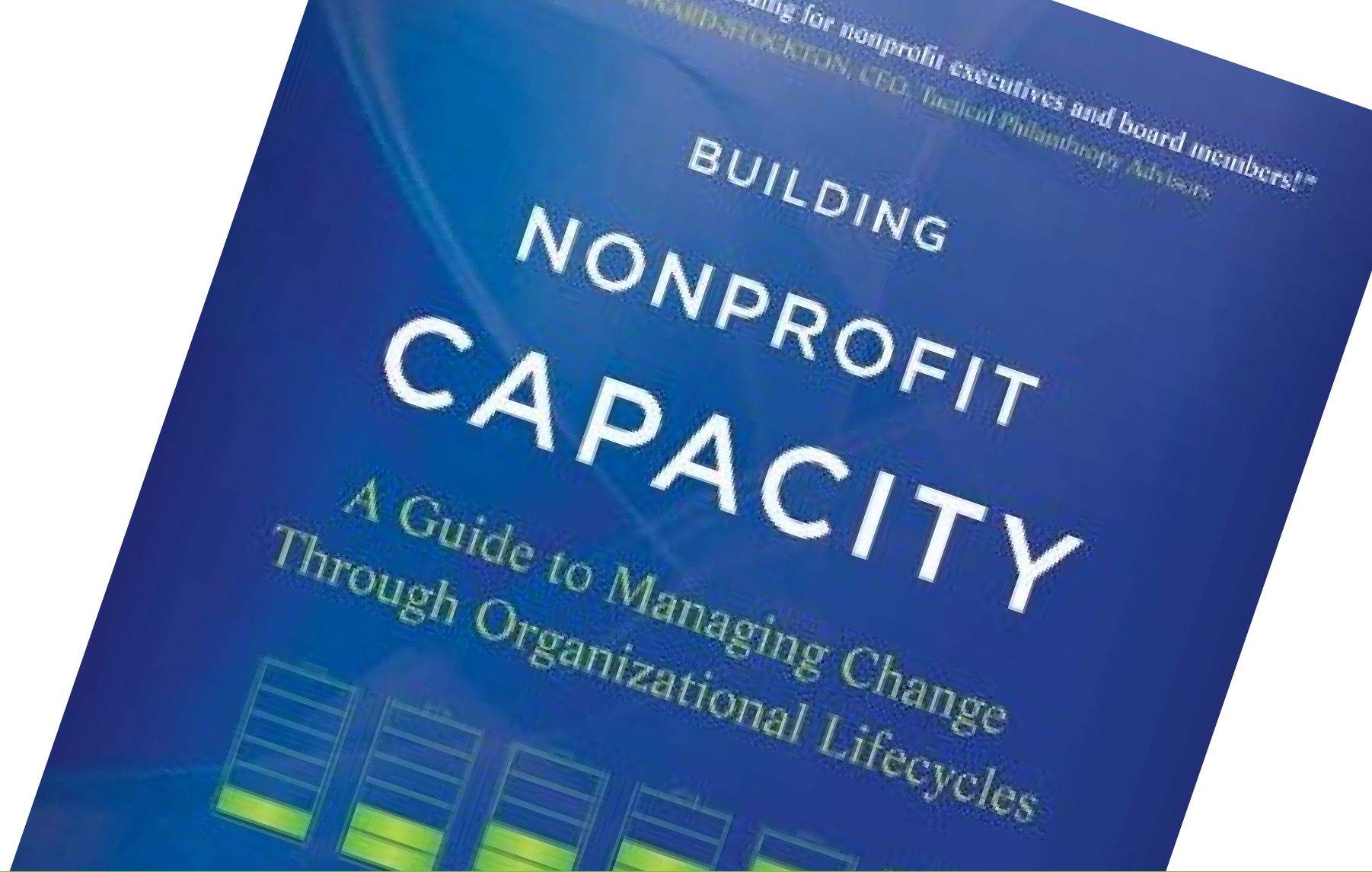


A man in a dark suit, light blue shirt, and patterned tie is speaking at a conference. He is wearing glasses and has his hands raised in a gesturing motion. The background is a blue wall with large, stylized letters. The text is overlaid on a semi-transparent blue band.

# *Managing Change: Through Many Stages of the Nonprofit Lifecycle*

*Princeton Area Community Foundation*

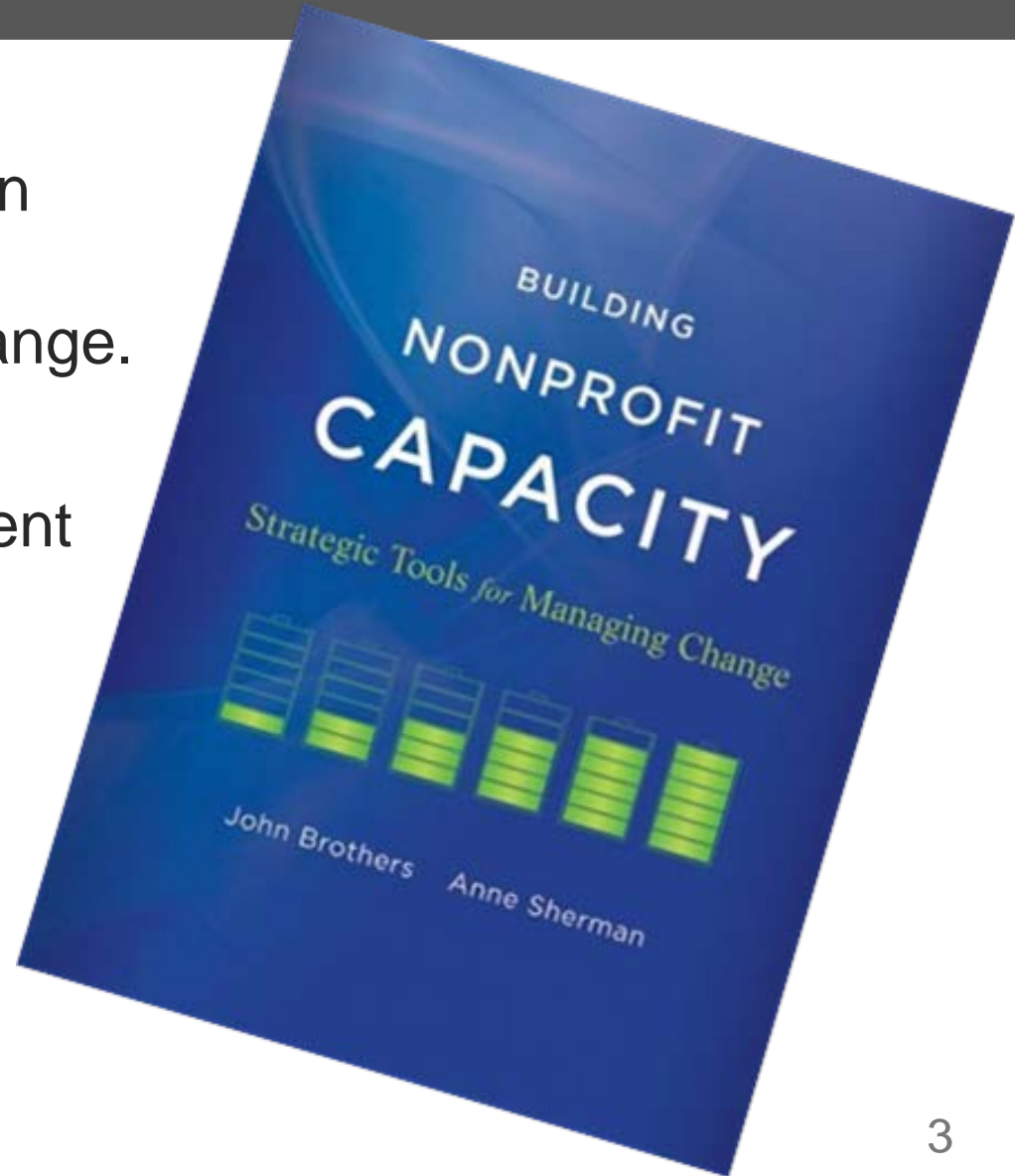
*Dr. John E. Brothers, Principal, Quidoo Consulting*



## Building Nonprofit Capacity

# Why The Book?

- Need for resources that can help nonprofit leaders anticipate and manage change.
- Help nonprofits think different about their approach to strategy.

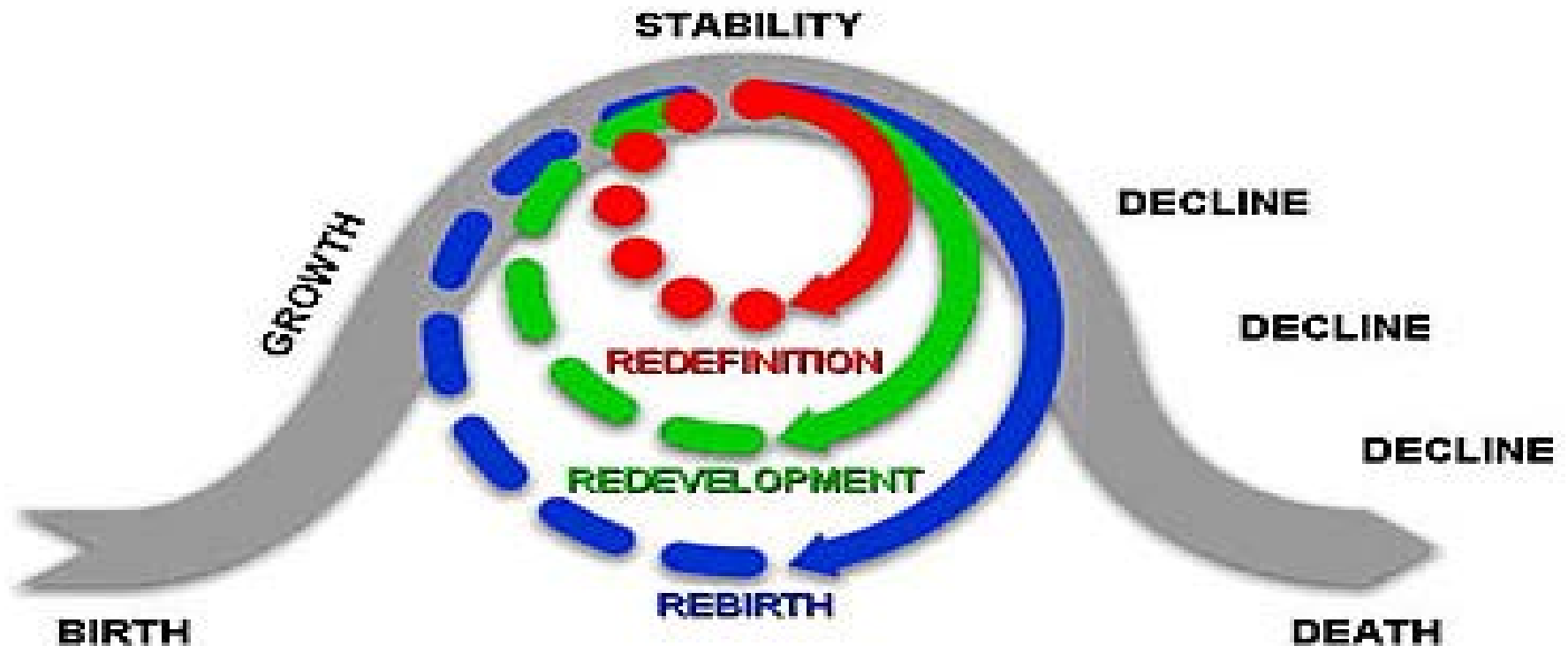




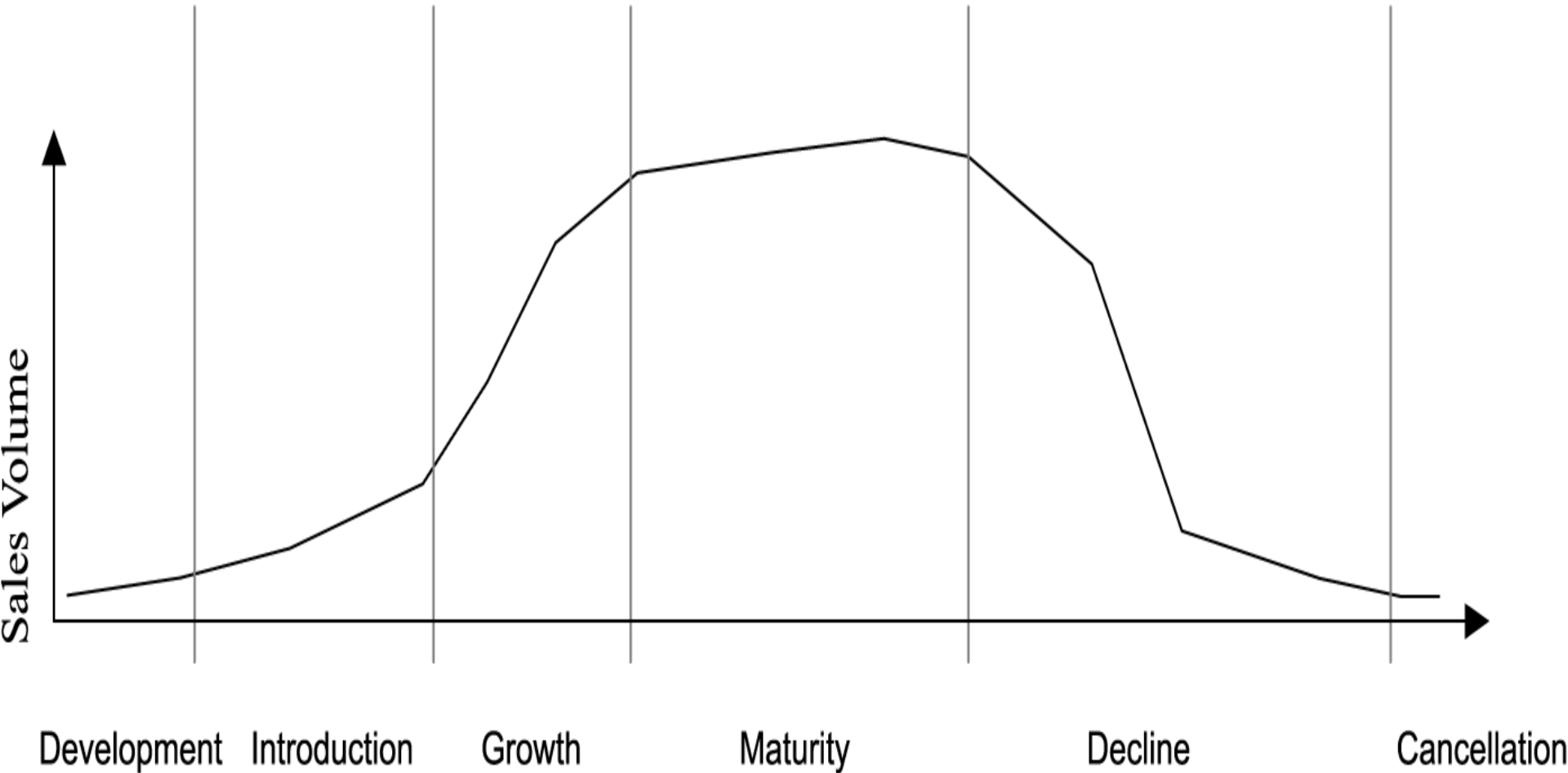
# *Lifecycle: A Framework for Thinking About Change*

- Outlines the stages that exist in the continual life of a non-profit organization.
- Provides patterns and predictability
- Builds common understanding and buy-in
- De-personalizes issues and challenges
- Measures capacity improvements over time
- Normalizes the difficulties inherent in growth/change
- Sets nonprofits on a trajectory toward organizational improvement and effectiveness

# Congregational Lifecycle – 1960's

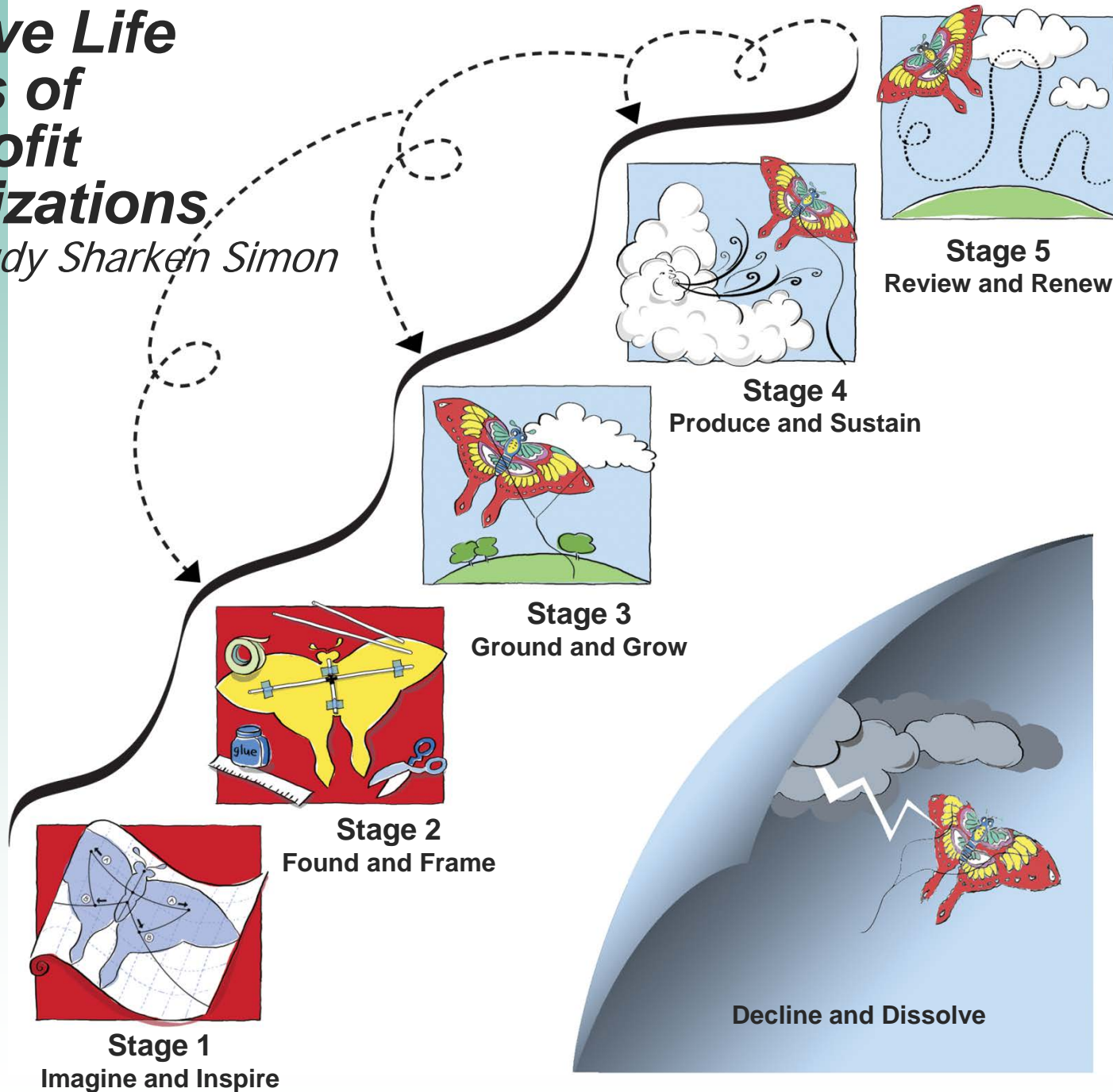


# 1971 Product Lifecycle Model – Forecasting

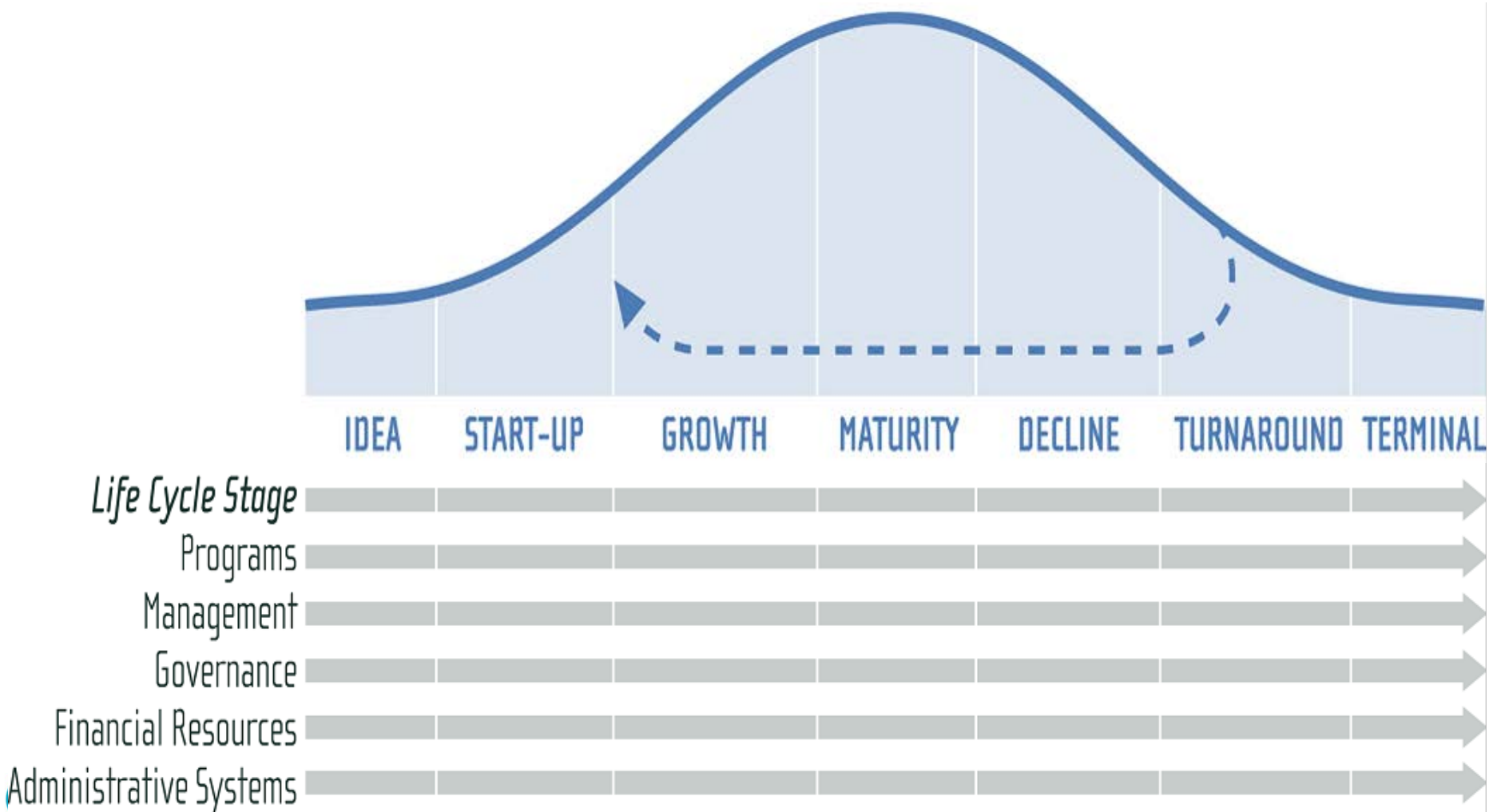


# The Five Life Stages of Nonprofit Organizations

Author, *Judy Sharken Simon*



# The “Stevens” Model



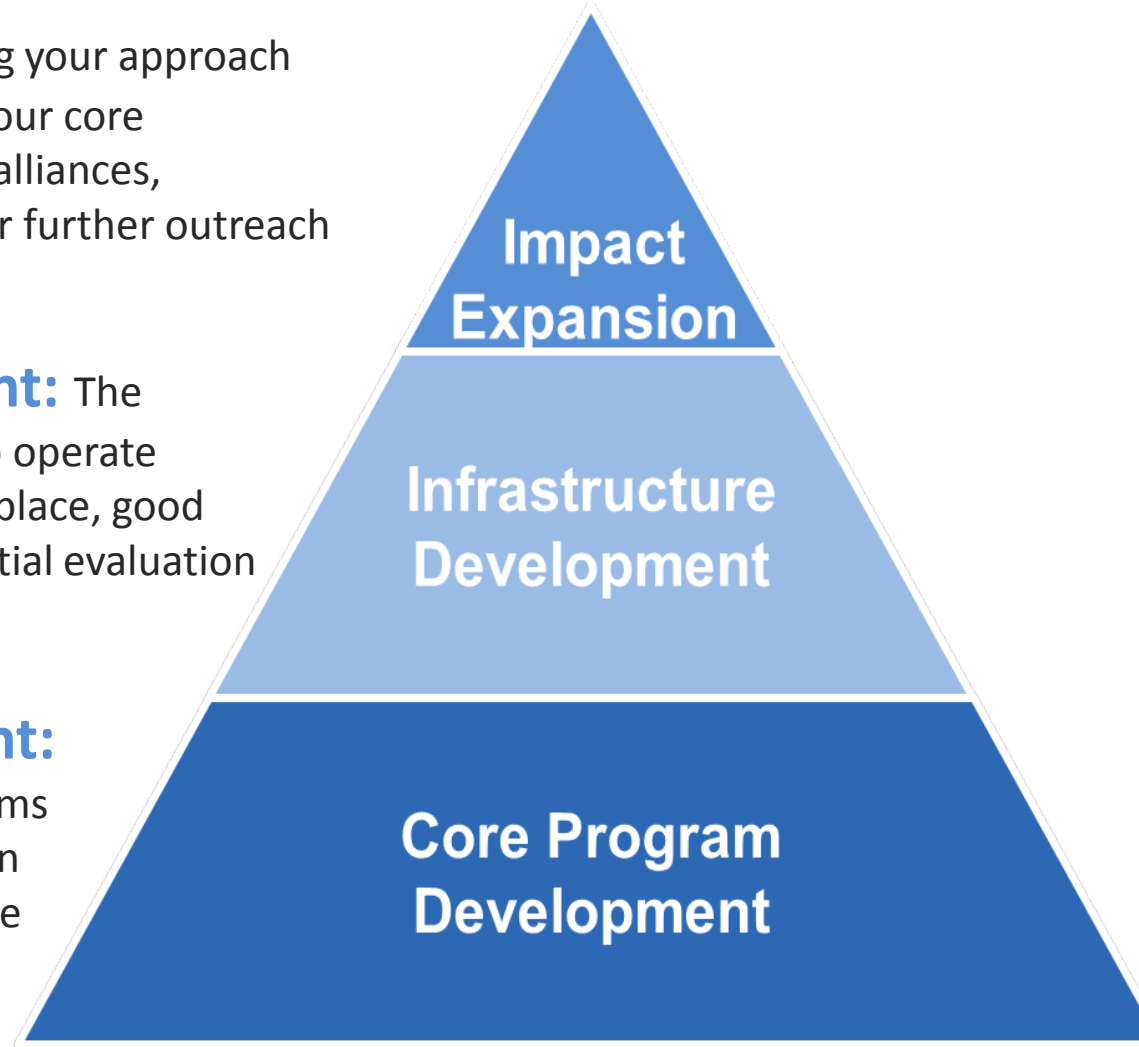


# The TCC Group Lifecycle Pyramid

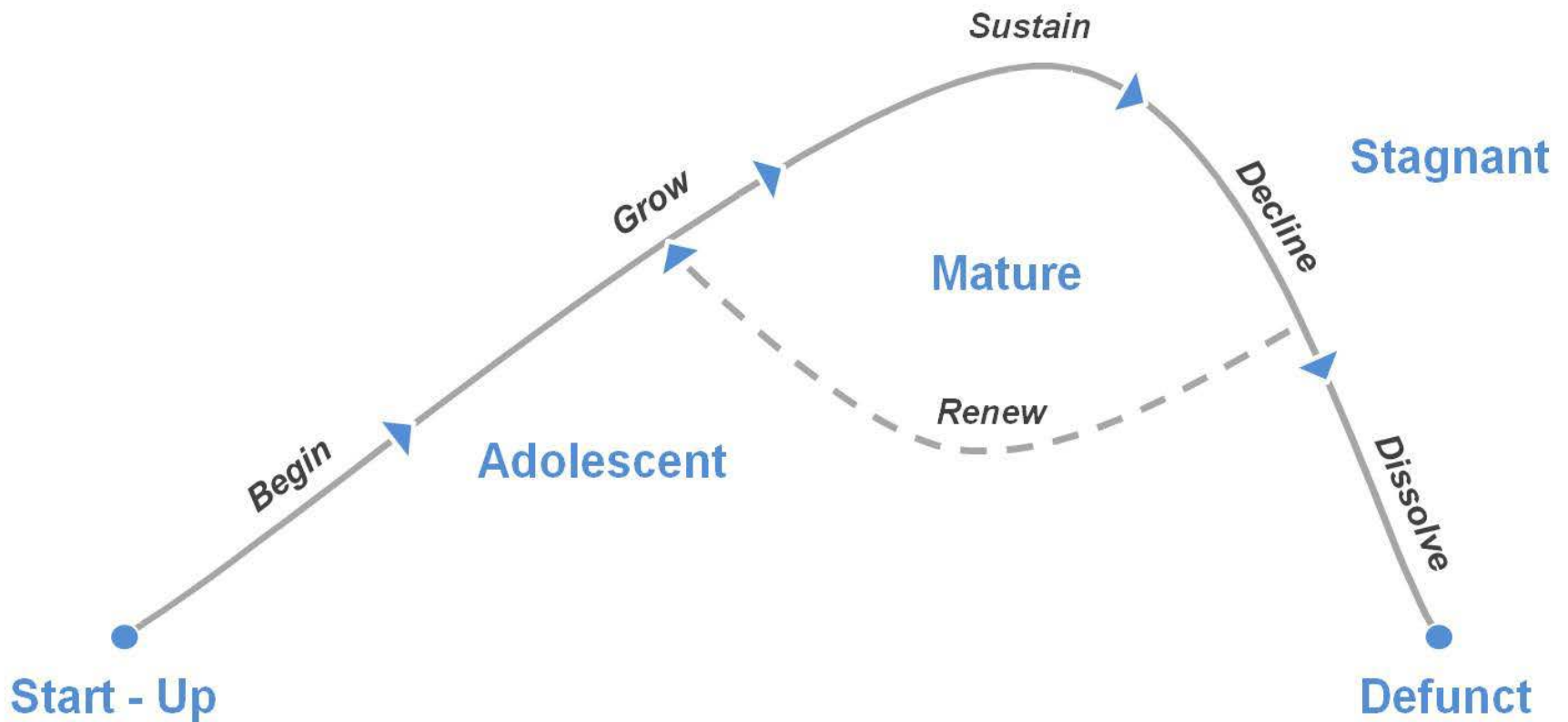
**Impact Expansion:** Broadening your approach to achieving mission impact beyond your core programs. This may include strategic alliances, partnerships, policy/advocacy work, or further outreach in your community.

**Infrastructure Development:** The systems needed for an organization to operate smoothly, including having policies in place, good communication between staff, and initial evaluation efforts in order to improve programs.

**Core Program Development:** Close alignment between your programs and your mission/vision – and clarity in your organization as to how they relate

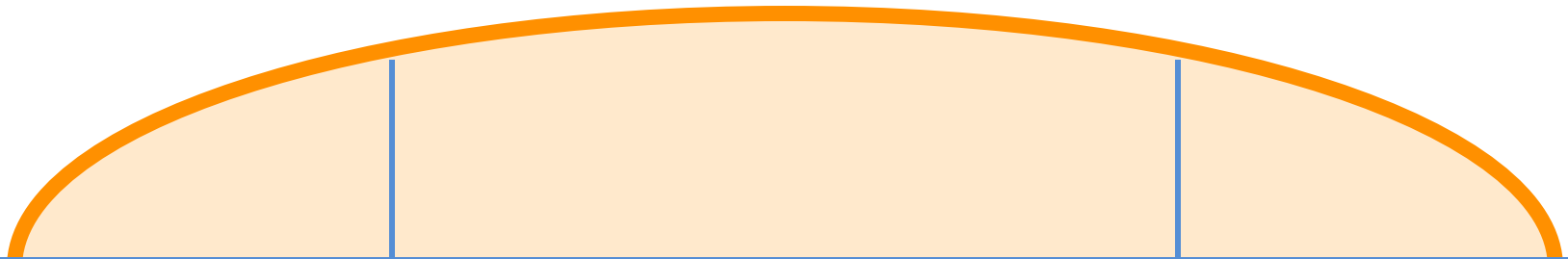


# Integrated Lifecycle Model

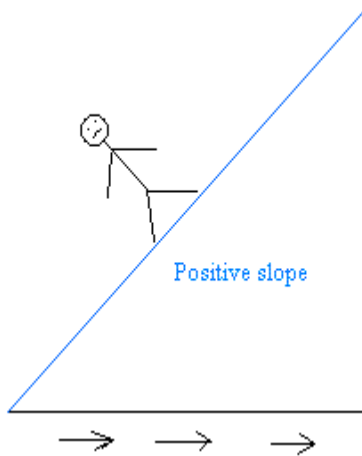


# Brothers' "Low-Arc" Model

Maintain

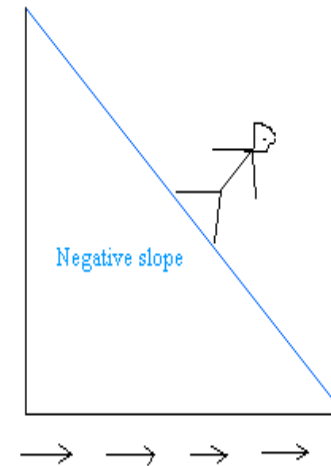


Start-Up  
and Growth

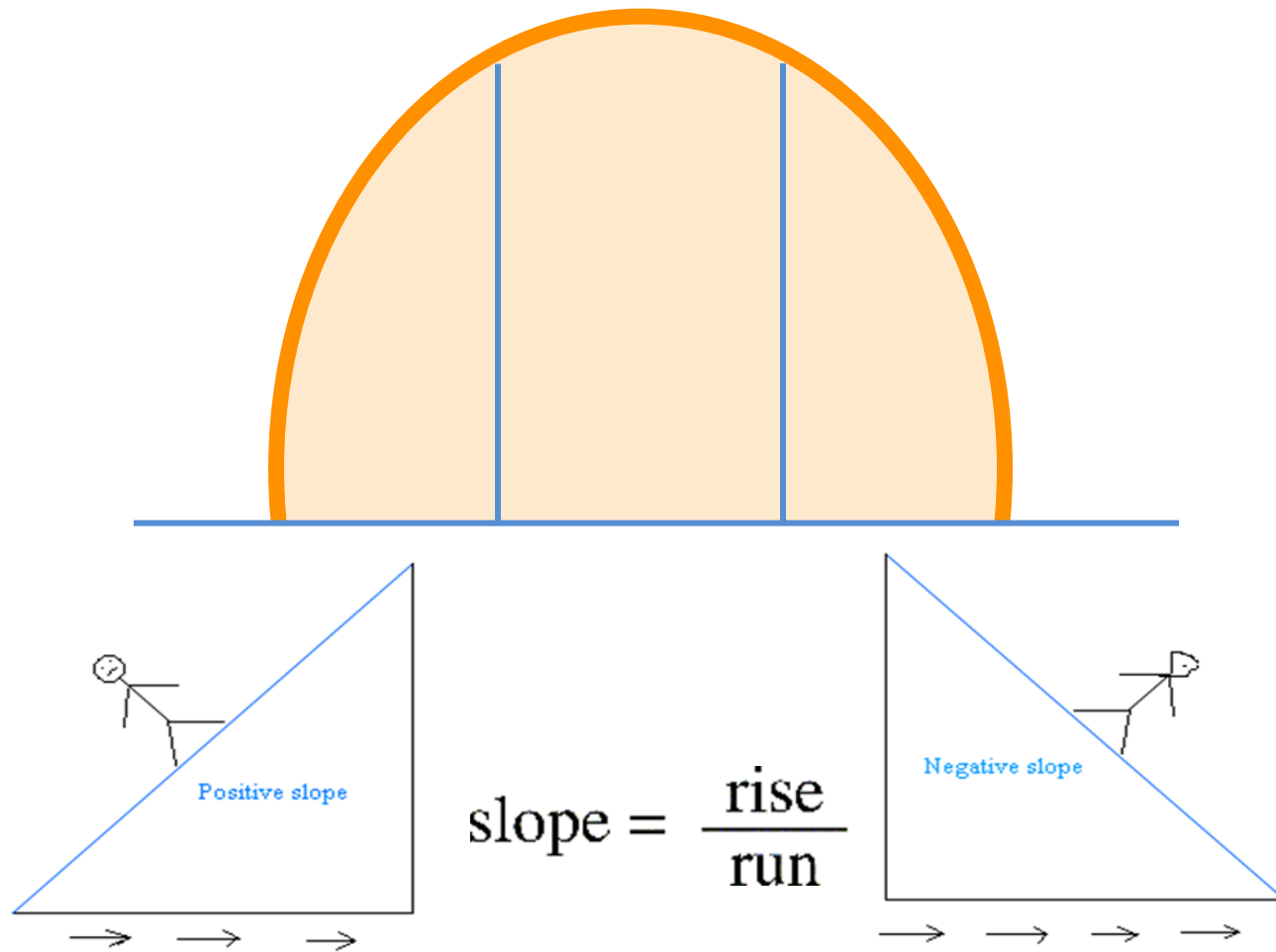


$$\text{slope} = \frac{\text{rise}}{\text{run}}$$

Downward,  
Turnaround, and  
Terminal



# Brothers' "High-Arc" Model



# Case Study *Project Reach Youth*

**1968 – 1994**

Small church-based alliance in Park Slope

**1994 – 2001**

1<sup>st</sup> Executive Director – High growth

1994 – 225K

2001 - \$5M

**2001 – 2002**

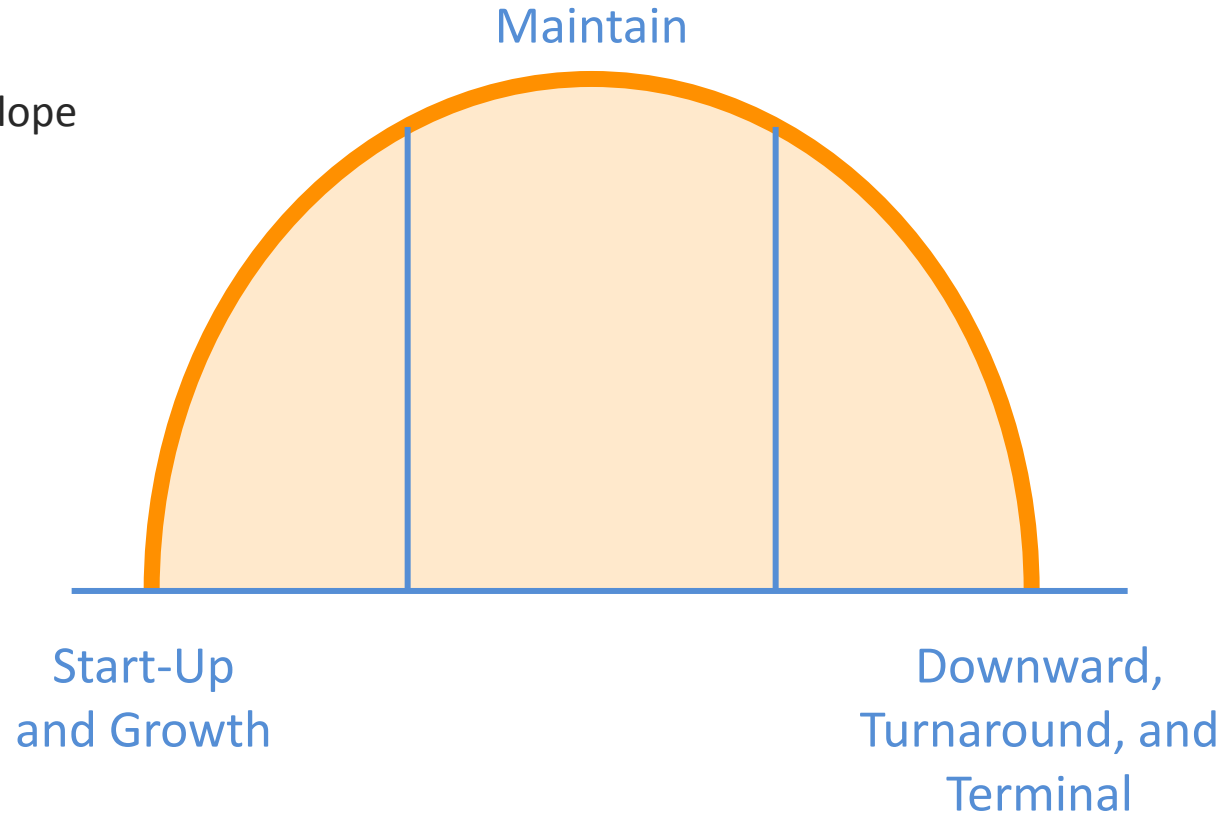
1<sup>st</sup> Executive Director – Transitions

**2003 – 2006**

2<sup>nd</sup> Executive - Decline

**2006 – 2007**

Turnaround & Merger Specialist





# Arc Design & Planning Y-ME Case Study

Questions about Breast Cancer? 1-800-221-2141

En Español



DONATE

What are you looking for?

SEARCH

RISK & DETECTION

JUST DIAGNOSED

TREATMENT

SURVIVORSHIP

GET INVOLVED

ABOUT Y-ME

What Questions Do You Have? **1-800-221-2141**

BREAST CANCER SURVIVORS ARE AVAILABLE NOW TO TAKE YOUR CALL

## TO OUR FRIENDS AND SUPPORTERS

It is with deep regret that we inform you that Y-ME has closed its doors. For over 30 years, we were the primary organization that provided support and information from peer counselors who truly understood the complex and challenging world of a breast cancer survivor. We were unique. We were compassionate. And you were there to help.



No words to express the sadness we all feel but we felt it important that you hear the news from us directly.

Thank you for everything you have done for Y-ME over the years.



Zara - 2-year survivor  
*'I have learned that I have a responsibility as a breast cancer survivor to help other women who have learned about living with this disease.'*

9:08pm 92° TOMORROW

# Arc Design & Planning Groundwork Case Study

## **NYNP** New York Nonprofit Press

### Good Shepherd Services to Acquire Groundwork & Edwin Gould Academy



Friday, 16 December 2011 11:16

Good Shepherd Services has agreed to acquire two local not-for-profit agencies, Groundwork, Inc. in Brooklyn and Edwin Gould Academy in Manhattan, to strengthen its outreach efforts supporting at-risk youth and families. Good Shepherd will assume the management of Groundwork effective January 1, 2012 and Edwin Gould Academy in the early spring of 2012.

Since its founding in 2002, Groundwork has supported the development of youth, families and communities so that all young people can have access to a full range of opportunities to lead a rewarding and fulfilling life. In its nearly 10 years, Groundwork has become a critical provider of quality programs to thousands of children and families in the East New York and Bedford-Stuyvesant sections of Brooklyn.

In 2006, Edwin Gould Academy began providing vital support services to young people who have left the child welfare and/or juvenile justice systems to help them lead successful and productive lives. Edwin Gould Academy is comprised of two programs: a Multi-Service Center that offers at-risk youth a host of services and supports designed to meet their emotional, employment, housing, educational and legal needs; and the Edwin Gould Residence, a supported housing program with 36 studio apartments and 15 one-bedroom units that house up to 51 young adults and 23 of their children.

**Blue** – Performance causing frequent and/or significant achievements beyond expectations

**Green** – Good performance

**Yellow** – Performance causing minor, isolated impediments to achieving program objectives or trends indicate potential for doing so in future

**Red** – Performance causing repeated or severe impediments to achieving program objectives

**White** – Skill not exercised in current work load

|   | <b>Performance</b> | <b>Human Capital</b> | <b>Systems &amp; Processes</b> | <b>Tools</b> | <b>Client Satisfaction</b> | <b>Notes</b>   |
|---|--------------------|----------------------|--------------------------------|--------------|----------------------------|--|
| <b>Finance</b>                                | Red                | Red                  | Red                            | Red          | Red                        | Lacks sufficient accounting expertise. Serious pension issue.  |
| <b>Development and Communications</b>         | Green              | Red                  | Yellow                         | Yellow       | Yellow                     | Very successful fundraiser. Insufficient staff fundraising and PR capacity.  |
| <b>Governance</b>                             | Yellow             | Yellow               | Green                          | Yellow       | Yellow                     | Committee structure not developed. ED fulfilling Board roles. All board members are not engaged in fundraising and strategic planning. |
| <b>Program – Recruitment &amp; Admissions</b> | Green              | Yellow               | Green                          | Yellow       | Green                      | Need to use technology more efficiently and integrate best practices.  |
| <b>Program – College Guidance</b>             | Blue               | Yellow               | Green                          | Yellow       | Green                      | Current Director leaving. Need to use technology and organizational tools more efficiently.  |
| <b>Program – Scholar Support</b>              | Green              | Blue                 | Green                          | Yellow       | Yellow                     | One staff person supporting 300+ Scholars is insufficient.   |
| <b>Technology</b>                             | Green              | Yellow               | Yellow                         | Green        | Yellow                     | Technology is smooth. Issues with IT support and software.   |
| <b>Evaluation</b>                             | Green              | Yellow               | Yellow                         | Yellow       | Green                      | Capturing and storing all important data. Database is unsophisticated. No staff to implement evaluation.                               |
| <b>Human Resources</b>                        | Yellow             | Green                | Yellow                         | Yellow       | Yellow                     | Outstanding employment attorneys supporting LEDA to professionalize HR systems, create new manual.                                     |
|   | Blue               | Blue                 | Blue                           | Blue         | Blue                       |  |

# Recovery Steps

| Area   | Color (Y,R)   | Reason for Yellow/Red   | Recovery Steps   | Anticipated Date Green |
|--|---------------|---|--|------------------------|
| <b>Program:<br/>Recruitment &amp;<br/>Admissions</b> | <b>YELLOW</b> | <ol style="list-style-type: none"> <li>1) Success in increasing applications has led to overloading of staff.</li> <li>2) All application review work still done primarily on paper.</li> </ol>   | <ol style="list-style-type: none"> <li>1) Exploring options for online application submission (Google Docs, Survey Monkey, Wizhive)</li> <li>2) Hire outside readers to evaluate files</li> <li>3) Revise application to increase number of qualified applicants.</li> </ol> | October 2011           |
| <b>Program:<br/>College Guidance</b>                 | <b>YELLOW</b> | <ol style="list-style-type: none"> <li>1) Director of College Guidance resigned with one month's notice.</li> <li>2) Record keeping and documentation has not been efficient.</li> </ol>  | <ol style="list-style-type: none"> <li>1) Two finalists for Director position identified and offer made.</li> <li>2) Outgoing staff person given clear instructions for transition.</li> </ol>   | June 2011              |
| <b>Program:<br/>Scholar Support</b>                  | <b>YELLOW</b> | <ol style="list-style-type: none"> <li>1) Scholar Support platform is too big for one staff person due to significant needs of Scholars in college.</li> <li>2) Scholar Support becomes the channel for data collection.</li> <li>3) Staff person wears multiple hats.</li> </ol> | <ol style="list-style-type: none"> <li>1) Submitting proposal for data/research proposal which would relieve Scholar Support staff person.</li> <li>2) Addition of Development/Communications staff person will provide relief.</li> </ol>                                   | October 2011           |
| <b>EVALUATION</b>                                    | <b>YELLOW</b> | <ol style="list-style-type: none"> <li>1) No evaluation capacity.</li> <li>2) Need for data and evaluation to help fundraise and raise profile.</li> </ol>  | <ol style="list-style-type: none"> <li>1) Submitting proposal for data/research proposal which would relieve Scholar Support staff person.</li> <li>2) Engaged Fordham Univ. Professor to work with Evaluation Committee and lead evaluation planning.</li> </ol>            | December 2011          |
| <b>HUMAN RESOURCES</b>                               | <b>YELLOW</b> | <ol style="list-style-type: none"> <li>1) LEDA's HR Manual does not fit organization.</li> <li>2) Current staff person administering HR lacks sufficient expertise.</li> </ol>  | <ol style="list-style-type: none"> <li>1) Engaged excellent pro bono attorney to update HR Manual.</li> <li>2) Will outsource timekeeping, payroll administration and benefits administration to PayChex.</li> </ol>   | September 2011         |

# *Emerging Trends for Our Sector*

- Both growth *and* consolidation and shut-downs
- Growing focus on systems change and “collective impact”
- New (or re-packaged) frameworks emphasizing *investment, impact, scale*
- Growing relationship to government and the nonprofit sector.
- Leadership challenges: how to ensure the next generation of leaders—board and staff—is being cultivated?
- Evaluation: lots of talk—where is the action?



# Questions for Nonprofits

- Where are we on the lifecycle? What does that tell us we should focus on?
- What is the vision? What is the case we are making?
- What is the role of leadership (staff and board) in ensuring successful, sustainable growth?
- How might *my* role change?
- How do we think about sustainability? What are implications for our business model?
- What do we need to do next?

# Questions for Grantmakers

- Is the lifecycle framework a helpful one for grant-makers who are supporting a change process? For example:
  - Supporting growth—when and how much?
  - Supporting a merger or shut-down
  - Strengthening leadership
  - Helping to understand and measure quality and impact
- Are you hearing more about growth?
  - How is growth being defined?
  - What seems promising; where are you concerned?
  - Can a lifecycle framework add value to this conversation?
  - What do we mean when we talk about “sustainability?”

# *Questions for Me?*

John Brothers

[john@quidooconsulting.com](mailto:john@quidooconsulting.com)

(718) 964-8669