Mission Heart meets Business Mind
Sustaining Good Work

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Principles of Sustainability

- **Financial** – generating resources to meet the needs of the present without compromising the future

- **Programmatic** – ability to develop, mature and cycle out programs to be responsive to constituencies over time

- **Orientation not a destination**

- **Develop an explicit business model**
  - Leverage and braid and revenue strategies – identify goals and management requirements of different income streams
  - Continuous decision-making – define compass to support
Starting with Why

Value Proposition
- What value do we deliver to the customer?
- Which one of our customer’s problems are we helping to solve?
- What bundles of products and services are we offering to each Customer Segment?
- Which customer needs are we satisfying?

Characteristics
- Newness
- Performance
- Customization
- "Getting the Job Done"
- Design
- Brand/Status
- Price
- Cost Reduction
- Risk Reduction
- Accessibility
- Convenience/Usability

What Key Activities do our Value Propositions require?
- Our Distribution Channels?
- Customer Relationships?
- Revenue streams?

Who are our Key Partners?
- Who are our key suppliers?
- Which Key Resources are we acquiring from partners?
- Which Key Activities do partners perform?

What Key Resources do our Value Propositions require?
- Our Distribution Channels? Customer Relationships?

What type of relationship does each of our Customer segments expect us to establish and maintain?
- Which ones have we established?
- How are they integrated with the rest of our business model?
- How costly are they?

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Mapping Your Business Model

- Identify core business lines
  - List major activities, including both programs and fundraising
  - Group by program type, age group sites, sites...

- Identify impact and revenue streams
  - External effects and how financed
  - Dual bottom line

- Determine full costs
  - Direct + fair share of shared and administrative costs
Criteria for Impact

- Alignment with core mission
- Scale or volume
- Depth
- Excellence in execution
- Filling an important gap
- Community building
- Leverage
- Can add other criteria

Sustainability Matrix Map

- **Stars** – Invest and Grow
- **Hearts** – Keep but contain costs
- **Money Trees** – Water and harvest
- **Stop Signs** – Close or hand off
**Sample Business Model Statements**

*Latino Theater:* We produce Spanish and English plays supported by ticket sales and foundation grants, and supplemented by net income from youth workshops and an annual gala.

*Health Clinic:* We are a fee-for-service health clinic supporting by government contracts and supplemented by individuals and a variety of other small revenue streams, including patient fees and corporate in-kind donations.

*Soccer League:* We are an all-volunteer youth athletics organization supported financially by dues from parents and sales of candy bars.

http://www.blueavocado.org/content/nonprofit-business-model-statements

**Resources**


- **+Acumen** offers world-class online courses that empower you to think differently, learn collaboratively and join a global community of learners and doers with a burning desire to change the world. [https://www.plusacumen.org/courses](https://www.plusacumen.org/courses)

- **Nonprofit Finance Fund** provides consulting and resources for sustainability planning, including business models. [https://nff.org/learn/fundamentals-nonprofits](https://nff.org/learn/fundamentals-nonprofits)