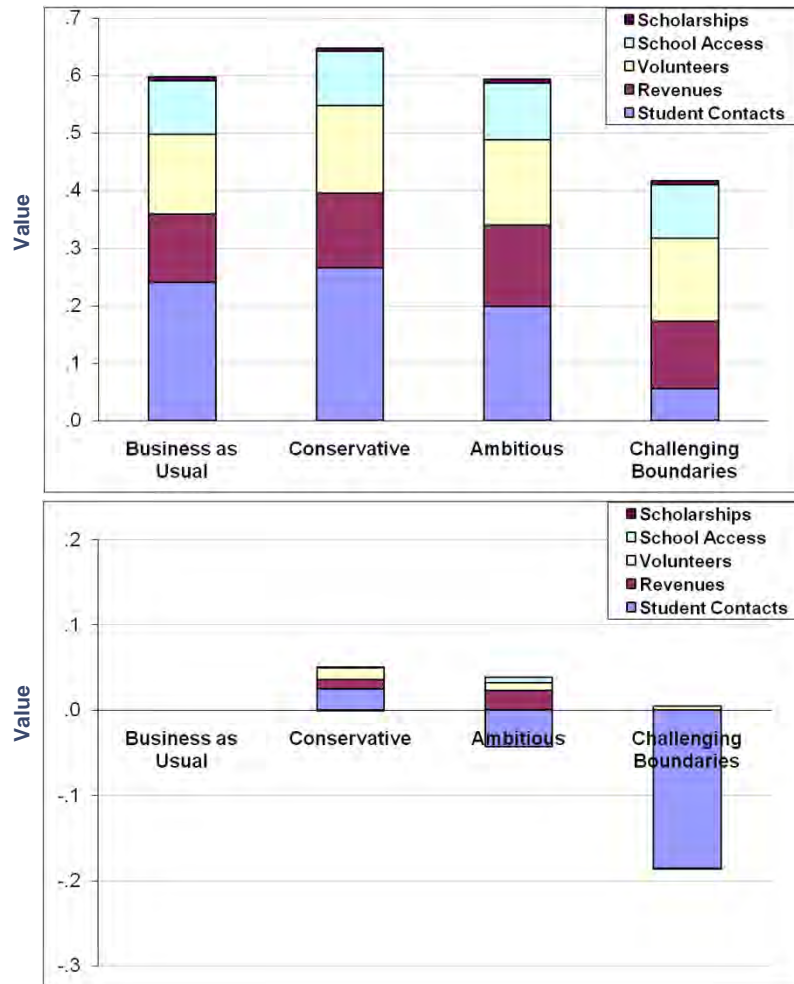
	BAU	Def	Amb	CB	Derivation
A Revenues, good economy	4250	4650	5100	4250	Franke, Hattery, Campbell; May 8,12,13
B Revenues	3626	3972	4360	3626	A * 85% (for poor economy, per F/H/C)
C Non-Classroom Spending	690	805	2700	4767	See next slide
D Classroom Spending	2936	3167	1660	1142	B - C
E Volunteers	10.6	11.7	11.3	11.0	Anderson; May 12
F School Access	0.8	0.8	0.8	0.8	Anderson; May 12
G Student Contacts	185	204	144	45	$0.038 * D + 9 * E + 44 * F - 59$ (per regression analysis)



Process Flow / Timeline

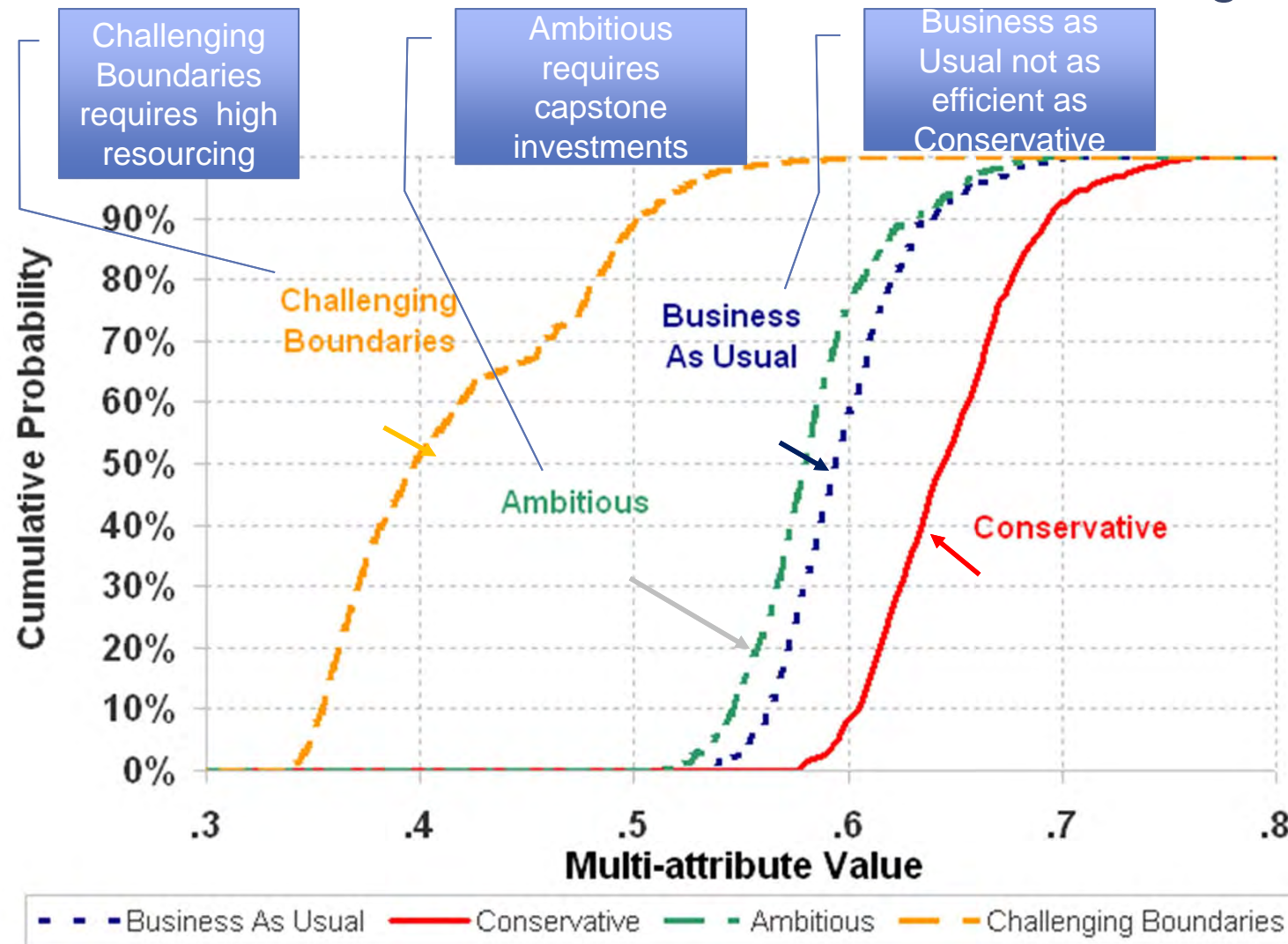


The relative value of each alternative is similar, except for student contacts



- **Conservative**
 - Overall best by a small margin
 - Spends the most money in the classroom
 - Gets the most student contacts
- **Compared to business as usual**
 - Conservative is better in all ways
 - Ambitious loss of student contacts more than offsets other gains
 - Challenging Boundaries has a huge loss of student contacts

Conservative strategy is the dominant strategy because it maximizes the student contacts for the funding level



Value determined from student contacts, volunteers, donations, school access, & scholarships.

CONFIDENCE THROUGH CLARITY



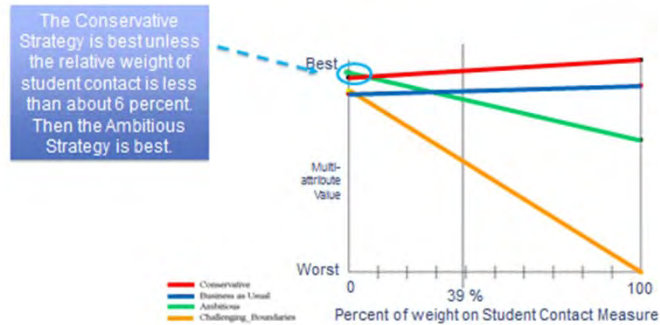
Decision Strategies



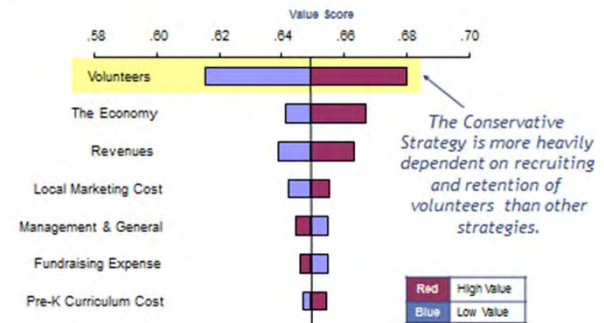
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We did the normal sensitivity analyses

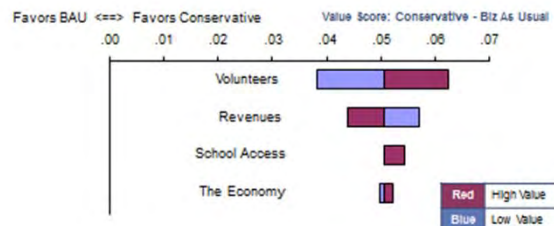
The Conservative Strategy is robust



Value of Conservative Strategy is driven by Volunteers



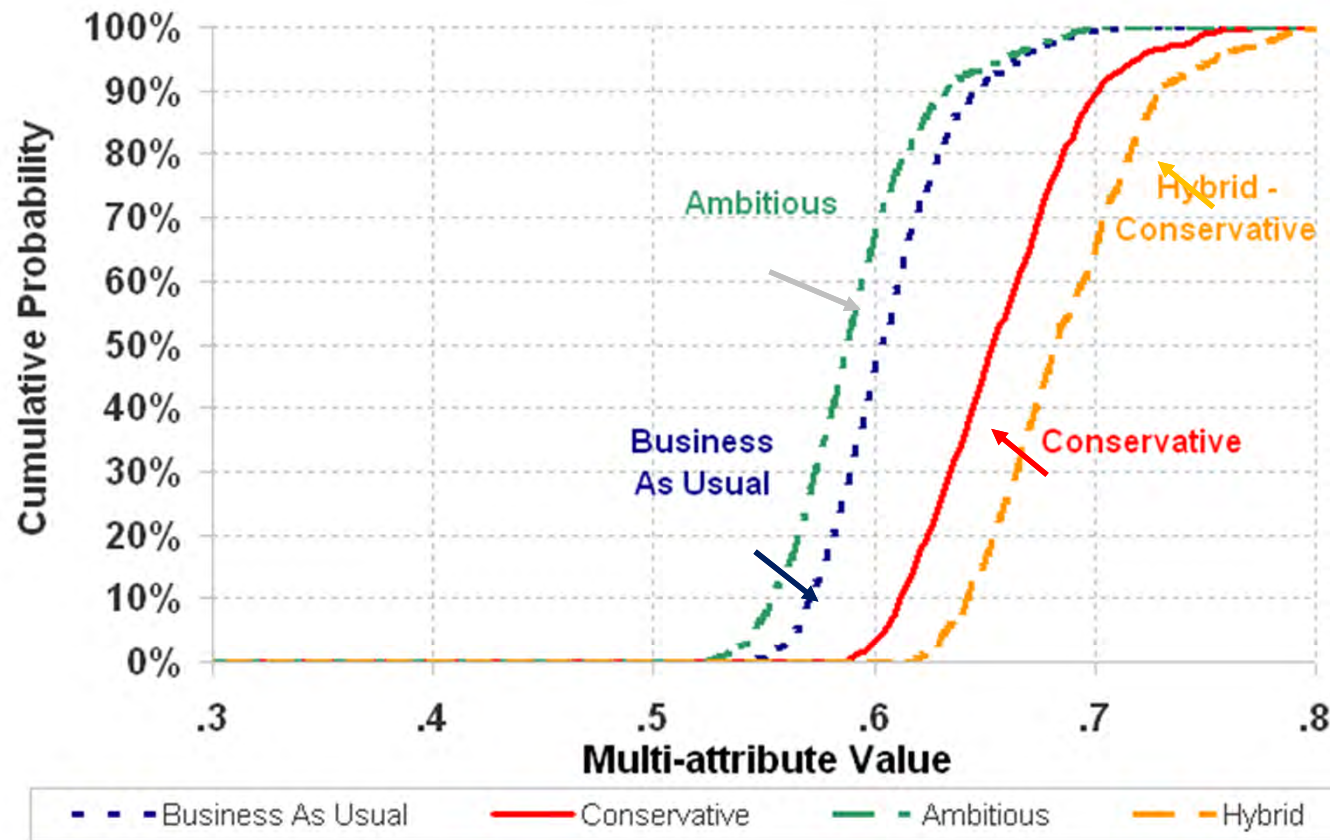
The advantage of Conservative over Business As Usual is not challenged, even by volunteers or revenues



The economy impacts all strategies equally

The Hybrid is the preferred alternative:

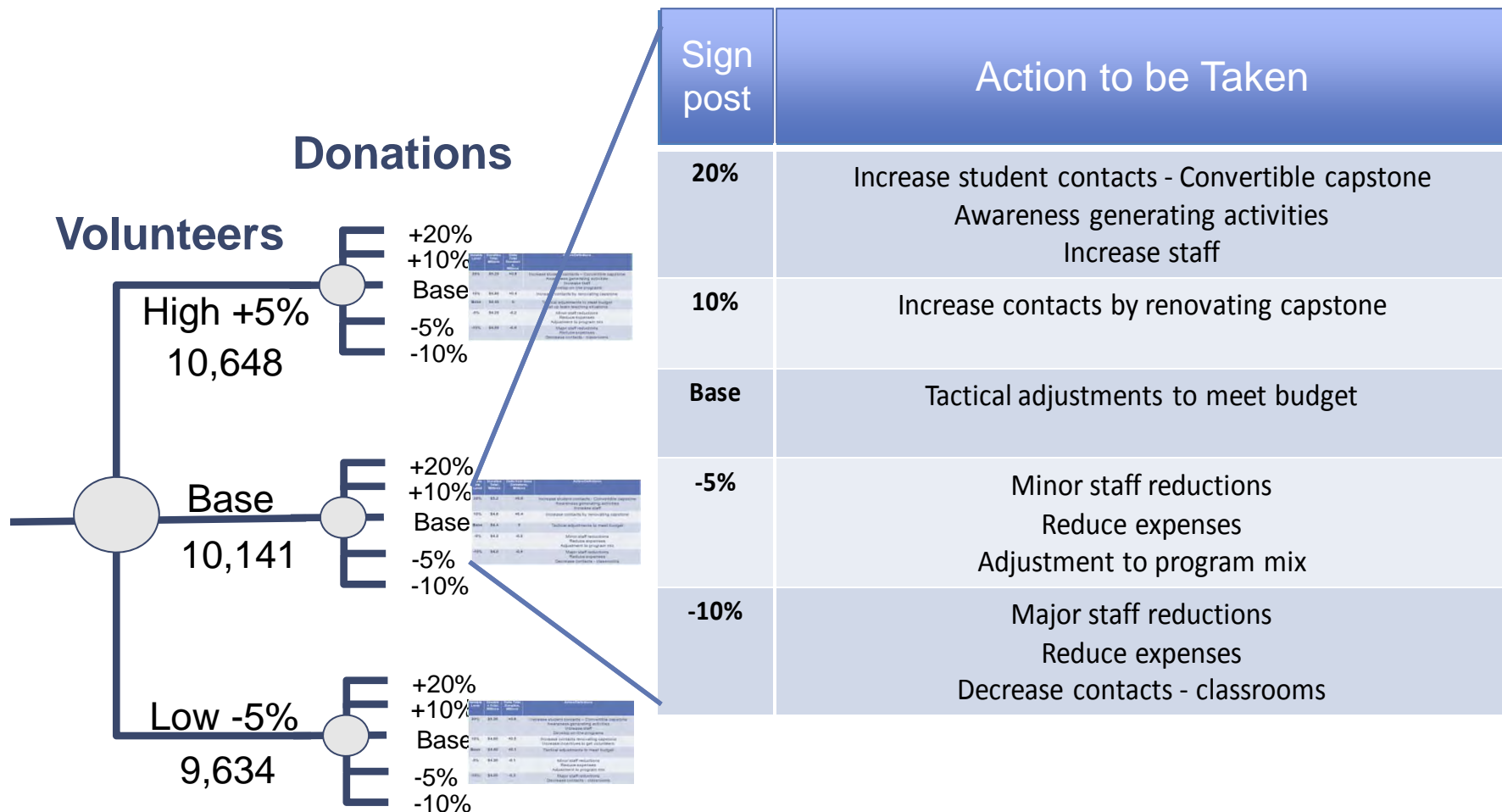
formed from Conservative Strategy with Ambitious' multi-year support commitments and expanded capstone fund raising



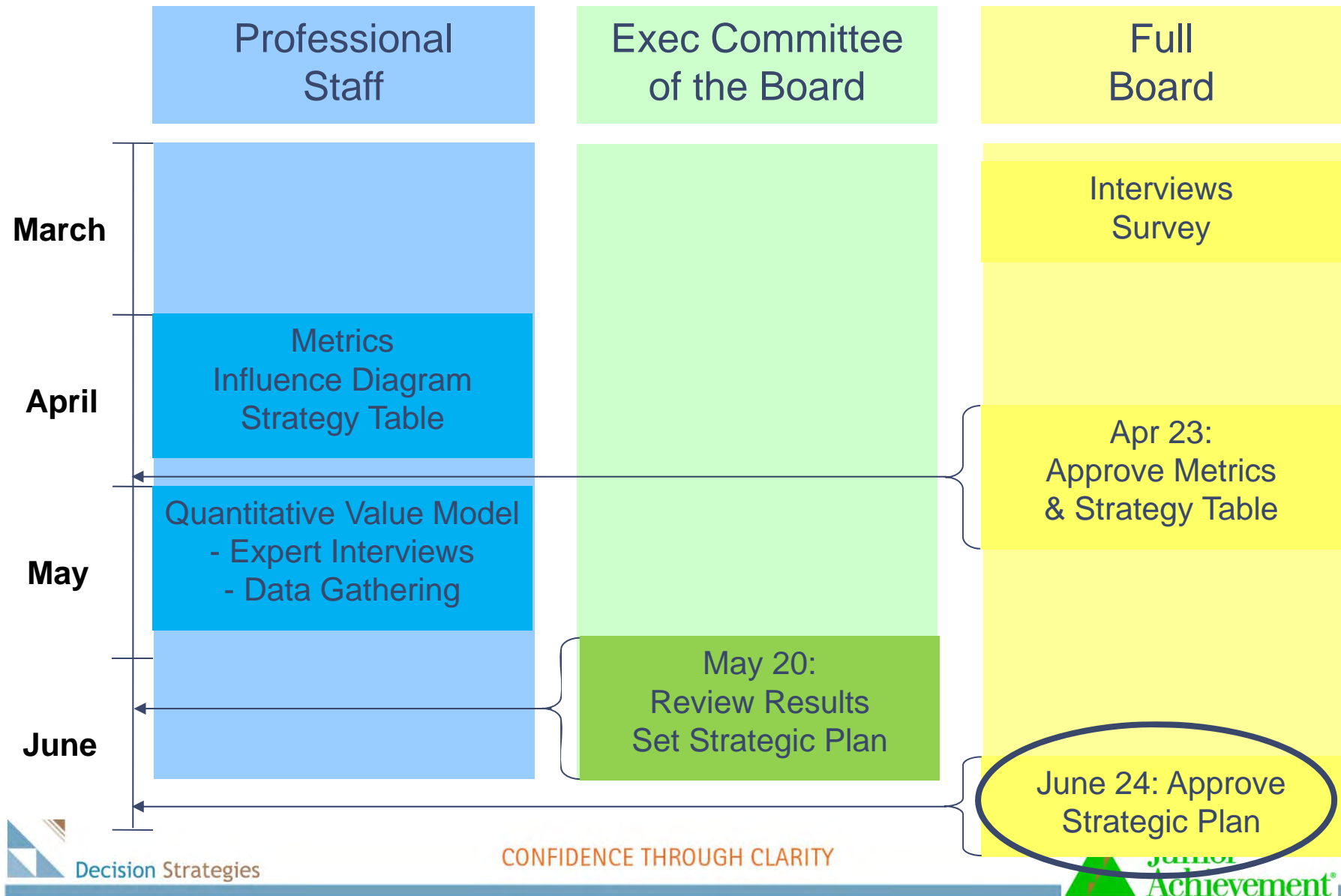
- Ambitious with 3 mobile finance parks with no amortization shown
- With 5 year amortization the Ambitious strategy approaches the Conservative strategy, but the Hybrid strategy remains preferred



There is a plan to deal with the uncertain economy: signposts



Process Flow / Timeline



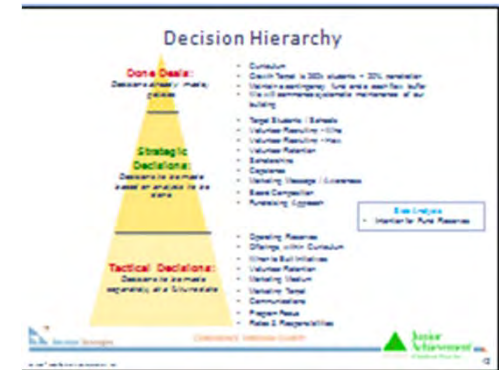
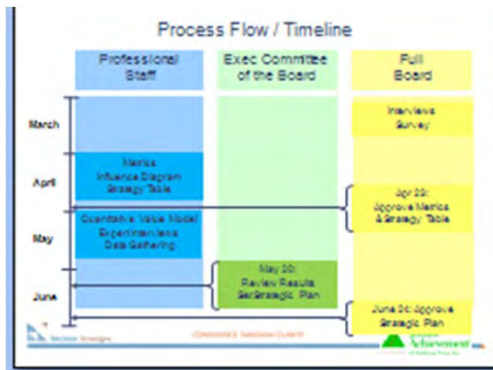
Decision Strategies

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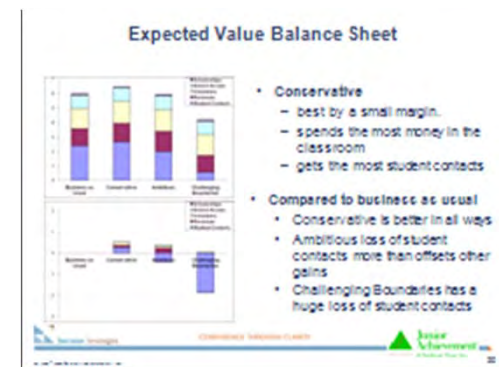
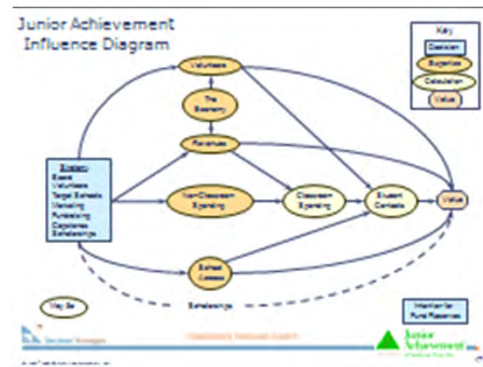
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Questions?

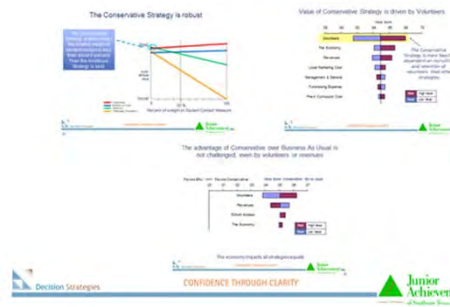


Strategy Table

Strategy	Target Audience	Implementation	Volunteer Recruitment	Volunteer Retention	Volunteer Satisfaction
Business as Usual	Business as Usual	Business as Usual	Business as Usual	Business as Usual	Business as Usual
Conservative	Conservative	Conservative	Conservative	Conservative	Conservative
Ambitious	Ambitious	Ambitious	Ambitious	Ambitious	Ambitious
Challenging Boundaries	Challenging Boundaries	Challenging Boundaries	Challenging Boundaries	Challenging Boundaries	Challenging Boundaries



We did the normal sensitivity analyses



The Hybrid is the preferred alternative: formed from Conservative Strategy with Ambitious' multi-year support commitments and expanded capstone fund raising

