



Planning for nonprofits and philanthropy

Scaling Up: Growth by Intention and Plan

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About Us: Plan A Advisors

Plan A was founded in 2013 by Evan Kingsley and Adam Gaynor as a new kind of **consulting** practice to design and facilitate **highly individualized** approaches to the unique needs of nonprofit clients, their audiences, leadership, and financial and organizational platforms.

Together they have more than **40 years of experience** in nonprofits, social enterprises, philanthropy and organizational development across the **widest range** of organizations, institutions and philanthropies.

Plan A works with the **board and executive leadership** of agencies, institutions, organizations and funders to design the most **effective and efficient paths** to setting and meeting **realizable goals**, driven by a **strong and compelling vision**.

Plan A projects include **strategic and business planning, governance advisory, mergers and fundraising**.

Introduction

Goals

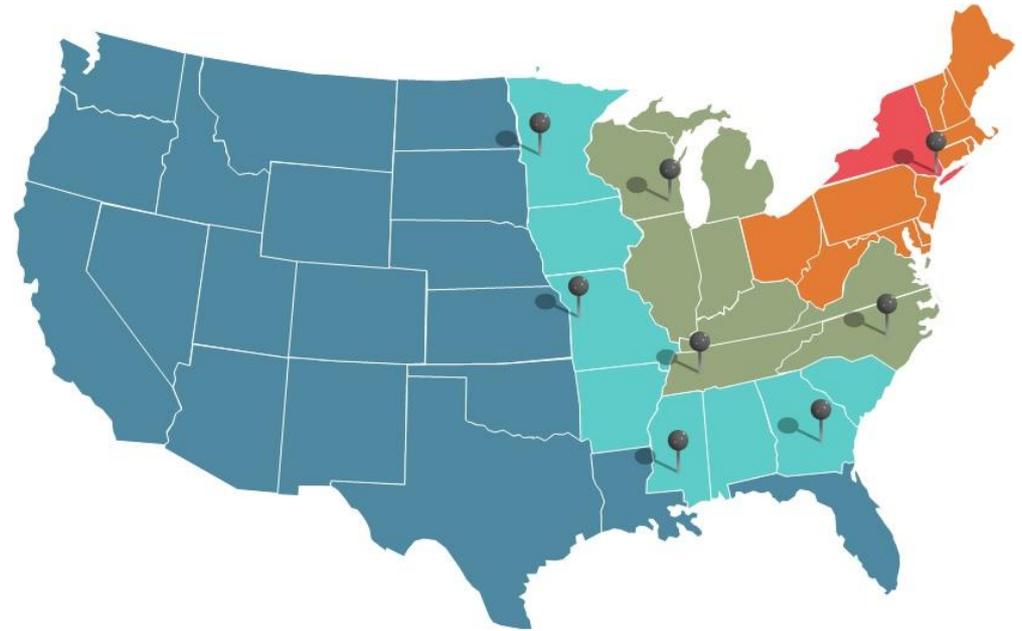
Different ways to grow

Tough questions

Making the case

Shared responsibility

Scaling Up: Growth by Intention and Plan



Today's positive economic outlook but challenging economic reality make “scaling up” – the process of growing a nonprofit intentionally to meet goals consistent with mission and vision – a hot topic for boards and executives looking for increased revenue and greater financial sustainability. Small can be beautiful, but stagnation can be deadly. Growth, wisely planned, can be energizing.

It takes guts and ‘chutzpah’ to guide a nonprofit scaling-up. The end game: your programs have greater impact, your services reach a larger public, you bring an important message to a bigger audience, you make a difference in the world beyond the one you’ve made to date. Isn’t that what it’s all about?

This webinar offers five different approaches to scaling up; shares advice on laying the groundwork for a scaling process; poses tough questions that you should ask and answer; and lays out leadership responsibilities for scaling up your nonprofit.

Goals for this webinar



Following the webinar, participants should be able to:

- Identify a variety of **approaches** to scaling up.
- Cite successful organizational **examples** of each approach.
- Employ tools to lay the **groundwork** for a scaling process.
- Pose the tough questions used to **qualify** a nonprofit for a scaling process.
- Distinguish the respective **responsibilities** of lay and professional nonprofit leadership in a scaling process.

Different ways to grow



Here are five compelling approaches to scaling up:

1. **Grow your geographic footprint:** bring your program or service to a new region or another state, replicating your impact geographically.
2. **Expand your local audience:** add new programs in your current home – perhaps with expanded facilities – to serve a new population.
3. **Deepen current relationships:** offer more for those you already serve, adding additional services to meet unmet needs.
4. **Extend yourself through partnerships:** by license or by contract, provide your unique program or service through partners in other locations.
5. **Merge or acquire:** join forces with a similar or complementary nonprofit by acquisition and integration, or by dissolving to form an entirely new entity.

1. Grow your geographic footprint



Grow your geographic footprint: bring your program or service to a new region or another state, replicating your impact geographically.



2. Expand your local audience

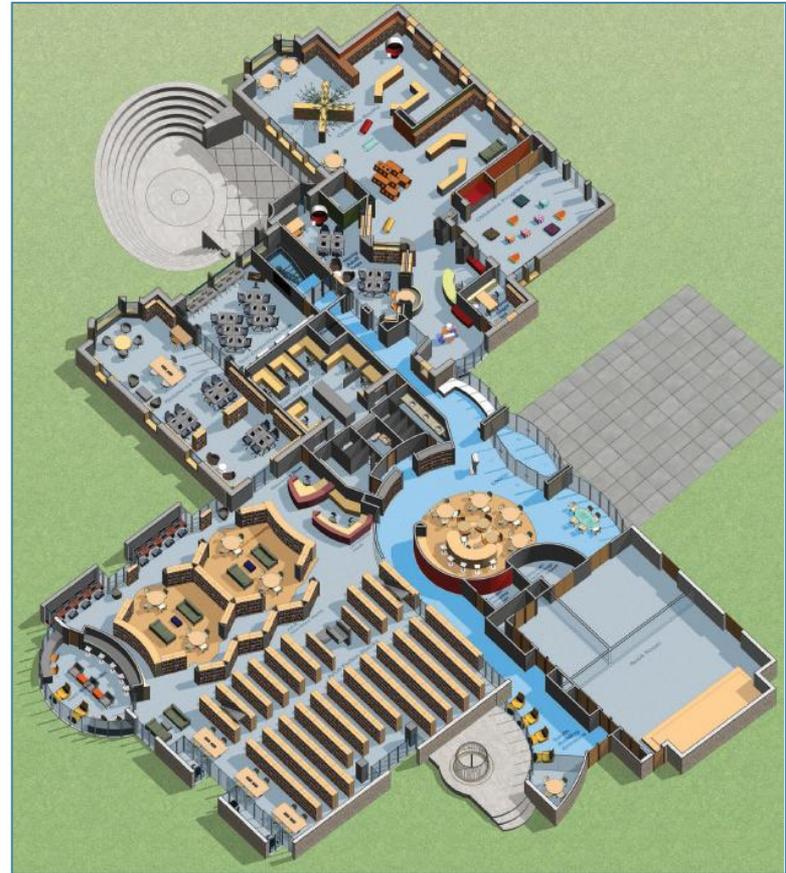
Expand your local audience: add new programs in your current home – perhaps with expanded facilities – to serve a new population.



3. Deepen current relationships

Deepen current relationships: offer more for those you already serve, adding additional services to meet unmet needs.

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4. Extend yourself through partnerships

Extend yourself through partnerships: by license or by contract, provide your unique program or service through partners in other locations.



5. Merge or acquire

Merge or acquire: join forces with a similar or complementary nonprofit by acquisition and integration, or by dissolving to form an entirely new entity.



Answer these tough questions affirmatively to know you are ready to scale up your nonprofit:

- **Is there a demand** for our programs or services locally, regionally, nationally, internationally that is not being met...or met as we would approach the opportunity?
- In meeting an unmet demand for programs or services, **will we faithfully fulfill our mission and our vision** for our nonprofit's future?
- **Does our nonprofit have the capacity**, including underutilized or untapped resources (leadership, staff, facilities, finances); and if not, do we have the talent, know-how and reach to secure them?

Warning: *Even when demand is high and mission is fulfilled, scaling up can run into trouble. Some prominent nonprofits have collapsed or scaled back recently because they grew beyond their ability to sustain their larger financial obligations. Poor planning, over-commitment of resources, major funding uncertainties, lax management and absent oversight all contributed.*

Making the case



Make the case for your nonprofit's growth by writing a business plan, just like a for-profit business would do. Address these key components to sweat the details:

- **Statement of Need:** What's the challenge or opportunity you propose to address? A detailed market analysis with current demographics should drive your case.
- **Program Overview:** Which specific programs and services will you offer? Show your approach to meeting the needs you've identified by scaling up.
- **Management & Staffing:** How many employees, and what titles, will it take? Use an organizational chart to propose staffing and structure.
- **Role of the Board:** Is there a governance role? Let your board know what you expect of them individually and collectively.
- **Financing & Fundraising:** What will scaling up cost? Project a multi-year budget along with a detailed plan for securing the resources (fundraising and/or financing).
- **Operating & Marketing:** How will it actually work? Lay out the day-to-day operating implications of enlarged scale, and the ways your nonprofit will market to build an audience for its programs and services.
- **Risk Analysis:** Especially for your board and senior management, identify the risks associated with disappointment and even failure, and the ways your nonprofit will correct and recover.

Shared responsibility



Here's some advice to nonprofit leaders, both professional and volunteer.

A note to the CEO: you lead the charge to scale up. The CEO makes the case for growth, identifying and embracing opportunity. In collaboration with the CFO, the CEO develops the business plan. The CEO presents the plan to board and staff, and cultivates financial, government and community support to realize it.

- **Some tips:** 1) *Have a respected board member review the draft business plan for scaling and provide an introduction to the full board.* 2) *Ask a favorite foundation program officer to read a draft to test its marketability with funders.* 3) *Identify community champions for your scaled-up programs and services to sow the seeds for success.*

A note to the board: Board leaders ask tough questions to assure others of the scaling plan's wisdom. The full board endorses the plan and works with the CEO to win support from funders, community leaders, and elected officials if public funding or regulation is at stake.

- **A tip:** *With the CEO, make 2:1 visits with select skeptical board members, prospective funders, and community and government stakeholders to "pre-sell" the business plan for scaling.*

A note to both: A communications plan for board and executive leadership is useful for sharing a concise and unified message to announce you are scaling up!

- **A tip:** *Talking points and "FAQs" are essential tools for consistent messaging.*



We welcome your inquiry and take great pride and pleasure in guiding you and your organization to the right solution for your needs.

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