

Real Time Strategic Planning: CAP's Strategy Screen

In March of 2009, Cascade AIDS Project (CAP) embarked on the development of a strategic plan to guide the future direction of the agency. While a traditional model of strategic planning was used to start the process, it became clear half-way through that a more dynamic approach was needed. Focus groups, on-line surveys and working groups had helped delineate CAP's position in the community and its opportunities for growth. They informed the refinement of the organization's mission and the priorities for moving forward to achieve it. What the strategic planning group struggled with, however, was the next step: how to take the priorities and map them into concrete and actionable plans. One of the challenges was how to balance strategic priorities and work plans with the day-to-day realities of ensuring current programming moves forward. More important, however, was the recognition that unpredictable challenges and opportunities in today's world come at an increasingly fast pace and often necessitate prompt – yet strategic – action.

It was clear that CAP needed a new approach to the strategic plan document and they found it in The Nonprofit Strategy Revolution: Real-Time Strategic Planning in a Rapid Response World (2008, David La Piana.) La Piana explains it this way:

Real-Time Strategic Planning requires the organization to consider the factors listed above [mission, vision, current challenges, opportunities] on an ongoing basis, addressing them as needed. ... Organization strategy cannot be developed and implemented successfully on a predetermined strategic planning timetable. Because crises and opportunities cannot be scheduled, anticipation and response to them cannot be set on a three-year cycle.

La Piana proposes an alternative approach to strategic planning that is built on many of the traditional steps of planning (i.e. review of mission, current position in community, assessment of challenges, etc.) However, instead of resulting in a static plan to be followed for three years, La Piana's method develops clear strategic priorities – a “strategy screen” – to be used day-to-day in managing forward. The strategy screen is then re-visited on a regular basis with new inputs in recognition of the need for a fluid and agile approach in managing organizations.

Two examples of why this proposed alternative approach to strategic management makes sense materialized for Cascade AIDS Project during the 2008 and 2009 calendar years. The first was the 2008 global economic meltdown and following recession. With unemployment jumping to record highs and retirement and investment accounts losing one-third or more of their value, most non-profits saw their fund-raising efforts fall far short of their goals. In CAP's 08/09 fiscal year, total event revenues were down 25%, more than \$250,000. No strategic plan could have predicted the events of 2008/09, but immediate action was needed to ensure the solvency of the agency. The clear strategic priorities of reducing management/administrative costs and ensuring greater collaborations across programs in the agency helped illuminate a clear path that eventually resulted in the restructuring of CAP.

The second example came about during the actual strategic planning process. Feedback from focus groups and on-line surveys, as well as a review of local epidemiological information about the HIV pandemic, made it clear that one of CAP's top priorities would be to look at strengthening our engagement of, and partnership with, marginalized communities most impacted by the epidemic, namely communities of color and men who have sex with men. While this priority was clear, how to get there was not. CAP could start with assessments and development of new program plans, but with no true funding stream committed to this focus, it was unclear what could be achieved. However, putting this priority on its strategy screen made it easy for CAP to jump on an opportunity that nobody could have known was opening up nationally. When the Office of Minority Health released a new request for proposals that would result in ten awards nationally to focus on high-risk minority youth, CAP pursued this opportunity, confident it was consistent with and supportive of its strategic plan. Before 2009 came to a close, the priority evolved into real programming with a three-year, \$750,000 award to support this work.

All of this serves as prelude and explanation of CAP's strategic foci as documented here. These are clear priorities for moving forward that will be used in reviewing the continual stream of opportunities and challenges that invariably present themselves. These foci are not static, and via this process, CAP commits to reviewing the strategic priorities regularly and to ensure a thoughtful approach to strategic management that helps it achieve its mission. In addition, prior to presenting strategic priorities, a simple one page overview of CAP at-a-glance from a financial perspective is provided as context.

Founded: 1983

Incorporated: December 16, 1985

Mission: *To prevent HIV infections, support and empower people affected and infected by HIV/AIDS, and eliminate HIV/AIDS-related stigma. (revised Jan. 2010)*

Fiscal Year: July 1 through June 30

Staff: 40.3 full-time equivalents

Budget FY09/10

Revenues (includes in-kind) - \$5.414 million

- Government contracts & cooperative agreements- 57.8% (\$3,129k*)
Includes more than 15 awards; single largest contract at \$800k
- In-kind contributions and volunteer services – 15.7% (\$850k)
- Events 14.7% (\$795k)
- Foundations and corporations 4.7% (\$255k)
- Individuals outside of events 3.9% (\$210k)
- Private contracts (\$130k)
- Program revenue / interest / earned income (\$35k)

Expenses (includes in-kind) - \$5.279 million

- Payroll, taxes and benefits (\$2,194k)
- In-kind (\$850k)
- Client assistance (\$832k)
- Sub-contracts and services (\$415k)
- Office & MWC rent (\$260k)
- Pass through grants (\$126k)

Net Fund Balance June, 30, 2009 - \$1.163 million

Fiscal Year Expenditures by Area (based on FY08/09 Audited Financials)

- Program Expenses – 75.2% (\$3,188k)
 - Support Services – 64% of all program expense (\$2,028k)
 - Prevent & Education – 35% of all program expense (\$1,116k)
 - Policy & Advocacy – 1% of all program expense (\$43k)
- Management Expenses – 11.0% (\$467k)
- Development Expenses – 13.8% (\$585k)

CAP Strategy Screen / Strategic Priorities

- 1) Strengthen engagement and partnership with marginalized communities that are disproportionately impacted by HIV and AIDS (particularly communities of color) and in geographic areas not currently covered with CAP's programs and services.**
 - Efforts should be made to look at everything from the diversity of staff, volunteers and board to culturally specific programs to ensure that those communities disproportionately impacted by HIV are reached with culturally appropriate services, from prevention to support and care.
 - CAP's efforts include Oregon and SW Washington, yet many of the programs delivered to specific geographies are set by the funder. As a result, recent years saw a pull-out of CAP programs from Vancouver/Clark County area, and community input during the strategic planning process revealed the impression there that CAP does not engage as much as should be in the Vancouver/ Clark County areas. Focus should be placed on strengthening CAP's engagement with, and service to, Southwest Washington.

- 2) Broaden approach of working with HIV-positive individuals to recognize them as partners in addressing the pandemic and that focuses on community building for individuals living with HIV.**
 - Historically, within the U.S., most AIDS Service Organizations (ASO's) have focused on people living with HIV/AIDS (PLWHA) as a service population, with particular emphasis on getting services to those who qualify for federally subsidized services (200% of poverty or less) such as medical care and support services under Ryan White funding and/or Housing under HOPWA/HUD funding. While CAP believes the federally subsidized core services are important and should be continued, CAP will look to expand programming that both serves a broader set of needs for PLWHA and also goes beyond simply reaching those at 200% of poverty or less.
 - The biggest need cited via focus groups and client feedback has been for increased community/social networking among PLWHA. Beyond client feedback/stated needs, CAP has also begun to operate under the assumption that community may serve as a solid base for improving the effectiveness of advocacy/policy efforts while also assisting in achieving better health outcomes for individuals. This philosophy has also been integrated in CAP's 2010 revised mission by expanding previous mission of "care for" to now state support and empower.
 - Continued effort should be made to ensure positive engagement of PLWHA at CAP in all levels of operations, including board, staff, and volunteers.

3) Broaden educational efforts to reach more communities, focusing on schools, youth, and new technologies.

- Via focus groups and on-line survey, one of the most common themes was a request for expansion of education, particularly at schools, other institutions and other venues for youth. Towards that end, efforts to formalize education through approaches such as a Speaker's Bureau, in-school Teen2Teen programming, work with school educators, and the AIDS Walk High School Challenge should be stepped up.
- Particular focus should be placed on the new opportunity created via refined state law on sex education, further refined via the Oregon Board of Education policy. (Oregon Administrative Rule 581-022-1440, approved by Oregon State Board of Education 12-4-2009)
- CAP should continually explore ways to promote prevention education and awareness via new social media platforms such as Twitter, face book, my space, etc.

4) Ensure more individuals are aware of their HIV-status through expanded testing efforts.

- Knowledge of one's HIV-status is the first step to accessing care and also plays an important role in supporting/improving efforts related to HIV prevention. Towards that end, CAP will continually seek new opportunities to expand testing, with most-at-risk populations prioritized first. Where testing on a fee-based model does not hinder a population's ability to access testing services, CAP will explore such opportunities. CAP will seek to expand its in-house testing services through training its staff, bringing confirmatory testing in house, and offering of complimentary screenings such as testing for sexually transmitted infections.

5) Strengthen financial health of the organization by expanding net fund balance, exploring new opportunities for earned income and diversifying revenues.

- CAP's net asset at close of the 08/09 fiscal year was equal to approximately 25% of the agency's annual budget (three months of operations.) Prior to the 08/09 fiscal year, the reserve was much larger, but in the new economy of 08/09, \$333,290 of the reserve was used to cover the deficit for that challenging fiscal year. Going forward, CAP will strive to re-build the reserve with a goal in the next three years (December 2012) to ensure that net assets equal at least 33% of the agency's annual budget (four months of operations.) Annual budgets should include a line item to build contingency reserve.
- Currently, no single source of funding (i.e. individual government contract, foundation or individual donor) accounts for more than 20% of the agency's budget. CAP should continue to ensure multiple funding streams, all of which must be consistent with its mission. Particular emphasis shall be placed on growing earned income, increasing individual giving outside of major events, and instituting planned giving campaigns.

6) Improved external and internal communications.

- CAP should create and maintain consistent and comprehensive communications with all vested parties, including but not limited to the Board of Advisors and staff. A baseline has been set as of 2009 that includes bi-monthly electronic newsletters to all constituents, annual reports that provide a deeper understanding of CAP's programs, and monthly updates to the Board of Directors, Board of Advisors and staff. Building on this base-line, CAP should look for additional formats, venues and other opportunities to further increase clear, effective communications both internally and externally.

7) Ensure maximum return on infrastructure/resources

- As of the second half of 2009, CAP has secured a new home for both its main office and the Men's Wellness Center (MWC). CAP should explore all opportunities to further expand its mission's reach through new partnership and programs that take advantage of the improved and expanded facilities. Specific efforts should include bringing in partner organizations to help with programming at CAP and expanding services (fee-based and donated) through the MWC, both to provide mission-consistent services and to create revenue opportunities.
- CAP will continually review procedures and operations with an eye towards reducing use of paper and other resources, improving efficiency, and reducing waste.

Added in February 2011:

8) Expand clinical capabilities and infrastructure for CAP related to serving populations infected and affected by HIV/AIDS.