



**CAPAC**

**ABILITY**

**Goal Without A Plan Is A Wish**  
Doing Analysis & Plans

June 22<sup>nd</sup> 2017

## Session Overview

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### Instructor Bio : Ian Poulton

- Trained As An Accountant In UK
  - Certified Management Accountant
- Masters In Supply Chain / Ops Mgt.
- Currently Sr. Finance Mgr. @ PPG
  - Oversee 3 Facilities
  - 34 Years In Business
    - 15 Years In Supply Chain & Sourcing
    - 19 Years In Finance Mainly Manufacturing
  - 27 Years In Aerospace
    - Chemicals / Gaskets / Transparencies
- Lived In CA. & AL.
- Work With Local Non Profits

### Session Overview

- The World Of Wishes Vs Plans
- How To Do Segmentation Analysis In Non Profit
- Business Model Canvas
- Aligning Visions, Plans, With Tactical Actions
- Monitoring Progress
- 10 Takeaways To Use.

## World Of Wishes Vs Plans

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“I Want To Retire @ 50”

“ This Business Will Grow 20%”



“I Need To Save \$25K Per Year,  
So I Can Retire @ 50”

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## Traditional Income Statement

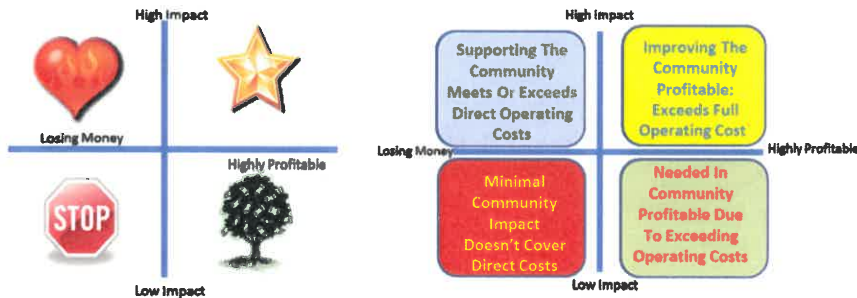
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Income Statement	\$000's
Grant Funds	\$50
Revenue Programs	\$130
Fund Raising	\$20
<b>Total Revenue</b>	<b>\$200</b>
Labor & Benefit Costs	\$100
Supplies	\$10
Facility Cost	\$45
Executive Costs	\$30
<b>Total Costs</b>	<b>\$185</b>
<b>Profit</b>	<b>\$15</b>



## Program Segmentation

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Star & Money Tree Must Generate Enough Profit To Cover Heart Losses  
 For Non Profit To Be Overall Profitable.  
 Must Eliminate STOP Programs

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## Segmented Income Statement

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Income Statement	\$000's	\$000's	\$000's	\$000's
Grant Funds	\$20	\$10	\$0	\$20
Revenue Programs	\$80	\$20	\$30	\$0
Fund Raising	\$0	\$5	\$10	\$5
<b>Total Revenue</b>	<b>\$100</b>	<b>\$35</b>	<b>\$40</b>	<b>\$25</b>
Labor & Benefit Costs	\$40	\$20	\$10	\$30
Supplies	\$5	\$2	\$2	\$1
<b>Revenue Less Direct</b>	<b>\$55</b>	<b>\$13</b>	<b>\$28</b>	<b>\$(6)</b>
Facility Cost	\$18	\$9	\$5	\$8
Executive Costs	\$15	\$5	\$6	\$4
<b>Profit / (Loss)</b>	<b>\$22</b>	<b>\$(2)</b>	<b>\$17</b>	<b>\$(18)</b>

Do The Analysis !

What Are The In's And Out's

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## Segmented Income Statement

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Income Statement				
<b>Total Revenue</b>	<b>\$100</b>	<b>\$35</b>	<b>\$40</b>	<b>\$25</b>
<b>Revenue Less Direct</b>	<b>\$55</b>	<b>\$13</b>	<b>\$28</b>	<b>\$(6)</b>
Facility Cost	\$18	\$9	\$5	\$8
Executive Costs	\$15	\$5	\$6	\$4
<b>Profit / (Loss)</b>	<b>\$22</b>	<b>\$(2)</b>	<b>\$17</b>	<b>\$(18)</b>
	<b>Keep</b>	<b>Watch</b>	<b>Grow</b>	<b>Stop</b>

## Revised Income Statement

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Income Statement	Prior		Future
Grant Funds	\$50	\$(20)	\$30
Revenue Programs	\$130	\$0	\$130
Fund Raising	\$20	\$(5)	\$15
<b>Total Revenue</b>	<b>\$200</b>	<b>\$(25)</b>	<b>\$175</b>
Labor & Benefit Costs	\$100	\$(30)	\$70
Supplies	\$10	\$(1)	\$9
Facility Cost	\$45	\$0	\$45
Executive Costs	\$30	\$0	\$30
<b>Total Costs</b>	<b>\$185</b>	<b>\$(31)</b>	<b>\$154</b>
<b>Profit</b>	<b>\$15</b>	<b>\$6</b>	<b>\$21</b>

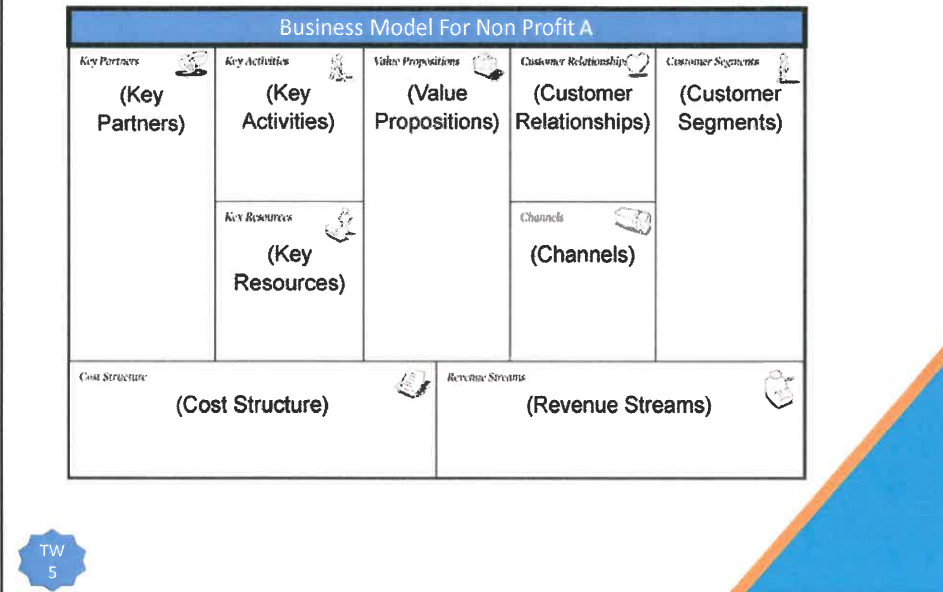
Potentially Add



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## Business Model Canvas

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## Plan Elements

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- Define What Is Expected During The 3 Year Tenure
  - Articulate A Specific Vision
  - Have An Elevator Speech (15 Seconds Max)
- SMART Goals (Specific, Measureable, Agreed, Realistic, Timed)
  - Prepare Business Canvas(es) Graphical Time Line Of Major Goals & Link To Chair's Term
    - 1<sup>st</sup> Year -Plan / Organize / Prepare
    - 2<sup>nd</sup> Year -Execute Structure
    - 3<sup>rd</sup> Year -Yield Results (Prepare Next Chair)



- Complete A Bottoms Up Annual Plan (Budget)
  - Income Statement / Balance Sheet / Cash Flow
- Complete A Segmented Income Statement Analysis
  - Validate Goals / Assumptions In Analysis
  - Look For Challenges / Opportunities
  - Specifically Include Agreed Actions From Vision
- Document Assumptions
- Include In Board Packet Of Annual Plan

- What Are The Specific Action Required To Execute The Annual Plan Assumptions, That Are Aligned With The 3 Year Vision?
- Complete Detailed What, Who, When Analysis.



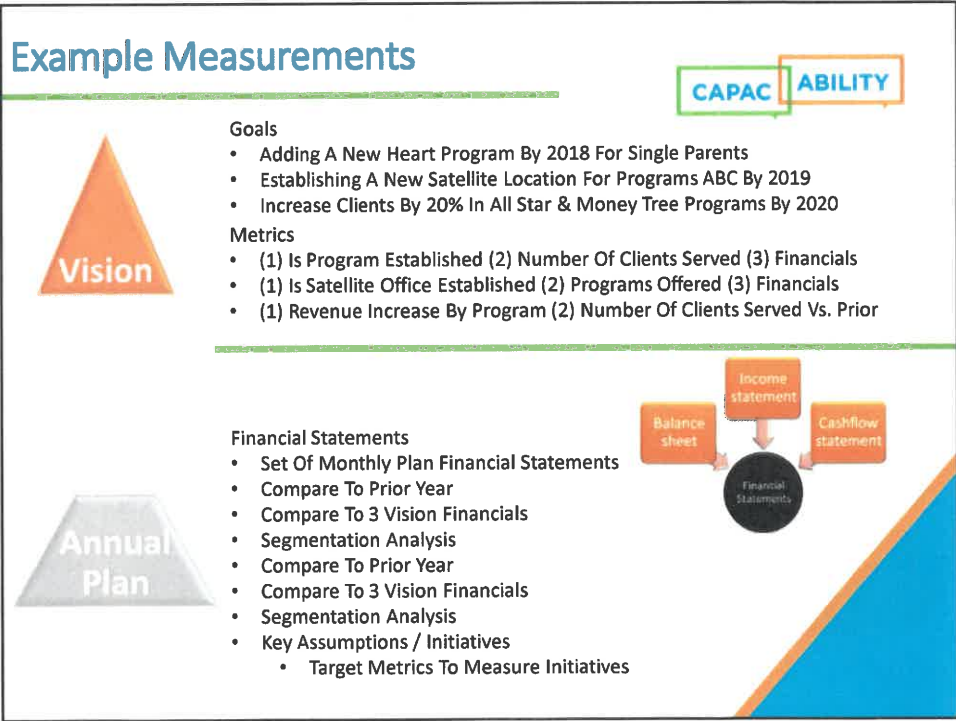
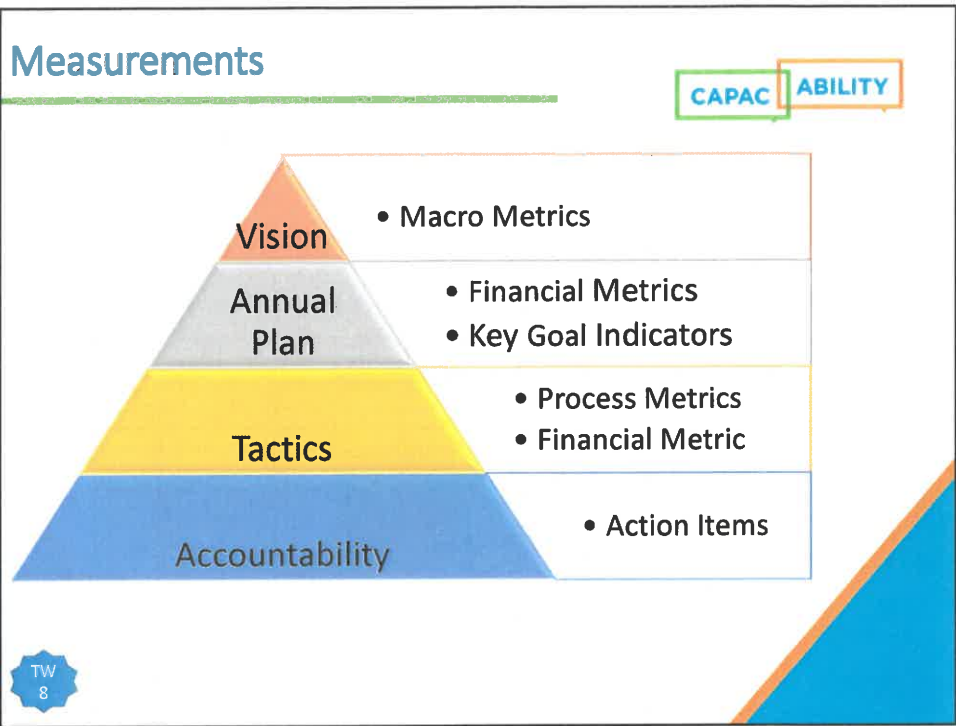
## Plan Tactics & Accountability

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### Goal Linked Action Item List

2016/17 Action Item List					
Goal	Action Item	Due	Owner	Status	Comments
Board	Determine New Composition Of Board	15-Jul	Kerry / Ian	Yellow	Have An Extra Ordinary Mandatory Meeting In Jul (Via Phone / Email) To Advise Board Of New Members, Roles, And Board Recruitment Strategy. Record This Meeting As A Separate Set Of Minutes. Also Share After Meeting The Board Budget, Strategy Paper, Action Items, Publish Board Meeting Schedule For Remainder Of Year With Date And Locations.
Board	Do We Make A Strategic Investment With Community Foundation, - \$30,000 On Deposit.	31-Dec	Darin/Teri	Green	Political Leverage In Community & Key Philanthropic Foundations. Use Cash Flow From Capacity Building.
Capacity	Determine What Material We Can Develop With Business NW 360 That NP Can Market And Collect A Marketing Fee For Their On Line Content.	31-Mar	Teri	Green	Potential Link From Web Page To On Line Classes, But Also Local Businesses / Non Profits Who Want Flexible Class. (Referral Fee Is 15% Of Class Fee To NP)
NP	Develop Mail Contact System That Allows NP To Maintain A List Of Contacts For Fund Raisers, Bike Rides, Capacity Building, Past And Present Board Members etc.	31-Aug	Jessica?	Green	Constant Contact Or ?????
NP	Rebranding Of NP - Go Or No Go?	31-Dec	Darin	Red	Project Currently Stalled, Have Some Concept Designs And Ideas But Do We Want To Rebrand To Just "NP" And Use Existing Tag Line. Need To Create Board Sub Committee To Determine.







## Example - Scorecard



Non Profit Scorecard - 2017					2017 Actual			Annual		2017 Plan Phasing		
Owner	Metric	Basis	AVG 16	AVG 18	Jan	Feb - Nov	Dec	FY 2017 YTD	FY 2017 Goal	Jan	Dec	Full Year
Revenue	ED Program 1	\$'s	100	200	250	215	195	2,800	2,700	225	225	2,700
	ED Fund Raising	\$'s	10	15								
	ED Grants	\$'s	25	35								
	ED Program Revenue	\$'s	15	45								
Fund Raising	CH Santa Event	\$'s	-	-	-	-	30	30	25	-	25	25
	CH Bike Ride	\$'s	5	7	-	-	-	8	10	10	-	10
	CH Training Class	\$'s	-	-	15	-	-	15	10	10	-	-
Program	ED Clients Seen	#	20	25	26	30	19	28	30	30	30	30
	ED % Of No Shows	%	45	30	25	15	9	10	12	15	10	12
	ED # New Clients	#	5	7	1	6	8	7	10	10	10	10

- One Page Scorecard
- Look For Trends Vs Prior Year, Plan
- Look For Out Of Tolerance Performance Vs Plan
  - Understand Why



## Putting The Package Together



### Alignment & One Plan





# Takeaways



Plan's Not Wishes



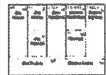
Program Segment Analysis  
Heart / Money Tree / Star



Understand The In's & Out's



Eliminate Stop & Add Heart Programs



Business Model Canvas



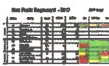
Plan Alignment



Action Planned Goals



Measurements



Scorecard



Putting The Package Together

# THANK YOU.



