



TOOLKIT

SUSTAINABILITY GUIDE



**Community
Economic
Development
Toolkit**

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This fact sheet was produced by the California Community Economic Development Association, in partnership with the Community Action Partnership National Office, as part of the U.S. Department of Health and Human Services, Office of Community Services. The “Community Economic Development” publication series is designed to increase the knowledge of processes for community economic development projects nationwide. The contents of this manual are presented as a matter of information only. Nothing herein should be construed as providing legal, tax, or financial advice. The materials referenced and the opinions expressed in this product do not necessarily reflect the position of the U.S. Department of Health and Human Services, Office of Community Services, and no official endorsements by that agency should be inferred.

Support for the Community Economic Development project and this toolkit is provided by the Department of Health and Human Services Administration for Children and Families, Office of Community Services (OCS), grant award number: 90ET0426/01.

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COMMUNITY ACTION PARTNERSHIP

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Planning For Sustainability

A Guide to Building Strong Community Action Agencies Delivering Results In Their Communities

Introduction

Sustainability. The capacity to endure. Community Action has sustained a positive presence in nearly every community in the nation for more than 45 years. Yet sustainability is no accident. It requires thoughtful planning, particularly as funding becomes less predictable with large periodic short term infusions such as the American Recovery and Reinvestment Act (ARRA) and cuts such as those that government deficit reduction plans propose.

As organizations that people and communities depend on, Community Action Agencies (CAAs) have an obligation to provide some consistency in services and assistance.

As community builders, CAAs must find ways to follow through on commitments to partners.

As major employers in their communities, CAAs also must build and sustain a team to deliver this work.

Sustainability is about thinking broadly about what the organization wants to sustain and designing a path to do so.

This guide is designed to:

- Increase your understanding of sustainability
- Help you apply the elements of sustainability to your project or organizations
- Identify strategies to overcome sustainability challenges you face.

Overview

This guide will cover seven important elements for sustainability, including the crucial element of Strategic Resource Development. The elements are relevant both for the organization as a whole as well as the specific programs and efforts of the CAA.

The seven elements are:

Vision

The first element, **vision**, illustrates the ideal future. For Community Action Agencies, the vision element is the vision for the community you serve. It answers the question, “What do we want our community to be like.” It describes broadly the desired future, the big pictures. It is inspiring, motivating and uniting.

Mission

The second element, **mission**, describes the present focus and desired results of the organization or program. Where the vision describes a broad future for the community as a whole, the mission defines

the specific scope of responsibility and action of the organization or program. It can also be inspiring and motivating but its function is to describe the core purposes of the organization or program.

It is also generally describes what you want to sustain. It is the reason the organization or program exists. The organization or program is driven to and ideally held accountable to achieving this mission.

Results Orientation

The third element, a **results orientation**, refers to how you'll know when the mission is achieved. The results-orientation focuses on the questions of "What are the specific outcomes the program is striving for and how will progress toward them be measured?" In Community Action, this is often driven or designed by the Results Oriented Management and Accountability (ROMA) framework and the national performance indicators. While national initiatives, these systems ask individual organizations and programs to self-determine the results, progress targets and strategies.

Strategy

The fourth element, **strategy**, builds on the results orientation. Once it is clear where you want to go, you need a plan for getting there. What actions, programs, activities, advocacy and service efforts will lead to success? What are the assets and opportunities support your strategy? What challenges and threats must be addressed for your strategy to succeed?

Strategic Resource Development

To implement strategies, the fifth element, **strategic resource development** is required. It takes 3 crucial kinds of resources

- Financial Resource Development – fund development and financial management that cover the financial costs of the strategies
- Human Resources Development – recruitment, retention, motivation, succession and if need be downsizing of the people that design and implement the strategies
- Community Resources – the broad support of the community, the deep support of champions and the collective support of partners

Resilience

The sixth element is **resilience**. The environment Community Action Agencies work in is constantly changing. To succeed and sustain success, agencies need to understand and plan for the flexibility that managing in uncertainty requires.

Sustainability Plan

The seventh and final element is the **sustainability plan**. Ultimately, CAAs need to plan for sustainability. In a turbulent and fast changing world, sustainability does not happen by accident. It requires thought, planning and flexibility. It means intentionally to look at the long term goals and results they want to

achieve, and at the strategies and resources at their disposal to achieve them. The idea is to have thought through these elements in advance and adapt as you move forward.

Below is a detailed description of each of these elements that tracks the companion Sustainability Self-Assessment.

Vision

Vision is the biggest element in planning for sustainability. It frames all the rest of the work. It sets the stage for the development of community driven organizations and their missions. In Community Action, it is the formal and informal conversation between the organization or its programs and the community at large that may take place at board meetings, needs assessment focus groups and public hearings.

The assessment asks if:

The organization or program leaders have partnered with the community to develop a clear vision of what they want to achieve and the degree to which the organization or program leaders have and can articulate a clear vision of the desired future state of the community.

Mission

Mission is the driving force of planning for sustainability. It describes the specific scope and responsibility that your organization or program plays in achieving the community vision. The mission is what the program or organization strives to achieve and what the leadership holds the organization accountable for.

It outlines what the organization or program aims to sustain.

Clarity is crucial here. If you aren't clear, it is difficult to engage others in the process, make decisions about priorities, find funding or most other long term tasks. Many agencies seek to address many community challenges. In this case the mission needs to be broad enough to encompass them and then can be augmented by statements describing agency values and /or program logic models.

In addition, the role of the mission is to help leaders guide and govern the agency. With a clear mission, the leadership can examine activities and determine how they help to achieve the mission and set priorities. Once the agency or program leadership is clear on what it will take to move toward achieving the mission, they can clearly articulate it.

Below are the assessment questions for this element that identify the extent to which:

- A. There is a clear mission for the organization or program.
- B. The organization or program leaders have developed a process to determine what is to be sustained, and by whom.

C. The organization or program leaders have decided what they want to sustain (for example, an organization, all features of a program, some features, a process, a service, a particular practice, a method of operation).

D. The organization or program leaders have analyzed and can articulate how the program fits or could fit within the larger community.

Results Orientation

Results Orientation is a consistent practice within Community Action in part because of or through the Results Oriented Management and Accountability (ROMA) initiative. A results orientation includes determining outcomes, performance targets and connecting them to strategies. This orientation is crucial to sustainability because it incorporates processes to establish and track process and outcome measures, that organization and program leaders use that information to improve their work over time. It provides the information managers, funders, participants and the community really care about knowing, the impact of the organization and its programs.

The assessment questions for this element ask to what degree:

A. The organization or program has an accepted logic model that shows how its work fits into a range of efforts to improve the lives of low-income families and communities

B. The organization or program leaders have identified and use performance measures to track the progress of their own work.

C. The organization or program leaders use performance measures to plan its work and budget its resources.

D. The organization or program leaders examine data on these measures to find ideas to improve service design and delivery.

E. The organization or program leaders implement these ideas, including changing or discontinuing programs or services as necessary.

F. The organization or program staff and board collaborate with other programs on improvements to community-wide indicators.

Strategy

Strategy is the element that moves from goals to action. It's the part of sustainability that focuses on how the desired results will be achieved. It includes identifying the actions, programs, activities, services and advocacy efforts will lead to success. It also includes an examination of the strengths and weaknesses of the organization or program and the opportunities and threats the organization or program faces in implementing the strategies and achieving the results.

The assessment questions for this element ask to what degree:

- A. The organization or program leaders have identified strategies that bridge programs when appropriate to achieve the results for low-income families and communities the agency seeks to achieve
- B. The organization or program leaders have identified advocacy strategies to address both those results. They will directly address and those mission driven results that may be outside the programmatic strategies
- C. The organization or program leaders have determined who is responsible for leading the strategy
- D. The organization or program leaders have identified and developed partnerships between programs or with other agencies to effectively implement the strategies
- E. The organization or program leaders adapt and strengthen these strategies based on results and progress data
- F. The organization or program leaders regularly assess strengths and weaknesses related to strategies and adapt them as needed.
- G. The organization or program leaders identify opportunities and challenges that impact the achievement of results and adapt strategies as needed.

Strategic Resource Development

The **Strategic Resource Development** element considers the extent to which the organization or program leaders have identified and build the resources it takes to implement the strategies that will lead to the results to be achieved. Strategic Resource Development certainly includes funds but also include human resources and community resources. Below we examine the resources needed for success -

- Financial Resource Development – effectively raising, generating and managing funds
- Human Resource Development – recruitment, retention, succession and if need be downsizing decisions
- Community Resource –community support, champions, collaborators

Financial Resource Development

Strategic financial resource development element considers the extent to which the organization or program leaders have identified a variety of financing strategies that could support the program or organization. The organization/program has a plan to pursue those strategies and is following that plan.

The assessment questions for this element ask to what degree:

- A. The organization or program leaders know how much funding is needed to sustain their work.
- B. The organization or program leaders have identified the types of financial resources necessary to sustain their work.

- C. The organization or program leaders have identified and are pursuing ways to ensure the most efficient use of existing funds.
- D. The organization or program leaders have identified and are pursuing ways to increase the flexibility of existing funding streams (for example, through pooling funds across agency and program lines or improving coordination of existing funding streams).
- E. The organization or program leaders have identified relevant funding sources and are taking steps to access these sources.
- F. The organization or program leaders have built public-private partnerships to leverage private sector funding, create leadership, and garner technical expertise in support of their work.
- G. The organization or program leaders have investigated ways to generate new revenue.
- H. The organization or program leaders have identified and are pursuing ways to support the creation of new sources of public or private funds.

Strategic Financial Resource Development means looking at a broad array of potential sources of funding, the relative impact and revenue generating capacity of each, and the characteristics of how funds are obtained and administered. Below is a brief discussion of each of these ways of looking at financial resources.

Types of Resources

In the past, Community Action Agencies were considered diverse if they had grants or contracts from multiple federal, state or local government resources. In truth, these are all similar in that they are taxpayer funded and in the current environment are less reliable than in the past. It is important therefore to find additional funding sources. The good news is there are a number of non-government resources. These other types of resources include:

Annual or Sustained Gifts – such as those related to direct mail appeals, internet appeals, monthly donors, affinity or club programs, honor or memorial giving, telethons, phone mail, etc

Benefit Events - Funds generated from events produced to engage community members and generate funds from admission fees. Examples might include community fairs, golf tournaments, and formal award dinners.

Cause and Effect Marketing - These are marketing efforts in a for-profit organization, by using the name and reputation of a non-profit organization, promotes its product and in return provides financial support to the organization according to a predetermined formula based on sales and purchases.

Corporate Giving Program – This could be a direct corporate gift or through a corporate foundation.

Earned Income - Earned income is income generated through activities related to the organization's mission. Examples include product sales and fees for services rendered. The key element here is that income is derived from and for activities substantially related to the organization's tax-exempt purpose.

Faith-Based Support – Similar to corporate giving, faith-based organizations may provide funds for particular efforts.

Federated Funds - These are funds such as the United Way, to which community members donate, often through payroll deductions that are bundled and distributed by the fund.

Foundation Grants - These grants are grants from charitable organizations who share a similar mission to the organization or program.

Government Grants and Contracts – This is by far the most common source of funding for Community Action Agencies. These grants and contracts call for the organization to deliver government programs and services to eligible members of the community.

In-kind Support – This refers to support by volunteers and professionals provided at no financial cost to the organization.

Major Gifts – While the amount this refers to is subjective, it generally refers to a substantial amount of funds provided by an individual with an interest in the organization or program.

Planned Gifts –This refers to sources such as pooled income funds, charitable remainder trusts, insurance gifts, and/or bequests.

Supporting Organization – This refers to a qualified charity operated, supervised or controlled by or in connection with one or more specified public charities. An auxiliary, association, friends groups or other non-profit may be a supporting organization.

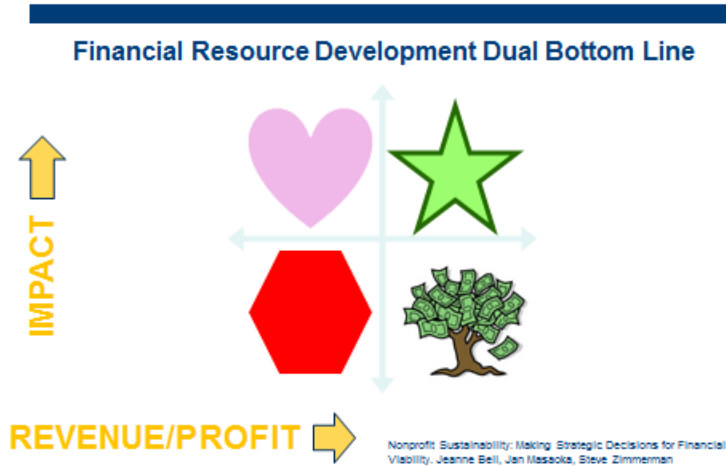
Unrelated Business Income – This is income received that is the result of any legal trade or business conducted by a not-for-profit organization to make money in a way not directly related to an organization’s federally tax-exempt mission. An example would be renting office space to a local business.

Characteristics of Resources

There are several important characteristics to consider related to each funding source.

An important consideration is the relationship between the funding source to the impact it supports and the amount of flexible funding it may provide, particularly related to the cost of delivering the services it supports. A model for looking at this relationship is described in [Nonprofit Sustainability: Making Strategic Decisions for Financial Viability](#) by Jeanne Bell, Jan Masaoka, and Steve Zimmerman and is pictured below.

Financial Resource Development



The four quadrants refer to the relationship of a funding source or program to impact and to revenue. The stop sign in the lower left represents efforts that are low impact and low revenue. These are efforts that generate little revenue and may even be costing the organization funds, while providing little impact for families or the community. These are efforts to be avoided.

In the upper left corner are efforts that are high impact, but low revenue. These are often core elements that the organization was created to do. They are usually efforts that have deep commitment but may be difficult to manage without losing revenue. Examples here might be programs that cover service delivery costs but not the administration of them.

In the lower right are efforts that are low impact, but high revenue. These are attractive efforts because they can generate the funds to make up for what the high impact, low revenue efforts need to be successful.

But what we really want are the efforts in the upper right. These are the high impact, and high revenue efforts we seek.

There are several other characteristics to consider in terms of funding sources:

Stability - This refers to how reliable a funding source is. Historically, this is one of the reasons that CAAs have turned to government funding sources. They have had consistent funding, a consistent funding process, and a consistent set of relationships and expectations.

Flexibility – This refers to how funds may be spent and on what. Most funding sources can be used for specific purposes. Others, can be used as the organizations sees fit to produce the intended outcomes consistent with the organization mission and the requirements of tax exempt status.

Complexity - This refers to how complicated the reporting and monitoring requirements are for the particular funding source.

Timeliness - This refers to how the funds are awarded and provided to the organization.

Human Resource Development

In addition to financial resources, successful sustainability requires human resources. Strategic human resource development centers on the extent the organization or program leaders recruit, engage, manage, and develop the workforce to utilize its full potential in alignment with overall mission, strategy, and action plans.

The assessment questions for this element ask to what degree:

- A. The organization or program has a human resources strategy that ensures the right people with the right skills are available at the right time
- B. The organization or program has a professional development process in place that ensures that employees continue to learn and develop in ways that strengthen program
- C. The organization or program leaders involve employees as partners and stakeholders and in the design of professional development and other workforce decisions
- D. The organization or program has a succession plan for key employees that addresses smooth transition and effective transfer of knowledge.

Community Resource Development

Successful sustainability also requires strategic community resource development in three areas – community support, committed champions and collaboration with partner organizations and programs. The goal of community resource development is to involve the community in their work and gain community support based on the organization or program positive impact.

Community Support

Successful sustainability means commitment not only of the organization or program leadership but also of the community they serve. The assessment questions for community support ask to what degree:

- A. The organization or program leaders have a plan to establish or maintain a desired identity and reputation within the community.
- B. The organization or program leaders involve recipients of their services in their work to improve service design and delivery and to build ownership and support.
- C. The organization or program leaders collect quantitative and qualitative data to show the value of their work for families.
- D. The organization or program leaders share data in user-friendly formats and communicate them regularly to the community, key stakeholders, media, potential funders, and others.

Committed Champions

In addition to broad community support, leaders need to identify and build individual champions who support the work. These champions include senior decision makers, local community representatives, those participating in the programs and peer programs and organizations, and individuals.

The assessment questions for community support ask to what degree:

- E. The organization or program leaders have identified key senior decision makers at the all levels who can influence its sustainability.
- F. The organization or program leaders have designed and implemented a plan for tailored outreach to these key decision makers (including appropriate messengers and messages).
- G. The organization or program leaders have and use a variety of strategies to encourage peer community champions, such as collaborating with other organizations (for example, public and nonprofit service providers) in service planning, delivery, and financing.
- H. The organization or program leaders recognize and reward people who are instrumental in helping achieve sustainability

Collaborative Partners

Finally, community resource development means working closely with partners in the community to organize and advocate for community improvement.

The assessment questions for community support ask to what degree:

- I. In addition to program participants, the organization or program leaders involve a diverse set of stakeholders in their work (such as community-based organizations, government agencies, and private businesses) to improve service design and delivery and to build ownership and support.
- J. The organization or program leaders and community partners understand and communicate their value for the community.

Resilience

Resilience refers here to, the capacity to adapt to, recover from and succeed in the face of a changing tumultuous environment. The environment Community Action Agencies work in is constantly changing. To succeed and sustain success, CAAs need to understand and plan for the flexibility that managing in uncertainty requires.

The assessment questions for this element ask to what degree:

- A. The organization has the equivalent of 25 percent of annual expenditures in a reserve fund.
- B. The organization has policies and procedures in place for using reserve funds

- C. The organization or program leaders monitor changes in the policy and program environment to see how their program can align with new directives and agendas.
- D. The organization or program leaders consider how its work can be framed or positioned to interest different funders and to take advantage of new financing opportunities.
- E. The organization or program leaders have identified opportunities to participate in efforts to improve the overall policy and program environment.
- F. The organization or program leaders actively participate in decision-making processes about changes in policy and practice.
- G. The organization or program leaders have determined how they can improve their ability to participate in these efforts (for example, by establishing their credibility as technical experts, community representatives, or controllers of resources), and have followed through to increase the likelihood of being able to participate.

Sustainability Plan

The final element is having a **Sustainability Plan**. Ultimately, CAAs need to plan for sustainability. The point here is the planning process. As President Eisenhower once said, “plans are worthless, but planning is everything.” The goal of developing a plan to intentionally look at the long term goals and results to be achieved, the strategies and resources available to achieve them and to anticipate alternative strategies to meet environmental changes.

The assessment questions for this element ask to what degree:

The program has a sustainability plan that enables it to set priorities and take action

- A. The organization or program leaders have a long-term plan for what they want to accomplish.
- B. The organization or program leaders have identified challenges or obstacles to sustaining the program, including potential conflicts with alternative programs or agendas.
- C. The organization or program leaders have developed strategies to garner needed resources and overcome identified barriers.
- D. The organization or program leaders have a process to reassess and adjust their plan periodically.
- E. The organization or program leaders have identified and communicated with other individuals who have a role in implementing the sustainability plan.

References

This work builds heavily on three additional tools that focus on sustainability and strategic planning and adapts this work to the needs of the Community Action network.

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