Achieving Organizational Readiness to Maximize the Impact of Skills-Based Volunteering

June 12, 2017
Session Agenda

• Welcome and Introduction
• Overview of Common Impact
• Skills-based volunteering (SBV) 101
• Planning and Preparing for SBV
• Next Step Resources/Reflections/Q&A
What is SBV Service?

SBV publico  

adverb, Latin  1. for the public good

- **SBV** is the donation of professional services (i.e. technology, human resources, marketing, strategy, legal) benefitting organizations working to improve society.
Share-Out

• How does your organization currently use pro bono?

• What are the benefits of using skills based volunteering?
Learning Objectives

• Benefits of skills-based volunteering

• Evaluate your readiness

• Identify and scope a compelling SBV project
Common Impact catalyzes a new, connected economy by aligning business and social purpose.

A PURPOSE-DRIVEN WORKFORCE.
A STRONGER COMMUNITY.

Social Return on Investment
$16M

Cross-sector engagements
450

Fortune 500 partners
20

www.commonimpact.org
Common Impact nonprofit services

**Prepare**
- Nonprofit Consulting & Needs Assessment
  - Conduct analysis of nonprofit needs (business, marketing, operations, technology, finance, HR)
  - Scope and define SBV projects for alignment with corporate skill set

**Support**
- SBV Program Management
  - Project execution
  - Corporate relationship management
  - Sector translation
  - Evaluation and measurement

**Sustain**
- Training & Education
  - Monthly training series on nonprofit capacity building, technology tools, corporate partnerships
  - SBV tool development
Nonprofit Operating Environment

*External Pressures...*

Nonprofits rely on third party funding, with most funding coming from government grants, private grants and individuals.

Most funders want their investment to go directly to programming, so there is a push to keep “overhead” low.

Individuals paying for the services are different from those receiving the services. There are always at least two stakeholders for nonprofits to consider, & they may have different needs & goals.

There is an underinvestment in the key infrastructure, such as technology, human resources, and operations.
Nonprofit Operating Environment

...lead to insufficient overhead spending

20%  
Average FOR-PROFIT  
Overhead Cost %

8.7%  
Average NONPROFIT  
Overhead Cost %

More than half of nonprofits are allocating 2% or less of their budget to support key operating functions
The Social Sector Need for SBV

The SBV Landscape

• **1.5 Million nonprofits across the US. 10% of the national workforce and 5.5% of GDP.**

• **Infrastructure Gap:**

  ![Pie chart comparison]

  **Average Nonprofit**
  - Total Budget
  - 2-8% on Infrastructure

  **Average Company**
  - Total Budget
  - 20% on Infrastructure

[Source: www.commonimpact.org]
The SBV Supply is Growing

- Over 4 million professionals on LinkedIn have expressed interest in joining a nonprofit board or doing skills-based volunteering.

- SBV is the fastest growing corporate engagement program.
  - 50% of businesses report that they have a SBV program.

- SBV allows individuals to:
  - Give back to the community
  - Expand their social and professional networks
  - Build their functional and leadership skills
Nonprofits are excited…

72% of nonprofits believe they could increase their impact with the use of skills based volunteers

90% of nonprofits report needing more volunteer support

…but

While nonprofits recognize the value of SBV and many have benefitted from SBV engagement, many still consider SBV a Plan B resource that they turn to as discrete needs arise
Key Challenges

1. Understanding the long-term value of SBV
   – Resulting capacity gains often less tangible or visible than programmatic growth

2. Perceived lack of time / resources to implement

3. Lack of access or uncertainty how to find SBV resources
Organizational Readiness

Factors to Consider

**Strong Executive Leadership**
- Conveys a strong social vision, energizes and listens to stakeholders, leverages opportunities to innovate and meet changing client needs, and is open to constructive critical feedback and new ideas.

**Create Deep Social Impact**
- Takes a compelling vision, breaks it into programs that work, and hones the model over time to achieve the mission.

**Effective Relationship Building**
- Leverages external resources, engages people with different points of view, solicits feedback, and sustains long-standing partnerships.

**Organizational Stability**
- Solid financial and operational footing, with no significant management, staff or board turnover in the last few years.

**Engagement of Volunteers**
- Connects the work of volunteers to the organization’s ability to strengthen its foundation for greater sustainability.

**Commitment to Capacity Building**
- Senior leadership has shown a willingness to devote time and resources to capacity building functions.
Quantifying the Value: The Way of the Future

• SBV can constitute up to 15% - 20% of a nonprofit’s operational budget

• Funders will soon demand that nonprofits leverage SBV
Budgeting for SBV
Quantifying the Value of the SBV Project

• **Expenses:**
  – Cost of staff time to manage SBV engagement
  – Ancillary implementation costs for project

• **Value:**
  – Market value of volunteers’ time
  – Opportunity cost
    • Additional staff hires
    • Third party vendor
    • Paid consultant
  – Enhanced ability to achieve mission
Benefits of Using SBV

• **Accomplishing more** with minimal increase in budget or costs
• **Freeing up employee resources** to focus on other tasks that can only be done by staff
• **Getting the right expertise** to tackle your specific area of need
• **Growing network of supporters** by exposing professionals to your mission
• **Addressing challenges and obstacles** that would otherwise be difficult to overcome
Communicating the Need: Tell an Impactful Story

• Stories drive action through **simulation** (*what to do*) and **inspiration** (*the motivation to do it*)

• Telling an inspiring story can help your staff, board, and funders realize how SBV engagement will impact your program work and realize your mission
Communicating the Need: Make a Strong Case to your Board & Staff

• Most nonprofit boards and staff agree conceptually that they need the skills corporate volunteers bring to bear

• Building the internal buy-in needed to take the next steps in identifying and moving forward with those projects can be one of the biggest barriers nonprofit leaders face
Communicating the Need: Make a Strong Case to your Board & Staff

A few dimensions to consider:

- The **market value** of the project deliverable
- The ways in which the deliverable will **enhance your mission**
- The potential of a **long term relationship** with the individual skilled volunteers and the companies they represent
Common Sources of SBVs

- Corporations
- Professional Services Firms
- Individuals
- Intermediaries
- Professional Schools
- Provider Finder
- LinkedIn
- Board of Directors
- Common Impact
Project Scoping

• Defining the Challenge
• Scoping the Project
Defining the Challenge
Identifying the Need

➢ Ask your staff the right questions:

✓ What are they spending their time on that they wish could be done faster?

✓ How is it impacting their work?

✓ Why does it matter?

✓ What would help them do their job more efficiently? (ex. knowledge/training, technology system, clear and consistent process to follow)

➢ Make a list of the trends you find in their responses and use that as a starting point
Assessing the Priority

Mission Alignment

- How does this challenge impact your ability to do the work that moves the needle on your mission?
- How would it free you up to do more mission critical work?

Staff Capacity

- What is your staff spending their time on?
- What tasks do they avoid because it takes too much time, but are important to your organization?
- Does avoiding that task ultimately make the lift for your work even harder?

Timing

- How long has this challenge been affecting your organization?
- Is there anything coming up that makes this challenge timely?
- Is it holding you back from reaching time-sensitive goals?
Defining the Priority

Highest priority projects align with your **mission** and are **timely**

- A project that does not have high value towards your mission can place a large burden on your staff (e.g., cleaning a spreadsheet and sorting through data, vs. digesting a report and using the data).

**Complexity** is another dimension to consider:

- What would it take to address this challenge?
- Do you have the knowledge in house, but not the staff capacity?
- Would the changes impact many staff members or just a few?
- Does it impact one work stream or many?
Scoping the Initiative
Project Selection Criteria

Keys to a Successful Project

- **Narrow in focus**
  - Projects focus on one specific organizational challenge and are separated into distinct functional areas (marketing, HR, etc).

- **Clearly defined deliverable**
  - Partner should be able to clearly articulate the expected outcome of the engagement. Should be realistic for the length of the consultancy session.

- **Relates to an organizational need**
  - Challenge being addressed should be of top priority to the nonprofit and have a clear tie to their mission and community impact.
Break it Down

➢ Often a highly complex project can be broken down into stages, and a few quick identified hits that can make a big difference in a short period of time

✓ Break the challenge into components
  ➡ *For example:* deeply assessing and selecting a solution, executing a solution, rolling it out to staff

✓ Are there any quick hits?
  ➡ *For example:* Is there an excel template you can create and share with staff that would alleviate a major challenge?
Estimate a Timeframe

Questions to Consider:

✓ Will this be a short term or long term project?
✓ How many hours would it take to complete?
✓ How many staff members would you need to involve?
✓ Do you need to build in time to get the board’s approval before moving forward?
Project Examples

Common Impact Project Portfolios

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**Project Portfolio**

**Team Size:**
Typically 4-10 team members, including 1 project manager

**Individual Member Commitment:**
3-10 hours/week, depending on project scope

**Project Duration:**
3 weeks to 6 months, depending on project scope

**Project Structure:**
Mostly remote participation with weekly virtual check-in meetings. In-person meetings are typically incorporated into the process at key project milestones.

**Financial Management**

- **Financial Systems Assessment (2-4 months):** Review an organization’s financial management systems, identify challenges, and better serve the role recommendations on new processes or vendors that would better serve the organization.
- **Investment Strategy and Review (2-4 months):** Provide an organization with insight on what individual investors look for in a venture and make recommendations for how to “package” an organization’s services to potential donors.
- **External Scan Project (2-4 months):** Assess the benefits and drawbacks of entering into a new market by analyzing the market trends and providing the nonprofit with recommendations on pursuing the venture.
- **Cost Benefit Analysis Project (3-4 months):** Quantify the costs and benefits of a strategic decision such as determining the next steps for organizational growth, defining the most cost-effective funding strategy, or undertaking a building project.
- **Financial Modeling Project (3-4 months):** Produce an interactive financial model that analyzes the true costs of running an existing program or launching a new service, to help the nonprofit make future decisions on program pricing, cost, and scale.

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**Day of Service Project Portfolio**

**Team Size:**
4-6 team members, including 1 project manager

**Project Duration:**
5-8 hours, with ~3 hours of additional preparatory work

**Project Structure:**
Multiple nonprofit partners are invited to participate in a corporate Day of Service. Each nonprofit is matched with a corporate volunteer team, whose skills and expertise match the scope of the nonprofit’s pre-determined project. The Day of Service can take place either at the company’s office or on-site at the nonprofit, and is typically divided into three consulting sessions that facilitate the team’s assessment, design, and execution.

**Financial Management**

- **Financial Systems Assessment:** Identify weaknesses and provide recommendations on new processes or vendors that might better serve the organization.
- **Cost Benefit Analysis:** Conducts a cost-benefit analysis that helps your organization outline the financial value of a particular initiative, initiative or program.
- **Financial Model Design and Development:** Develops a model that guides your organization in understanding the financial implications of organizational or program decisions by tracking and changing multiple variables that drive those decisions (frozen and uncertain).
- **Investment Strategy and Review:** A team conducts a cost-benefit analysis that helps your organization outline the financial value of a particular initiative, initiative or program.
- **Operations**
  - **Program Delivery Optimization:** A team creates a process map and analyzes ways to generate greater efficiency across multiple programs and services.
  - **Information Mapping:** A team creates a process map and analyzes ways to generate greater efficiency across multiple programs and services.

**Contact:**

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Project Scoping Worksheet

A Project Scoping Tool

Organizational Goals

Project Identification

Project Readiness

Project Scoping Template

This resource can be used by nonprofit partners to identify organizational challenges, narrow challenges down into potential SBV projects, and identify the deliverables where skilled volunteers should focus their efforts.

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<thead>
<tr>
<th>Organization Name:</th>
<th>Organization Mission:</th>
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<table>
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<tr>
<th>Strategic Organizational Goals</th>
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<tr>
<td>1.</td>
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<td>2.</td>
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<td>3.</td>
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<td>4.</td>
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<table>
<thead>
<tr>
<th>Project Identification</th>
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<tr>
<td>If achieved, how will this goal help your organization better serve its clients or meet its mission?</td>
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<tr>
<td>What is your organization currently doing to meet this goal?</td>
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<tr>
<td>In an ideal world, what would you be doing to meet this goal?</td>
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<tr>
<td>What resources, products, processes, capacity, etc. do you need to achieve this goal?</td>
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Starter SBV Project Activity
Share Out of Starter SBV Projects

• What is your project?
• How will SBVs support your organization by working on this project?
• Challenges to overcome to achieve organizational readiness?
• Places where you got stuck?
• Aha! moments?
Next Step Resources/Reflections/Q&A

• For more SBV information/resources:
  – http://commonimpact.org/resources/category/nonprofit

• Reflections & Questions?
Amy Daigle, Director of Operations
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Nonprofit Capacity Building Worksheet

This worksheet can help you in several ways when thinking about potential capacity building projects for your organization. By asking the right questions, you will learn how to:

- communicate the need and the potential impact to help get buy-in from leadership
- raise your confidence that you are focusing on top priority challenges
- understand what the impact of this project means for your staff, board and stakeholders
- support a potential grant application
- recruit volunteers or develop a request for proposal
- identify alternative approaches to solve your capacity building needs

Questions for Consideration:

1. **Is this project a number one priority for your organization?**
   a. **Mission Alignment:**
      i. How does this challenge impact your ability to do the work that moves the needle on your mission?
      ii. How would it free you up to do more mission critical work?
   b. **Human Resource Burden:**
      i. What is your staff spending their time on?
      ii. What tasks do they avoid because it takes too much time, but are important to your organization?
      iii. Does avoiding that task ultimately make the lift for your work even harder?
   c. **Time:**
      i. How long has this challenge been affecting your organization?
      ii. Is there anything coming up that makes this challenge timely?
2. **How will working on this project impact your organization (ex. # hours saved, # dollars saved)?**
3. **What does that mean for impact on your constituents?**
4. **Do you have any particular challenges getting buy-in from your leadership?**
   a. If so, how can think about telling a story of impact to show the importance of your capacity building project?
   b. If not, what is holding you back from tackling your capacity building needs?