2019

Effective Revenue Diversification Strategies in Nonprofit Organizations

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This is to certify that the doctoral study by

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has been found to be complete and satisfactory in all respects,
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the review committee have been made.

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The Office of the Provost

Walden University
2019

Abstract

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MBA, Andrews University, 2007

BBA, Burman University, 2003

Consulting Capstone Study Submitted in Partial Fulfillment

of the Requirements for the Degree of

Doctor of Business Administration

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August 2019

Abstract

Nonprofit organization leaders increasingly encounter social burdens and financial difficulties, jeopardizing ongoing success and organizational sustainability. The purpose of this single-case study was to explore revenue diversification strategies used by 3 leaders of a small nonprofit organization in the mid-Atlantic region of the United States through the conceptual lens of modern portfolio theory. Data were collected via in-depth semistructured interviews, and member checking was used to facilitate accuracy, consistency, and integrity. Methodological triangulation included a document review and analysis of financial statements, tax returns, strategy objectives, the organizational website, social media, and nonprofit data reports. Data from documents and interviews were manually coded, and themes were identified using thematic analysis. Six themes emerged related to process strengths and opportunities for improvement including capitalizing on a mission-driven workforce; using a systematic strategic planning process; building relationships with partners, suppliers, and collaborators; integrating performance measures to areas of importance; and developing and implanting systematic methods to assess customer satisfaction and workforce engagement. The findings from this study might contribute to positive social change by providing revenue diversification strategies and the supporting processes that leaders of small nonprofit organizations can use to enhance existing services, expand community programs, and create ongoing organizational success.

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Dedication

To my talented and tenacious sisters, all of whom at one point during my doctoral journey were in school. To our parents, spouses, and partners for surviving *us* while we worked diligently toward our goals at every family gathering over the last 2.5 years. Amanda and Leslie—you both are rock stars!

Acknowledgments

I want to thank Dr. Rocky Dwyer, my chair and coach, for continually providing feedback on my writing, guiding me through the doctoral journey, and pushing me to success. Thanks to my second committee chair, Dr. Dina Samora, for giving me moments of laughter, encouragement, and speechlessness. A hearty thanks to Dr. Janice Garfield for being a champion of my success, sharing Baldrige experiences with me, and supporting me in all aspects of the doctoral journey from the moment we met in Baldrige examiner training years ago. There are not enough words to express my gratitude. Thank you to my URR, Dr. Peter Anthony, and the rest of the Walden faculty who provided guidance and tips for success during the courses and DBA residencies. Lastly, thank you to my friends and family for supporting me every step of the way, providing encouragement, and pushing me forward when needed. I want to thank my husband for his continued support and love. To my parents and sisters for motivating me to finish as soon as possible so I could return to *real* life. To Rick Rawson for employing me after the Paradise Camp Fire, believing in me many years ago, and inspiring me to be a better leader. To Maureen Wisener for ensuring my study aligns with the Baldrige criteria, and Liz Dickenson for being a confidant and cheerleader. And lastly, thank you to my client organizational leaders for their time, professionalism, and collaboration.

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Section 1: Foundation of the Study

In this study, I used the 2017-2018 Baldrige Excellence Framework to explore effective revenue diversification strategies that leaders of small nonprofits use to expand the organizational mission, advance community services, and foster ongoing organizational success. As required by Walden University for consulting capstone students, I served as a scholar-consultant to a leader of a small nonprofit using the Baldrige criteria as an assessment tool.

Background of the Problem

Nonprofit organization (NPO) leaders are foundational to advancing the environmental, economic, and social well-being of individuals within the United States (Ritchie, Brantley, Pattie, Swanson, & Logsdon, 2015; Smith, 2018). To remain viable, NPO leaders need adequate funding sources and reserves to maintain operations for the long-term. However, many NPO leaders do not have enough cash reserves to maintain operations beyond 1 month (Bowman, 2011; Morse, Roberts, MacIntosh, & Bordone, 2018). A limiting factor in creating financial health and stability is the use of minimal revenue sources (Chikoto-Schultz & Neely, 2016; Hung & Hager, 2019). A revenue diversification strategy is one potential method leaders can use to amass funding sources (e.g., grants, donations, and investment income), minimize vulnerability, and strengthen the financial health of an NPO (Carroll & Stater, 2009; Chang & Tuckman, 1991; Mayer, Wang, Egginton, & Flint, 2014; Tevel, Katz, & Brock, 2015). Leaders of financially healthy NPOs can fulfill the mission, meet the needs of the community, and ensure long-term sustainability (Bryan & Brown, 2015; Seo, 2016). The intent of this study was to

explore revenue diversification strategies that leaders of small NPOs can use to minimize organizational risk. By understanding effective revenue diversification strategies, NPO leaders may facilitate ongoing success.

Problem Statement

Lack of revenue diversification increases volatility, ultimately hindering the success of NPOs (Wicker, Longley, & Breuer, 2015). For instance, Chikoto, Ling, and Neely (2016) noted that in a sample of 103,701 NPOs, 36% of leaders used three or fewer sources of revenue. The general business problem is that nonprofit leaders' failure to implement revenue diversification strategies increases organizational risk. The specific business problem is that some leaders of small NPOs lack revenue diversification strategies to facilitate ongoing organizational success.

Purpose Statement

The purpose of this qualitative single case study was to explore what revenue diversification strategies leaders of small NPOs use to facilitate ongoing organizational success. The target population consisted of one nonprofit senior leader and two board of director (BOD) leaders from a nonprofit human services organization located in the mid-Atlantic region of the United States that successfully diversified revenue sources to improve community services and achieve organizational sustainability. The implications for business and social change include the potential for other leaders of small NPOs to diversify revenue sources to further the organizational mission, advance community services, and catalyze organizational success.

Nature of the Study

I used the qualitative method to identify revenue diversification strategies that nonprofit leaders can use to facilitate organizational success. Qualitative researchers seek to investigate individuals' experiences, to uncover facets of reality, and to understand the processes associated with social phenomena (Cairney & St Denny, 2015). Because I sought to understand a real-life phenomenon, the qualitative method is appropriate for this study. In contrast, researchers use the quantitative method to test hypotheses about variables' relationships or groups' differences using statistical analysis (Saunders, Lewis, & Thornhill, 2015). Therefore, the quantitative method was not appropriate for this study because I did not seek to understand a phenomenon through the testing hypotheses about defined variables' relationships or groups' differences. The mixed-method is a combination of qualitative and quantitative methods, techniques, and approaches (Yin, 2018), so it was also not appropriate for this study.

Qualitative researchers can choose among design strategies that include case study, ethnography, and phenomenology (Saunders et al., 2015). Case study designs are appropriate for investigating a real-life phenomenon within a single environment through direct observations and interviews of individuals, organizations, processes, programs, and events (Ridder, 2017; Yin, 2018). In a case study design, researchers pursue answers to *what*, *how*, and *why* questions (Yin, 2018). Hence, the case study design is appropriate for this study because I explored a phenomenon by asking *what*, *how*, and *why* questions via interviews and by using document analysis. Ethnography is a research strategy used to depict and interpret individuals' behavior within a social context, whereas

phenomenology is a reflective approach used to explore human emotions and the meanings of lived experiences of participants (Adams & van Manen, 2017; Saunders et al., 2015). Thus, phenomenology and ethnography designs are not appropriate for this study because I did not describe participants' experiences or seek to understand a social or cultural context for comprehending groups' behavior.

Research Question

What revenue diversification strategies do leaders of small NPOs use to facilitate ongoing organizational success?

Interview Questions

1. What revenue diversification strategies do you use to facilitate organizational success?

2. How do you mitigate the challenges associated with each strategy?

3. How do you determine the effectiveness of your revenue diversification strategies?

4. How would you describe the financial health of your NPO since implementing your strategies?

   a. What performance measures do you use to evaluate financial health?

5. How do you use revenue diversification strategies to capitalize on your core competencies, maximize strategic advantages, and mitigate strategic challenges?

6. Based on your experience, how did revenue diversification strategies facilitate your organization's ongoing success?

7. What additional information would you like to share with me about your organization's successful revenue diversification strategies?

Conceptual Framework

In 1952, Markowitz (1952) introduced modern portfolio theory (MPT) as an investment approach to diversifying portfolio selections across industries. Using a diversification strategy, Markowitz posited that an investor with the right choice of stocks, and for the right reasons, could expand a portfolio to receive the maximum rate of return and minimize the risk variance. The fundamental guidelines underlining the theory include (a) the expected rate of return is desirable within a diversified portfolio, and the variance of the return is undesirable; (b) a diversified portfolio should maximize the value of future profits; (c) a diversified portfolio should contain multiple industries to attain the maximum rate of return; and (d) a diversified portfolio should reduce the variance of the overall rate of return. More recently, Kingma (1993), Carroll and Stater (2009), Mayer et al. (2014), and Grasse, Whaley, and Ihrke, (2016) have applied MPT to NPOs as a strategy to enable stability of programs and services while mitigating funding unpredictability, volatility, and risk. MPT, as adopted for nonprofits by these researchers was an appropriate conceptual framework for this study because nonprofit leaders can use diversification strategies to expand revenue sources, mitigate financial volatility, increase organizational stability, and improve predictability. Using the MPT conceptual framework and the Baldrige Excellence Framework as an assessment tool, I explored revenue diversification strategies used to enhance the NPO's organizational results.

Operational Definitions

Baldrige Excellence Framework: The Baldrige Excellence Framework is a holistic systems perspective management tool used by leaders to manage all organizational components to achieve ongoing success through a focus on core values, processes, improvement, alignment, and results (Baldrige Performance Excellence Program, 2017).

Nonprofit sustainability: Nonprofit sustainability is the ability of leaders to maintain nonprofit operations in an ever-changing landscape, perpetuating the ability to fulfill the organizational mission (Jensen, 2018; Moldavanova & Goerdel, 2018).

Organizational capacity: Organizational capacity consists of the assets and processes, such as training, technical assistance, leadership development, and funding, used by nonprofit leaders to enhance organizational effectiveness, performance, and sustainability (Brown, Andersson, & Jo, 2016; Despard, 2016a, 2016b).

Performance excellence: Performance excellence is an integrated approach to organizational performance management practiced by organizational leaders who results in (a) value-creation for customers and stakeholders, (b) improvement of organizational capabilities and effectiveness, and (c) organizational learning for workforce members to create ongoing success (Baldrige Performance Excellence Program, 2017).

Resource concentration: Resource concentration is a strategic decision in which a leader relies on a few sources of revenue to increase financial stability (de los Mozos, Duarte, & Ruiz, 2016).

Resource dependence: Resource dependence is the reliance on acquiring and maintaining resources to support mission-related work and ensure organizational survival (de los et al., 2016; Froelich, 1999).

Revenue diversification: Revenue diversification is the broadening of revenue sources used by nonprofit leaders to minimize the financial volatility of revenue portfolios and improve organizational sustainability (Carroll & Stater, 2009).

Assumptions, Limitations, and Delimitations

Assumptions

The assumptions are the unverified truths regarding the underlying theory, population, data collection, and research strategy that influence research findings (Helmich, Boerebach, Arah, & Lingard, 2015). In this study, I made three assumptions. First, to minimize uncertainty, I assumed that the three senior leaders (SLs) interviewed were candid, honest, and transparent, and provided detailed responses to the questions asked. Second, I assumed that access to organizational data and information was available for review and analysis. Third, I assumed that the 2017-2018 Baldrige Excellence Framework is an appropriate tool to collect and assess responses focused on organizational values, processes, improvements, and results.

Limitations

Limitations are the sources of uncertainty that a researcher identifies within a research study (Helmich et al., 2015). There are four limitations to this study. First, the small sample size may limit the breadth of experiences, perspectives, and assessments shared. Second, the small sample size and the use of the single-case study design may

lessen the generalizability of results. Third, the SLs may have hesitated to share some operational aspects such as financial information, strategy considerations, and performance measures. Finally, there were time limitations that affect doctoral students in Walden University's consulting capstone for collecting data from the consulting client-organization.

Delimitations

A delimitation is a restriction or boundary that a researcher places on the research topic (Pan, 2016; Yin, 2018). A phenomenon boundary to a case study could include a person, program, process, or organization (Yazan, 2015). For this study, the use of information procured from document reviews and three SL interviews from a single NPO located in the mid-Atlantic region are delimitations. I delimited research to revenue diversification strategies that nonprofit leaders can use to facilitate organizational success.

<center>**Significance of the Study**</center>

Contribution to Business Practice

This study may have value to business practice because nonprofit leaders could use the identified revenue diversification strategies to achieve ongoing success. By using revenue diversification strategies, nonprofit leaders can decrease financial vulnerability, obtain additional revenue sources, and attain mission-related goals while ensuring financial stability (Carroll & Stater, 2009; Kim, 2017). Without sufficient revenue sources, nonprofit leaders may have to cut service and program offerings when experiencing financial shocks (Bowman, 2017). Therefore, revenue diversification is an

effective business strategy that small NPO leaders could use to mitigate risks, reduce financial volatility, amend organizational stability, and advance management practices to accomplish organizational results.

Implications for Social Change

Responsible leaders must be forward-looking and have a commitment to social change (Voegtlin, 2016). To impart positive social change, nonprofit leaders might use revenue diversification strategies to develop new program offerings, enrich existing services, and expand services to new markets. Additionally, by using revenue diversification strategies, nonprofit leaders could achieve long-term economic sustainability, thereby enhancing opportunities to address social problems and fulfill NPOs' missions.

<div align="center">

A Review of the Professional and Academic Literature

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The purpose of this qualitative single case study was to explore what revenue diversification strategies leaders of small NPOs use to facilitate ongoing organizational success. With the guidance of MPT, the problem statement, central research question, and purpose statement, I conducted a comprehensive review of the academic and professional literature. To understand the application of MPT and revenue diversification within NPOs, I organized the literature review in the following sections: (a) MPT, (b) alternative theories, (c) nonprofits, (d) sustainability, and (e) performance excellence.

Using the Walden University library, Google Scholar, and professional organizations such as the American Society for Quality, I assimilated articles used for this study. I integrated information from the client-organization website and internal data,

Guide Star, public reports, and books. Through an in-depth search of peer-reviewed articles from ProQuest Central, Emerald Management, EBSCOhost, Research Gate, ScienceDirect, and Sage, I used the search terms of *revenue diversification, modern portfolio theory*, *revenue concentration, nonprofit sustainability*, *financial stability*, *financial vulnerability*, *organizational risk*, *financial performance*, *nonprofit funding sources*, *social entrepreneurship*, and *performance excellence*. I explored concepts related to revenue diversification and risk stratification, such as financial volatility, viability, and predictability relative to nonprofit sustainability. I recorded every periodical search and article used in a database to minimize duplication and ensure program compliance. To maintain compliance with Walden University Doctor of Business Administration (DBA) requirements, there are 158 sources in the literature review, of which 91% are sources published after 2015, and 92% of the sources are peer-reviewed. Table 1 depicts the literature review source content for this study.

Table 1

Literature Review Content

Literature review content	Total #	Pre 2014	2015-2019	% Total (2015-2019)
Books	6	2	4	67%
Dissertations	1		1	100%
Online resources	1		1	100%
Nonprofit reports	5		5	100%
Peer-reviewed articles	145	14	133	92%
Total	158	16	144	91%

Modern Portfolio Theory

The tenets of revenue and portfolio diversification were not unknown when Markowitz first introduced MPT in 1952. Beginning in the 1870s, investors practiced the basic principles of portfolio selection and diversification as methods of risk aversion, and in the early 1900s advisors were developing diversification by promoting the achievement of yield, the spread of capital risk across various securities, and the rebalancing of a portfolio using 10 optimal securities (Rutterford & Sotiropoulos, 2016). However, many principles of investor behavior were not formal until Markowitz posited a mean-variance model for portfolio selection that exhibited a statistical definition of investor risk behavior and aversion (Rutterford & Sotiropoulos, 2016; Markowitz, 1952).

With the MPT, Markowitz (1991) decreed that rational investors concern themselves with portfolio risk and return, reducing uncertainty through diversification. When using a diversified portfolio, Markowitz (1952, 1991) asserted that an investor should (a) find the expected rate of return as desirable and the variance (standard deviation) of the return undesirable; (b) maximize the value of future profits; (c) consider investing in multiple industries to obtain the maximum rate of return; and (d) reduce the variance of the overall rate of return. More simply, the three underlying assumptions of MTP are (a) investors are risk-averse, (b) the variance is a proxy for risk, and (c) a relationship exists between risk and return (Parker, 2016). Higher levels of volatility occur in portfolios with higher levels of risk, and less volatility occurs on the assets with low levels of risk (Wang, Qiu, & Qu, 2017). Therefore, investors often choose portfolios with the minimum risk for the desired rate of return, leading to decreased instability and

increased profitability (Adibi & Ataee-pour, 2015; Kingma, 1993; Markowitz, 1952). To achieve profitability, investors should diversify a revenue portfolio with assets that have a nominal correlation to minimize the level of volatility and maximize the potential benefits (Ferreira, Zanini, & Alves, 2019; Markowitz, 1952). The assumptions and mathematical definitions established by Markowitz created the foundation for future research on the relevance of revenue diversification as a calculated strategy to increase financial return and minimize variance. However, researchers did not apply MPT and revenue diversification as an NPO strategy to attain strong financial performance until the early 1990s.

The application of MPT in NPO literature encompasses strategies like decreasing financial volatility, predicting financial vulnerability, and improving financial stability (Mayer et al., 2014; Tevel et al., 2015; Wicker et al., 2015). Chang and Tuckman (1991) were among the first to explore financial vulnerability in NPOs by seeking to understand organizational performance and leaders' ability to avoid program cutbacks during financial hardships. Kingma (1993) also adapted MPT by testing and modeling factors that influence financial predictability and minimize the financial risks of NPOs. Later, Carroll and Stater (2009), Mayer et al. (2014), and Grasse et al. (2016) contributed to the application of MPT as a revenue diversification strategy NPO leaders could use to improve the stability of programs and services, thereby decreasing funding unpredictability, volatility, and risk.

Revenue diversification. Revenue diversification is the number of different types of revenue sources measured by the proportionate share of total revenue from each source

(Despard, Nafziger-Mayegun, Adjabeng, & Ansong, 2017). Because the NPO environment is diverse and complex, revenue diversification is a beneficial strategy that NPO leaders can use to minimize profitability, management, and governance challenges that inhibit the achievement of high organizational performance (Grasse et al., 2016). Solid financial performance is essential to a leader's ability to enhance operations, carry out the mission, and reinforce long-term stability (Yan & Sloan, 2016). Within NPOs, revenue diversification is a strategy that leaders can use to reduce funding volatility and diminish financial risk, leading to stability, capacity, and long-term sustainability (Chikoto et al., 2016; Daniel & Kim, 2018; Kim, 2017; Tevel et al., 2015; Wicker et al., 2015). NPO leaders who have used a diversified revenue structure have experienced less volatility (Mayer et al., 2014). Multiple revenue streams could also increase organizational stability and operating efficiency by improving equity and producing a higher administrative expense ratio (Kim, 2017). In contrast, a revenue concentration strategy leads to a decrease in revenue and an increased risk of insolvency (Keating, Fischer, Gordon, & Greenlee, 2005). Thus, leaders using revenue diversification reduces the chances of uncertainty and organizational closure (Hung & Hager, 2019; Kim, 2017).

MPT, when applied to NPOs, also suggests that leaders should provide services and programs at the desired level while minimizing predictable changes (Kingma, 1993). To furnish a certain level of services and programs while decreasing risk, NPO leaders should consider diversifying revenues across the traditional revenue sources of government grants, individual donations, partnerships and sponsorships, services and fees, and endowments. However, NPO leaders must balance the unpredictability of the

revenue sources with the increase of the expected revenue when considering the decision to diversify (Kingma, 1993). Problems occur when resources spent on funding sources do not provide the expected level of returns, so NPO leaders should adjust expenses and revenues depending on economic variability (Kingma, 1993). NPO leaders should also diversify revenue streams to minimize volatility, reinforce financial stability, and maneuver through economic hardships (Carroll & Stater, 2014; von Schnurbein & Fritz, 2017). NPO leaders who have increased reliance on earned income, investments, and contributions have decreased organizational volatility and promoted organizational longevity (Carroll & Stater, 2014).

Not all revenue sources have the same level of stability. Each type of funding (donations, investment funds, and earned income) has a different effect on financial volatility (Mayer et al., 2014). For example, when leaders increase the number of donations and note the funding as earned income, the amount of volatility in a financial portfolio increases; however, if leaders replace donations with investment income, the opposite is true (Mayer et al., 2014). NPOs leaders who rely on donations should experience more volatility than those who have more government-funded sources (Carroll & Stater, 2014). When leaders use private funding, there are less administrative and marketing expenses associated with the dollars earned (Cortis, 2016). Despite the reductions in administrative and marketing costs, leaders of small NPOs may increase monitoring costs associated with each funding source, which could lead to difficulty when diversifying (Chikoto-Schultz & Neely, 2016; Cortis, 2016). Thus, not all NPO leaders may use a diversification strategy to minimize financial volatility, though strong

financial performers have a higher percentage of capital assets, more unrestricted net assets, and additional revenue sources (Chikoto-Schultz & Neely, 2016). Regardless of the type of funding available, leaders can use a revenue diversification strategy to make strategic decisions, advance the organizational mission, correct organizational capacity, and secure long-term survival (Daniel & Kim, 2018; von Schnurbein & Fritz, 2017).

Financial vulnerability. Financial vulnerability is an NPO leaders' susceptibility to financial problems, indicated by insufficient net assets, minimal revenue sources, low operating margins, and high administrative expenses (Kim, 2017; Tevel et al., 2015), which could lead to an uncertainty of income and the cutting of programs and services at the expense of expanding the organizational mission (Ceptureanu, Ceptureanu, Marin, & Orzan, 2017; Chang & Tuckman, 1991). Leaders who use four or more sources of revenue are 87% ($N = 170$) less likely to be financially susceptible to economic changes (Despard et al., 2017). Further, 66% of NPO leaders are financially vulnerable when relying on more than four sources of revenue, whereas 85% of leaders are at risk when using a single source (Despard et al., 2017). Thus, financial health is a continuum that ranges from financial vulnerability and revenue volatility to financial capability and resilience (Prentice, 2015). Effective leaders should continuously refine and grow revenue sources to capitalize on financial capability and resilience to cultivate long-term organizational sustainability.

Various authors have proposed definitions and mathematical equations to determine whether a leader is financially vulnerable to market changes (de Andres-Alonso, Garcia-Rodrigues, & Romero-Merino, 2015; Burde, Rosenfeld, & Sheaffer,

2017; Greenlee & Trussel, 2000; Tevel et al., 2015). For example, an NPO is financially

vulnerable when a leader reduces program and service expenditures each consecutive

year over 3 years (Greenlee & Trussel, 2000). Similarly, Tevel et al. (2015) described

that leaders with a 20% decrease in funding over 3 years are financially vulnerable, and

de Andres-Alonso et al. (2015) suggested that a leader with a 20% reduction in

organizational assets is susceptible to financial challenges. Moreover, NPO leaders who

received a government grant within 11 years were more solvent than those that received

no government funding (Burde, 2018). NPO leaders are vulnerable to market fluctuations

when funding decreases, and leaders cannot maintain operations through economic

hardships (Tevel et al., 2015). Additionally, leaders of financially vulnerable NPOs

typically work in smaller and younger organizations, have less revenue growth, have

higher expenses, and have fewer earned contributions (Burde et al., 2017; Woronkowicz

& Nicholson-Crotty, 2017). Further, financially vulnerable NPO leaders do not have

large equity balances or cash reserves (Chang & Tuckman, 1991). However, by using a

revenue diversification strategy, NPO leaders are less likely to cut programs and services

within 3 years, ascertain financial stability, and increase the amount of cash-on-hand.

Research has indicated that financial vulnerability can be decreased by managing

asset levels. The average NPO leader has only 2.7 months of spending on hand, a quarter

of which has less than 21 days of cash reserves (Bowman, 2011). In a more recent study,

almost 20% of NPO leaders had enough cash on hand to maintain operations for 3

months or less (Nonprofit Finance Fund, 2018). In addition to improving cash on hand,

leaders should grow the organization's net assets. Net assets are the accumulated fund

balance that leaders can use to finance future endeavors and are the ultimate indicator of the leader's ability to enhance the mission (Mayer et al., 2014). When leaders improve the net asset ratio through a capital building project, financial vulnerability decreases (Woronkowicz, 2016). However, leaders who use a capital project to decrease financial vulnerability will also decrease the amount of cash-on-hand, which could pose additional challenges to maintaining new, expensive facilities. In a study of 781 NPOs, 93% of NPO leaders who initiated a capital building project did not make budget after 1 year, and 65% could not achieve the budget after 2 years (Woronkowicz, 2016). Hence, advocating for a capital project may not be helpful for leaders of small NPOs; instead leaders should embrace strategies focused on smart growth by increasing asset levels, thereby decreasing financial vulnerability, enhancing financial stability, and stratifying organizational risk (Grasse et al., 2016; Lin & Wang, 2016; Woronkowicz, 2016).

Organizational risk. Markowitz (1952, 1991) posited MPT as a valid approach to stratify risk across a diversified revenue portfolio. Within NPOs, leaders can mitigate financial and organizational risk by understanding the relationship between return and risk of different revenue sources (Grasse et al., 2016). Leaders can minimize organizational risk by diversifying a revenue portfolio across four significant revenue sources, including grants, direct contributions, indirect contributions, and program and service revenues (Chang & Tuckman, 1991; Grasse et al., 2016). Because of the complex operating environment, NPO leaders manage a high number of insurable risks, making the task of securing revenue sources more difficult (Burde, 2018; Domański, 2016). In a study of 235 nonprofit leaders, 77% of leaders encountered financial risk, 61%

encountered grants risk, 55.3% experienced personnel or volunteer risk, and 54.6%

encountered operational risk while managing operations (Domański, 2016). Further, 34%

of NPO leaders are dependent on a low number of revenue sources, 69% lack financial

liquidity, and 52% have inadequate maintenance for long-term sources of funding, which

could contribute to higher levels of organizational risk and lower survival rates

(Domański, 2016).

       Finances health impacts organizational risk. Though the political, social, and

economic environment may contribute to the health of an NPO (Prentice, 2015),

measures of resource allocation and goal achievement and time-at-risk and hazard rate

can help leaders predict NPO failure and survival rates (Burde, 2018; Burde et al., 2017;

Chang & Tuckman, 1991). Leaders of midsized NPOs have more stable funding sources

because of the ability to harness governmental funding, whereas leaders of small NPOs

are more likely to fail due to the lack of organizational capacity to ensure effectiveness

(Burde et al., 2017). Further, leaders from health and social services NPOs are more at

risk than other sectors of NPOs, spending an average of 5.25 years at-risk (Burde et al.,

2017). An NPO's typical failure is 2.3% within 3 years (Tevel et al., 2015). Because a

high portion of NPO leaders experience financial and organizational risk and are in

jeopardy for organizational closure, leaders should plan and implement a strategy with a

performance measure that considers the inherent risks associated with each funding

source. When establishing useful revenue streams, leaders should consider the level of

risk associated with each funding source, the potential for revenue source growth, and the

cause and effect relationship of the revenue sources (Grasse et al., 2016). Low

administrative costs, revenue diversification, access to equity, and positive operating margins are also methods to survive financial slumps (Chang & Tuckman, 1991).

Leaders should seek to understand organizational performance through measurement. Using a performance measurement system to identify, track, and trend financial measures is one method leaders can use to minimize mission drift and risk (Lee & Clerkin, 2017). Tracking of management quality, fundraising efforts, and financial indicators can help understand organizational health and financial vulnerability (Lin & Wang, 2016). Leaders should also choose strategies that are established on strong measures to minimize funding instability while improving long-term sustainability (Burde et al., 2017).

NPOs leaders can also use multiple measures to determine the financial health of the organization such as net assets, operating margin, retained earnings, debt margin, total margin, administrative efficiency, and administrative efficiency (Carroll & Stater, 2009; Mayer et al., 2014). Additional measures of financial capacity and sustainability categized by the current-term, short-term, and long-term include equity ratio, return on assets, months of spending, mark-up, status quo mark-up, months of liquidity, and change in months of liquidity (Lam & McDougle, 2016). However, the most common measures of financial health are simply liquidity, solvency, margin, profitability, and cash reserves (Morse et al., 2018; Prentice, 2016). Regardless of which measures a leader chooses to use, leaders should have a strategic understanding of the overall financial health of the NPO to promote ongoing success and long-term sustainability.

NPO leaders should carefully consider what type of diversification strategies to use to better the financial health of the organization, increase long-term sustainability, and expand the organizational mission. Using a revenue diversification strategy, leaders can improve the stability of programs and services, while mitigating funding instability, unpredictability, volatility, and risk. MPT has relevance to the discussion on NPO revenue diversification. Using the concept of diversification of multiple revenue sources to achieve expected performance, while minimizing variance, nonprofit leaders can evaluate the desirability of revenue sources to achieve the desired financial performance, mitigate risk, and assure organizational stability. MPT is an appropriate lens for this study because I focused on the importance of using a revenue diversification strategy as a method to maximize the value of revenue sources while decreasing organizational risk.

Contrasting Theories to Modern Portfolio Theory

Resource dependence theory. Whereas revenue diversification, using MPT, is a risk reduction strategy built on the variance of revenue stream volatility (Chikoto et al., 2016; Markowitz, 1991), resource dependence theory, formalized by Pfeffer and Salancik in 1978, is the ability of leaders to acquire and maintain resources through the interaction with individuals who control the needed resources (Froelich, 1999). The theory originated from the idea that organizational leaders encounter situational and environmental constraints and need help from external funders, which have differing levels of power (Pfeffer & Salancik, 2003). In resource dependence theory, the reliance on a funding source is dependent upon the financial position of the organization, the accessibility of resources, and the leverage of the provider over the resource (Pfeffer &

Salancik, 2003). Scholars use resource dependence theory as a method to describe NPO leaders' fundraising efforts, response to economic factors, and dependence on a donor (AbouAssi & Tschirhart, 2018; de los Mozos et al., 2016; Webb & Waymire, 2016).

With resource dependence theory, leaders become inhibited by the environment in which the organization operates, and reliant on the providers of the revenue sources for long-term survival (Froelich, 1999; Seo, 2016). Because of the insufficient funding and the reliance on external revenue to meet operational needs, NPO leaders respond quickly and positively to the demands of external stakeholders to ensure the procurement of the desired funds, and if necessary, will adapt and maintain alignment when interests change (AbouAssi & Tschirhart, 2018). The leader's reliance on the resource provider contributes to a delicate balance of power which shapes the leader's ability to acquire alternative funding sources potentially impacting sustainability (Pfeffer & Salancik, 2003; Webb & Waymire, 2016).

With the acquisition of additional resources, leaders incur additional monitoring costs associated with growing external revenue (Webb & Waymire, 2016). Given the resource funding, the competitiveness of the environment, and the organizational dependency on resources, leaders' formalization of goals would change to attain the needed revenue. Resource dependence theory is not an appropriate lens to use for this study since I did not explore environmental factors, donor relationships, and fundraising costs associated with ongoing NPO success.

Revenue concentration. Contrary to revenue diversification, revenue concentration is the reliance on a few sources of revenue, such as grants and donations, to

increase financial stability (de los Mozos et al., 2016). Although leaders that use a revenue diversification strategy increases organizational stability and decreases financial volatility (Mayer et al., 2014), NPO leaders who used a concentrated revenue strategy (a) enhanced organizational efforts of quality and longevity, (b) lowered administrative and fundraising costs, (c) promoted efficiency and growth, and (d) improved financial stability (de los Mozos et al., 2016). NPO leaders who have a higher concentration of revenue could refine operational efficiency and attract additional funds, ultimately improving the operating margin (de Andres-Alonso et al., 2015). There are many other scholars that are proponents of using a revenue concentration strategy (Chikoto et al., 2016; Chikoto-Schultz & Neely, 2016; von Schnurbein & Fritz, 2017). Using a concentrated revenue strategy, leaders can reduce management and fundraising costs and build stronger relationships with the revenue source providers.

A revenue concentration strategy increased financial stability and decreased administrative costs associated with resource management (Von Schnurbein & Fritz, 2017). However, there is a statistically significant relationship between fundraising expenses and revenue diversification, and the reliance on external funding, such as grants, could increase costs associated with monitoring funds (Shea & Wang, 2016; Webb & Waymire, 2016). Conversely, within a revenue concentration, there is an adverse effect on individual donations, and NPO leaders should prioritize funding sources to enhance financial performance (Yan & Sloan, 2016). Leaders, when using a revenue concentration strategy, increase reliance on a few sources of revenue, thus increasing dependency and volatility when economic challenges occur (Chikoto et al., 2016;

Chikoto-Schultz & Neely, 2016). Leaders should contemplate the ramifications of using a concentration strategy when considering the impact on donations, and administrative and management costs associated with monitoring a variety of revenue sources. NPO leaders should consider organizational characteristics (assets, age, expenses), the competitive environment, and the associated liabilities when determining strategies to endorse the organizational mission.

Benefits theory. Benefits theory is the determination of an organization's revenue portfolio based on whether the benefits are public or private (Bowman, 2017). Because of the various complex funding sources used to promote mission expansion and organizational survival, leaders should consider and capitalize on the benefits offered by each source (Bowman, 2017). There are four classifications of benefits: private benefits, group benefits, trade benefits, and public benefits (Bowman, 2017; Kim, Pandey, & Pandey, 2018). Using benefits theory, leaders can harness stakeholder influence and balance member benefits with societal expectations (Bowman, 2017; Kim et al., 2018). By examining the association between the benefits of different revenue sources, NPO leaders can create social value for all stakeholders (Brown, 2017; Kim, 2017). Because NPO leaders accrue revenue sources from a variety of sources, leaders must align stakeholder benefits with expectations and requirements (Bowman, 2017).

NPO leaders have intricate revenue streams, including donations, government grants, endowments, sponsorships, and fees (Bowman, 2017; Cortis, 2016; Kingma, 1993; Seo, 2016). The reliance of leaders on a provider for funding sources could impact dependence on pricing, access decisions, and financial flexibility (Kim et al., 2018).

Benefits theory demonstrates the importance of ensuring that stakeholders needs,

expectations, and requirements align with the benefits of each funding source. I could use

benefits theory as an appropriate lens to view revenue sources and the corresponding

benefits; however, I did not focus on the benefits of funding sources, but rather on the

benefits of using a diversification strategy to facilitate ongoing success.

Nonprofit Organizations Defined

An NPO is a group of individuals who advance a public cause on a not-for-profit

basis, often filling a gap between social needs and government supplies (Liao & Huang,

2016). Separate from the government, NPOs are private organizations in which leaders

share the common attributes of self-governance, supply services and programs

voluntarily, and do not distribute profits to shareholders (Seo, 2016). Additionally, NPO

leaders provide programs and services that the public and private sector leaders have

difficulty delivering, have ambiguous markets, encounter substantial funding challenges

due to competition, and contribute to the economic and social development of a

community (Lee & Clerkin, 2017; Liao & Huang, 2016; Ritchie et al., 2015).

NPO leaders are the third-largest employer in the United States, comprising of

$638 billion in total wages generated (Liao & Huang, 2016; Salamon, 2018). In the mid-

Atlantic region of the United States, 16-27% of the workforce in each State work for an

NPO (Salamon, 2018). However, offering competitive pay, ensuring operations,

employing enough help, and ensuring financial sustainability is challenging for NPO

leaders (Lee & Clerkin, 2017; Mitchell & Berlan, 2018; Nonprofit Finance Fund, 2018).

A survey of 3,400 NPO leaders showed that 62% acknowledged achieving long-term

financial sustainability as a significant challenge, followed closely by 57% stated that raising funds to cover the full organizational costs, and 45% recognized that raising unrestricted revenue as significant (Nonprofit Finance Fund, 2018). Similarly, NPO leaders withstand insolvency, liquidity issues, loss of funds, and do not have enough reserves to cover operating expenses; approximately 50% of NPO leaders have less than 1 month of operating reserves (Morse et al., 2018). Consequently, because nonprofit leaders combat limited or declining resources, leaders must strive for financial solvency and continuous improvement to secure long-term sustainability, accountability, and service efficiency (AbouAssi & Jo, 2017; AbouAssi, Makhlouf, & Whalen, 2016; Lee & Clerkin, 2017).

Types. Classifications of NPOs include educational institutions, museums, and historic sites, health care and human services, social assistance, performing arts and culture, religious and professional organizations, scientific organizations, and literary organizations (Arshad, Omar, Bakar, & Nasir, 2015; Daniel & Kim, 2018; Salamon, 2018). Within the United States, NPOs account for 92% of employment in higher education, 84% in hospitals, and 42% in social assistance organizations (Salamon, 2018). Specifically, health and human services organizations account for 27% of the NPOs within the United States (Morse et al., 2018), and 14% of these leaders operate small organizations, comprising of less than $1 million in revenue (Marsh & McLennan Companies, 2018). In this study, the client-organization is a small 501(c)(3) human services charitable organization that serves the needs of people in crisis, by restoring dignity and creating hope.

Human services NPOs account for a growing economic sector because of the role leaders play in addressing social problems such as homelessness, domestic violence, and child abuse (Despard, 2016b; Dunning, 2018). Within human services NPOs, leaders address the social determinants of population health, such as access to care, tobacco use, and quality of the environment (Smith & Phillips, 2016). Socioeconomic factors such as education, employment, income, family and social support, and community safety comprises 40% of the leader's work (Marsh & McLennan Companies, 2018). In a recent study, 48% of nonprofit human service organizations were in low-income communities, 12% were minority communities, and 33% were low-engagement communities (Lam & McDougle, 2016). By providing programs and services to clients in underserved low-income communities, leaders may have difficulties finding funding sources and must pursue other opportunities such as collaborative partnerships to fortify the NPO's financial position. Thus, NPO leaders should mitigate risk by focusing on long-term sustainability and cooperative funding models (Marsh & McLennan Companies, 2018).

Program and services. Community programs and services are vital to the health and well-being of the community (Lam & McDougle, 2016). Leaders of nonprofit human service organizations are responsible for maintaining the social safety net in America (Lam & McDougle, 2016; Smith & Phillips, 2016). To assure a social safety net, leaders furnish services and programs focused on changing client behavior and circumstances to address the client's social problems (Despard, 2016a, 2016b). Designed to address the social care of disadvantaged youth and children, the homeless, the mentally ill, developmentally disabled, and the elderly, services and programs often include

counseling, home care, child protection, job training, and support services (Smith, 2018).

More importantly, through programs and services, leaders boost the well-being of

families and individuals, ultimately extending the organizational mission throughout the

community (Smith, 2018).

To establish programs and services that benefit the community, a leader is

dependent upon the financial health, size, tenure, culture, and mission of the NPO

(Despard, 2016a). Additionally, funding cuts, time-limited grants, donations, and contract

reimbursements may limit a leader's ability to continue program and service delivery

(Bunger, Despard, Lee, & Cao, 2019; Despard, 2016a; Despard et al., 2017). Financial

volatility could lead to organizational risk, NPO instability, and cuts to programs and

services (Duquette, 2017). NPO leaders should foster financial stability to expand the

development of sustainable programs and services that meet the stakeholders' needs for

transparency and accountability (Duquette, 2017; Smith & Phillips, 2016). For leaders of

small NPOs, lack of funding and increased competition for grants can make providing

beneficial programs and services to the community difficult (Lam & McDougle, 2016;

Smith, 2018; Smith & Phillips, 2016).

Hence, many scholars advocate for the use of collaborations and partnerships as

alternative methods to dispense services to the community (AbouAssi & Jo, 2017;

AbouAssi et al., 2016; Sanzo-Pérez, Rey-Garcia, & Álvarez-González, 2017; Smith,

2018). NPO leaders should have enough operating revenue and cash reserves to maintain,

grow, and expand services to achieve the stated purpose (Lam & McDougle, 2016).

Using a revenue diversification strategy, leaders can decrease the likelihood of reducing

and cutting programs and services (Greenlee & Trussel, 2000). Leaders should consider using a diversification strategy to improve the financial health of the organization to achieve ongoing success and long-term sustainability.

Funding sources. NPO leaders encounter extensive administrative and program regulations, which require costly oversight, necessitating the need for diverse funding sources (Smith & Phillips, 2016). Leaders should have enough stable funding sources to meet the needs of the community, and without such sources, leaders may have to limit programs and services or cease operating (Burde, 2018; Burde et al., 2017; Kim, 2017). In the challenging political and financial environment of the 21st century, leaders should generate a diversified revenue portfolio, align staff and governance structures to meet a community need, and effectuate systems of accountability and transparency (Smith, 2018; Smith & Phillips, 2016). Although the professionalism of leaders and input from the board has minimal impact on the amount of funding an NPO receives (Lu, 2015), revenue diversification is an important approach to access adequate and stable funding for improving community services and programs, developing staff and board effectiveness, building organizational capacity, creating autonomy, and implementing evidence-based best practices (Bryan & Brown, 2015; Despard, 2016a; Lu, 2015).

To ensure continued operations, most NPO leaders rely on private contributions, government grants, private partnerships, service and program revenues, and investment revenues (Chikoto et al., 2016; Lin & Wang, 2016; Seo, 2016). However, the three most common sources of revenue originated from direct public support, investment interest, and revenue from program services (Chikoto et al., 2016). A diversified revenue stream is

equal parts reliance on government funds, investment income, and private donations (de los Mozos et al., 2016). Using more sources of revenue can decrease financial vulnerability and risk.

In a 3-year study of 2,334 nonprofit human services organizations, 72% of leaders used revenue from one funding source, inadvertently increasing organizational vulnerability (Lam & McDougle, 2016). In a later study, only 42% of organizations ($N =$ 5,583) had a single source of revenue (Bowman, 2017). On average, NPO leaders use 2.42 sources of revenue; however, 85% of leaders are financially vulnerable and at-risk when relying on a single, compared to 66% of NPO leaders who use four or more sources of revenue (Despard et al., 2017). Acquiring diversified revenue streams is more challenging for leaders of smaller NPOs due to geographic factors, marketing expertise, and funding availability (Cortis, 2016).

To impart community goodwill, leaders should consider collaborative partnerships and alternative funding sources, including government grants, individual donations, partnerships and sponsorships, services and fees, and investment incomes as revenue options to expand diversification, deliver services, and assure long-term viability (Bowman, 2011; Bunger et al., 2019; Chang & Tuckman, 1991; Grasse et al., 2016; Mayer et al., 2014; Smith, 2018). Leaders should use different revenue-enhancing strategies, such as using soliciting sponsorships, initiating services and fees, obtaining in-kind donations, or applying for grants when balancing the financial needs of the NPO and the social needs of the community (McDonald, Weerawardena, Madhavaram, & Sullivan Mort, 2015). Thus, leaders need to understand the types of revenue sources, in

conjunction with the associated challenges and benefits, to facilitate effective decision-making to secure ongoing success.

Government grants. Government (i.e., local, state, and federal) leaders rely on NPO leaders to distribute social and community services, ensuring they are an integral and beneficial part of society (Cortis, 2016; Kim et al., 2018). For the NPO leader, the use of government grants could account for 35% of revenue sources (Chikoto et al., 2016). NPO leaders use grant funding to expand and amend program activities, with $0.77 of every grant dollar supporting program expenses (Duquette, 2017). Compared to other types of revenue, NPO leaders who use government grants have higher levels of financial stability over time (Crişan & Dan, 2018; Kingma, 1993; Yan & Sloan, 2016).

However, using government grants as a primary source of funding could lead to high administrative, monitoring costs, lack of independence, and prove difficult to replace when lost. (Kingma, 1993; Webb & Waymire, 2016). Except for individual contributions, the reliance on all external funds increases monitoring costs, exacerbating the effect in larger organizations (Webb & Waymire, 2016). When using grants as a substantial revenue source, NPO leaders need to be aware of the all the requirements of the grant, which may affect compliance to the standards, goal setting, and decision-making to maintain operations (Kingma, 1993; Seo, 2016). Due to current economic conditions, leaders may have difficulty acquiring government funding to cover the vast array of stakeholder demands (Kim et al., 2018; Proteau, 2018). Thus, leaders need to search out other funding sources to safeguard financial stability.

Individual donations. A donation is a gift of money, goods, or the equivalent from an individual without wanting something in return (Crişan & Dan, 2018). In a study of 521 NPOs, approximately 67% of NPO revenue is from individual donations, whereas only 25% of funding originates from government grants (Cortis, 2016). By using private donations, leaders promote stability, spread risk, minimize financial vulnerability and volatility, and cultivate stakeholder accountability (Cortis, 2016; Duquette, 2017; Froelich, 199). However, donations are less predictable than other funding sources and often come with donor restrictions that may require long-term wealth considerations (Duquette, 2017). However, many donors give to NPO regardless of financial performance or efficiency and will, instead, donate because the NPO needs the funds (Grizzle, 2015; Yan & Sloan, 2016).

NPO leaders may incur added fundraising expenses when creating an extensive donor network and expanding the organizational mission (Kingma, 1993). Within the United States, NPO leaders who spend more dollars on fundraising and marketing raise more awareness and charitable donations from the community than leaders who spend less (Grizzle, 2015; Yan & Sloan, 2016). Specifically, a 10% increase in fundraising dollars resulting in 9% more donations than the previous year (Grizzle, 2015). On average, NPO leaders spend $0.45 on fundraising expenses for every $1 raised (Grizzle, 2015). Similarly, leaders spend approximately 20% of the annual budget on administrative expenses, ultimately using 27 cents to raise a dollar (Kim, 2017). Leaders can procure additional donations by dedicating time to fundraising and using competent

and skilled personnel to raise awareness of humanitarian needs. A leader's fundraising efforts can pay off by increasing the number of supporters and improving donor retention.

Donor retention is an important facet of improving financial health. If an individual donates more than one gift in the first year, they are 39% more likely to give in subsequent years, as compared to one-time gifts (Shen, 2016). Apart from donor preference, NPO leaders are more likely to save individual donations for future revenue shortfalls (Duquette, 2017). Although leaders should acquire donations to extend the organizational mission, provide social encouragement to the communities served, and strengthen the financial health of the NPO, there are drawbacks to garnering donations.

Financial performance of an NPO could affect the number of received donations. A 10% increase in operating margin could result in a 1.3% decrease in donations, and a 10% increase in the equity ratio could decrease donations by 2.1% (Grizzle, 2015). As fundraising costs increase, leaders may see a decrease of almost 8% of donations in forthcoming years (Grizzle, 2015). Additionally, donations decrease as the equity ratio increases (Yan & Sloan, 2015), organizational performance decreases as the reliance on donations increases (Kim, 2017), and overcompensation of employees, above the median, decreases charitable donations by 10.8% (Yan & Sloan, 2015). Although leaders should strive for a stable revenue portfolio, these findings confirm that financial health could negatively impact donations. NPO leaders should consider striving for financial health through a variety of funding methods to meet the needs of their communities and create ongoing organizational success.

Partnerships and sponsorships. Leaders can cultivate partnerships and use corporate sponsorships as strategies to enhance and stabilize funding (AbouAssi et al., 2016). In return for revenue from corporate sponsorships, NPO leaders may use the corporation's name or logo on printed material for promotional purposes (Kim et al., 2018). Whereas with partnerships, NPO leaders build collaborative relationships to maximize mutual benefits, achieve specific goals, and invoke value (AbouAssi et al., 2016; Shumate, Fu, & Cooper, 2018; Zatephilina-Monacell, 2015). Partner leaders are more likely to collaborate with NPO leaders who focus on community needs and will seek a long-term, committed relationship when addressing social challenges (Zatephilina-Monacell, 2015). In a study of 52 participants from a small community, approximately 40% of community businesses had partnerships with NPOs, and 56.6% of leaders sponsor charities with mutual causes (Zatephilina-Monacell, 2015). Through effective partnerships, leaders should reduce duplication, create economies of scale, and extend the organizational mission (Ramsundarsign & Falkenberg, 2017). Leaders may use partnerships and sponsorships to add financial stability, and effectively expand the organizational mission, benefiting the community.

However, forming partnerships can sometimes be difficult for leaders to achieve due to time restrictions and organizational capacity (Despard, 2016a; Proteau, 2018). Leaders need capable staff to build and manage existing and new partnerships. Leaders who use current technology are financially stable, have adequate human resources, and can attract beneficial partnerships, maximizing collaborative efforts (AbouAssi et al., 2016). Through collaborative partnerships, leaders can access more financial resources

and increase revenue to attract and hire additional staff, effectively improving human capital (AbouAssi & Jo, 2017). NPO leaders who form partnerships and sponsorships, initiated on mutual organizational goals, hone the public image of their organization (Irmak, Sen, & Bhattacharya, 2015; Proteau, 2018).

Before choosing if a partnership or sponsorship is appropriate, leaders should consider three criteria: (a) common goals must be foundational, (b) monies from partnerships and sponsorships should not be the only source of income, and (c) the beneficial impact to the public image of the NPO (Proteau, 2018). The success of collaborators and partnerships between organizations relies on the effectiveness of the collaborative agreement and the ability for key players to generate self-regulation, peer-to-peer scrutiny to mitigate organizational risk, establish high levels of quality, and fortify performance outcomes (Smith & Phillips, 2016). Despite the positive reputation and mutual benefits acquired through partnerships, NPO leaders should use caution by weighing the advantages, costs, and implications when deciding to collaborate with another organization.

Services, fees, and dues. Fees and dues are the annual obligatory financial payment of members to defray the cost associated with shared benefits, such as free admission, special offers, privileges, discounts, and a sense of belonging; members that meet their obligation have the right to vote in association elections (An & Butler, 2017; Bowman, 2017; Kim et al., 2018). Fees and dues are an essential aspect of a sustainable revenue portfolio for NPO leaders (An & Butler, 2017). Revenue from services can originate from gallery sales, parking, concession, tuitions, workshops, gift shops, and

admission sales (Kim et al., 2018). Using these private sources of funding, NPO leaders

can attract repeat customers, garner more donations, boost customer retention, and

receive increased volunteer support (An & Butler, 2017; Wicker et al., 2015). NPO

leaders who use memberships and fees can establish a personal relationship with

customers to enrich loyalty and create an effective retention strategy to enhance the

financial health of the NPO (An & Butler, 2017).

Many NPO leaders use services, fees, or dues as a primary source of revenue.

Membership fees are the most critical funding source for clubs, comprising of almost

57% of revenue, followed closely by revenues from club activities and donations (Wicker

et al., 2015). While dues are the most common source of revenue for associations, they

are only dominate for 3% of charitable associations and account for less than 5% of total

revenue (Bowman, 2017). Membership fees and dues are a valid and stable revenue

source for NPO leaders, ultimately decreasing NPO volatility through economic

hardships (An & Butler, 2017; Bowman, 2017; Wicker et al., 2015).

Investment income. Investment income is the revenue gained from the sale of

securities, the change in the value of the investment, and the monies earned from

dividends and interest (Kim et al., 2018). Investment income is the least used revenue

source by NPO leaders, making up approximately 2-6% of a revenue portfolio (Chikoto

et al., 2016; Hu & Kapucu, 2015). Often leaders generate interest income from

endowments established upon specific purposes outlined by donors and use the interest to

fulfill long-term plans (Kim et al., 2018; Webb & Waymire, 2016). When producing

income from internal revenue sources such as investments and endowments, leaders are

less reliant upon other sources, thereby increasing financial stability, independence, and flexibility (Clark, Maxwell, & Anestaki, 2016; Crisan & Dan, 2018). Although investment income has additional benefits that include lower monitoring costs and increased financial independence from stakeholders (Mayer et al., 2014; Webb & Waymire, 2016), NPO leaders that increase reliance on investment income could minimize NPO stability (Mayer et al., 2014). Hence, leaders should balance earned income and donations, keeping investment income to a minimum.

When using investment income as a primary source of revenue, NPO leaders should increase efforts to engage stakeholders to further the organizational mission for the greater good (Clark et al., 2016). NPO leaders should determine if investment income is a desirable goal to ensure financial health, or whether revenue from grants and donations might enhance community needs faster in the short-term (Duquette, 2017). Many scholars encourage NPO leaders to diversify revenue sources between investment income, donations, and government grants to minimize risk and maximize stability (Carroll & Stater, 2009; Grasse et al., 2016; Mayer et al., 2014; von Schnurbein & Fritz, 2017).

Governance. Governance is the system of management and controls exhibited in the stewardship of running an organization and includes the responsibilities of the BOD and SLs to promote accountability, transparency, and fair treatment of all stakeholders (Baldrige Performance Excellence Program, 2017). Depending upon size, scope, and complexity, the governance structure of NPOs may differ. A typical governance structure may include a BOD led by a dedicated chairman, an executive director (director),

working committees, and various workforce members, including employees and volunteers (Răzvan & Stefan, 2018). In addition to providing legal, ethical, and regulatory oversight, the board accepts the added responsibilities of developing strategy, monitoring performance, attaining resources, establishing credibility, and pursuing stability (Aulgur, 2016; Jaskyte, 2017). More importantly, the BOD is primarily responsible for creating and implementing the mission, vision, values, organizational purpose, and organizational culture (Epstein & Buhovac, 2014). An active board will implement and encourage new processes, standards, and policies that ameliorate governance practices that lead to greater community impact and organizational performance (Bryan & Brown, 2015; Shafie, Sanusi, Johari, Utami, & Ghazali, 2018). The governance structure should have a BOD that empowers the director to take risks, attract needed resources, and address operational challenges to foster ongoing success (Jaskyte, 2017).

The director answers to the board for daily operations and ensuring alignment with stakeholder's interests (Jaskyte, 2017; Răzvan & Stefan, 2018). The director is essential to board effectiveness by ensuring financial oversight, workforce engagement, fund expansion, policy development, organizational performance (Aulgur, 2016). Additionally, the director should advocate for social causes by securing adequate and stable funding sources to deliver valuable programs and services to the community (Shier & Handy, 2016). Given the many financial constraints that NPOs confront, the executive director is often an unpaid volunteer that works over the average 40-hour work week

(Aulgur, 2016; Chen & Lee, 2015). Despite the lack of financial resources that may be available, most directors dedicate their lives to improving the social welfare of others.

In addition to reliance on the board for decision-making, the director may solicit counsel from an advisory board. The role of an advisory board, drawing upon the breadth and skill of members, is to provide strategic counsel, promote inclusion activities, and create value for stakeholders, thereby strengthen performance and sustainability (Aulgur, 2016; Hsu & Hu, 2016). Directors commonly seek advice, insight, and mentorship from the advisory board to encourage and build community relationships (Aulgur, 2016). Directors that use advisory boards have more persistent earnings and an increased emphasis on organizational performance and sustainability (Hsu & Hu, 2016).

Workforce. The workforce comprises of all individuals (whether hired full-time or part-time, or temporary, contract employees) supervised by the director, and that help accomplishes the organization's work (Baldrige Performance Excellence Program, 2017). Within NPOs, directors typically use a significant portion of volunteers compared to employees to accomplish the organizational work. Often the workforce members contribute time to an NPO to satisfy personal desires and goals (Chen & Lee, 2015; Piatak, 2015). NPO employees, compared to private sector employees, are more likely to be altruistic and volunteer time to favored causes (Piatak, 2015). However, NPO leaders need more than altruistic employees and volunteers to keep the doors open.

Due to the increasing need for accountability, funding stability, and mandated requirements, NPO leaders are increasingly reliant on paid professionals rather than volunteers (Johnson & Ng, 2016). However, many professional individuals are unable to

commit to an NPO cause due to low pay and improper benefits (Johnson & Ng, 2016). Once employed, leaders may have difficulty retaining qualified talent. In many cases, the education level of employees contributes more to employee retention than pay within the NPO sector (Johnson & Ng, 2016). The challenges do not end with education level; almost 70% of NPO leaders identified the ability to offer competitive wages as significant, and 60% of leaders do not have enough help to maintain operations (Nonprofit Finance Fund, 2018). Further, almost 32% of NPO leaders have less than five employees, and 80% of these leaders were financially vulnerable (Despard et al., 2017).

The current levels of funding may not cover the costs of providing competitive salaries and benefits, which could lead to underpaying and overstretching workforce members, exhibited by higher turnover and recruitment difficulties (Marsh & McLennan Companies, 2018). NPO leaders should extend strategies that manage, engage, and promote workforce members to foster ongoing success. NPO leaders who effectively manage and engage volunteers and employees are more cost-efficient, adaptable to environmental changes, have greater community backing, and are better leaders (York, 2017). Thus, NPO leaders should consider the well-being of the workforce, which requires adequate financial resources to facilitate ongoing success.

Nonprofit Sustainability

NPO leaders, especially leaders of human service nonprofits, encounter increased social burdens (i.e., increased migration, an aging population, and widening social disparities challenges) and funding challenges associated with the changing social, economic, and environmental environment (Berzin, Pitt-Catsouphes, & Gaitan-Rossi,

2016; Langer & LeRoux, 2017). In a study of 3,500 NPO leaders within the United

States, nearly 86% conveyed that demand for services keeps rising, while 52% identified

that lack of funding and a focus on sustainability creates difficulty in meeting the needs

of the community (Nonprofit Finance Fund, 2018). More specifically, NPOs within the

Philadelphia service area (a part of the mid-Atlantic region of the United States) are

financially fragile with 20% of leaders having less than 1 month of cash reserves, and

40% of leaders maintaining operating margins of zero or less (Morse et al., 2017).

Because sustainability is essential to organizational viability, NPO leaders should

develop and implement sustainable practices, incorporating organizational learning, and

improving facility alignment. Leaders of sustainable NPOs meet the stakeholder needs,

requirements, and expectations, and extend the organizational mission despite the

economic, environmental, and social pressures better than leaders of poor performing

organizations (Ceptureanu et al., 2017). Given the everchanging environment, NPO

leaders should focus on sustainability as a core competency to facilitate ongoing success.

  A revenue diversification strategy is beneficial to sustainability and financial

health strategies, signifying that NPO leaders are less vulnerable when using multiple

sources of revenue (Chang & Tuckman, 1991; Hung & Hager, 2019; Kingma, 1993).

NPOs leaders that strengthen sustainability practices through stronger financial health,

are more likely to increase donations, improve organizational capacity, and advance

organizational performance (Lin & Wang, 2015). Additional contributing elements to

sustainability include partnerships and collaborations (AbouAssi & Jo, 2017; AbouAssi

et al., 2016; Lin & Wang, 2015), board and leadership involvement (Aulgur, 2016;

Jaskyte, 2017), strategic planning and implementation (Hu & Kapucu, 2015),

performance measurement (Arshad et al., 2015; Epstein & Buhovac, 2014),

organizational capacity (Brown et al., 2016; Despard, 2016a, 2016b), social

entrepreneurship (Andersson & Self, 2015; Berzin et al., 2016; Epstein & Buhovac,

2014) and other less-studied factors like stewardship (Harrison, Xiao, Ott, & Bortree,

2017), social connectedness (Moldavanova & Goerdel, 2018), and anarchist organizing

practices (Jensen, 2018). Although financial sustainability is a critical success factor for

survival, focusing on a higher purpose and the pursuit of global sustainability should be

the focus of all NPO leaders (Jackson, 2016). The primary sustainability factors

considered in this study were (a) leader involvement, (b) organizational capacity, (c)

strategy development and implementation, (d) performance measurement, and (e) social

entrepreneurship.

Leader involvement. NPO leaders encounter economic, environmental, and

social issues daily, thereby causing financial strain (Ceptureanu et al., 2017; Epstein &

Buhovac, 2014; Hu & Kapucu, 2015). Organizational structure, leadership involvement,

and mission attainment effective approaches to achieve sustainability (Jensen, 2018). To

meet these challenges, NPO leaders can effectuate a leadership system to foster

integration and alignment across the organization by setting the mission, vision, values,

and organizational direction and culture. Leaders should guide decisions and activities,

inspire and encourage the workforce, be responsible for organizational performance and

governance, and accountable to the community for which the leaders serve (Baldrige

Performance Excellence Program. 2017). Hence, sustainability practices cannot begin without BOD oversight and committed SLs focused on organizational success.

NPO leaders continue to confront reimbursement and inadequate funding challenges that become worse with minimal board oversight, weak organizational structures, and public scrutiny (Rottkamp & Bahazhevska, 2016). Additionally, the lack of human capacity, poor marketing strategies, and ineffective communication tactics compound NPO leaders' funding challenges (Despard, 2016b; Rinaldi, Parretti, Salimbeni, & Citti, 2015). In addition to using a revenue diversification strategy to cultivate organizational stability, leaders should focus on satisfying the needs of stakeholders by forming strong relationships as an alternative approach to overcome organizational and environmental challenges (Esposito & Besana, 2018; Moldavonova & Goerdel, 2018). Leader involvement and building relationships with stakeholders are essential leadership behaviors that lead to value creation, performance excellence, and ongoing success (Latham, 2013a, 2013b). Through collaborative relationships, NPO leaders can exchange beneficial information, share resources, nurture trust, and generate program resources to encourage social capital, create a competitive advantage, and ameliorate financial performance (AbouAssi et al., 2016; Lin-Hi, Hörisch, & Blumberg, 2015; Moldavanova & Goerdel, 2018; Rottkamp & Bahazhevska, 2016). Thus, leaders should establish and implement robust governance and leadership systems to alleviate daily operations challenges, foster trust, and promote accountability.

Board and director involvement are fundamental to a strong governance system and long-term sustainability (Hu & Kapucu, 2015). Leader involved in the tasks of

strategy development, monitoring performance, and resource acquisition contribute significantly to board effectiveness and innovation (Jaskyte, 2017). However, board monitoring alone cannot improve financial performance and earnings. BODs that advise leaders intensify the exchange of information, leading to consistent and higher-earning quality (Hsu & Hu, 2016).

Although the governance structure might not affect the ability to collect revenue (Lu, 2015), leaders should adopt flexible and responsive governance structures to address the changing environmental factors and mitigate financial distress (Smith & Phillips, 2016). To capitalize on useful governance structures, leaders should encourage rich decision-making processes that incorporate succession planning and human performance development (Smith & Phillips, 2016). Overall, a strong governance system should include involved leaders focused on improving organizational performance, meeting community needs, and fostering ongoing success to secure continued community support (Bryan & Brown, 2015; Hu & Kapucu, 2015).

Strategy. Maintaining a healthy financial condition to advance organizational sustainability is challenging enough; yet, NPO leaders additionally confront the task of achieving the organizational mission and corresponding goals (Carroll & Stater, 2014). Strategy formulation begins with the NPO leader and BOD. Although NPO leaders may choose between a wide variety of strategies including extending organizational capacity, improving fundraising efforts, and monitoring compliance, leaders should focus on success by planning and allocating the appropriate resources to promote strategic opportunities, avoid potential crises, find potential partners, and identify changes in the

community and societal expectations (Baldrige Performance Excellence Program, 2017; Mitchell, 2015). Strategic leaders are more aware of environmental, economic, and social changes and can adapt and change more readily (Jaskyte, 2017). Because of the limited funds available, NPO leaders should measure the 'vital few' and examine strategies to improve operational and management efficiencies, dispense quality programs and services to secure a positive reputation, and bespeak innovative solutions to everyday challenges (Latham, 2013a; Liao & Huang, 2016).

To adopt effective strategies, leaders should assess the external competitive environment to understand what economic, legal, political, and social changes might occur in the future (Baldrige Performance Excellence Program, 2017; Thompson & Blazey, 2017).) Leaders that use strategy, vision, and unique partnerships positively affect service performance and strategy evolvement to improve overall financial health (Liao & Hung, 2016). Leaders must have the financial resources to ensure effective implementation and alignment of NPO strategies (Shumate et al., 2018). Thus, given the ever-changing environment of NPOs, leaders could embrace a revenue diversification strategy to acquire organizational stability for the long-term (Grasse et al., 2016; Hu & Kapucu, 2015; Mayer et al., 2014).

Although many authors expounded the virtues of strategy, planning alone is not enough; NPO leaders must design and implement strategies to foster ongoing success (Hu & Kapucu, 2015; Mitchell, 2015). While many leaders develop a strategic plan, less than half ($N = 110$) successfully implement organizational strategies, indicating that strategy execution may be more an important than diversifying revenue sources to positively

impact financial performance (Hu & Kapucu, 2015). However, strategy is meaningless without the availability of relevant data and information to support the identified strategies (Mitchell & Berlan, 2018). NPO leaders must use organizational capacity to improve strategic policies, processes, and strategic planning events (Bryan & Brown, 2015). Long-term sustainability originates from the implementation and integration of the whole package, including promoting achievable goals, creating measures to monitor performance, and enhancing systems and processes (Denning, 2015). Therefore, leaders should understand and consider the underlying short and long-term factors that contribute to active strategy development, deployment, and integration.

Organizational capacity. Organizational capacity is a leader's ability to safeguard the appropriate staffing levels to accomplish the organizational work using the people, processes, and practices available to plan, organize, and implement mission achievement (Baldrige Performance Excellence Program, 2017; Balduck, Lucidarme, Marlier, & Willem, 2015; Brown et al., 2016; Shumate, Cooper, Pilny, & Pena-y-Lillo, 2017). NPO leaders have limited options to recover when in financial distress, and therefore, should assess the organizational capability to minimize organizational risk (Despard, 2016a; Morse et al., 2017). Leaders can amend organizational capacity by increasing knowledge and skills, clarifying expectations from the board, building trust among stakeholders, using organizational evaluations to determine effectiveness, and increasing an emphasis on strategy (Bryan & Brown, 2015; Jaskyte, 2017; Mitchell & Berlan, 2018). By focusing on organizational capacity leaders can access and share evidence-based best practices, implement new policies and processes, grow funding

sources, extend goodwill to the community to garner support, and reinforce the organization's reputation (Bryan & Brown, 2015; Shumate et al., 2017; Smith, 2018). Hence, NPO leaders can use people, processes, and practices to expand operations through learning and alignment of organizational resources systematically.

When adopting a capacity-building strategy, NPO leaders should determine the needs of the community, identify the infrastructure necessary, select the appropriate capacity-building strategies, and monitor for progress (Bryan & Brown, 2015). An effective capacity-building plan should outline how leaders engage, retain, and manage the workforce, develop leadership competencies, evaluate organizational performance, and grow funding sources (Hu & Kapucu, 2015; Jaskyte, 2017; Shumate et al., 2018; York, 2017). Capacity-building strategies should occur at the highest levels of the organization. Hence, the BOD should contain individuals with a diverse set of skills and capabilities to oversee administrative functions, operations, resource attainment, and performance (Shafie et al., 2018; Smith & Phillips, 2016).

Creating a high-performing board can lead to an indirect community impact through increased programs and services, board involvement, and opportunities for collaboration, as reported by 40% of participants in a recent study by Bryan and Brown (2015). Additional focus areas should include financial management, strategic planning, external communication, board leadership, mission expansion, and staff management (Shumate et al., 2018). When concentrating on capacity-building strategies leaders enhance organizational adaptability, and operational efficiency, and organizational performance (AbouAssi et al., 2016; Brown et al., 2016; Shumate et al., 2018).

Performance measurement. Stakeholders in the current environmental, economic, and social climate are asking NPO leaders to operate with increased transparency and accountability (Sanzo-Pérez et al., 2017; Smith & Phillips, 2016). One method to fortify NPO sustainability is through the development, implementation, refinement, and integration of a performance measurement system. Performance measurement is essential to demonstrate accountability and transparency of operations and to validate the social impact to key stakeholders (Arshad et al., 2015).

By measuring performance, leaders can achieve the needs and requirements of key stakeholders, evaluate the effectiveness of systems and processes, and determine opportunities for improvement to ascertain performance and success (Despard, 2016a; Lawrence, 2017; Michell & Berlan, 2018; Thompson & Blazey, 2017). Performance measures should entail indicators of value, speed, capacity, quality, and error rate (Thompson & Blazey, 2017), and address essential stakeholders needs including customers, workforce, services, operations, partner performance, and social responsibility (Latham, 2013a). In addition to tracking measures associated with financial performance and health, leaders should measure outcomes related to all aspects of operations, including effectiveness and social impact.

NPO leaders can use a dashboard or scorecard to monitor performance, track opportunities for improvement, and understand progress toward stated goals, enabling better decision-making (Latham, 2013a; Thompson & Blazey, 2017). Measuring performance may include feedback from internal and external assessments (e.g., Baldrige-based, organizational capacity, human resources, etc.), and developing a

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comprehensive scorecard, which should lead to fact-based performance management reviews by the leadership team (Latham, 2013a). Only a small number of NPO leaders adopt and implement a performance management system or understand the attributes of outcomes data because they lack political, financial, technical, and managerial capacity (Knox & Wang, 2016). For NPO leaders, outcome measurement is increasingly important to create transparency, and social value, yet leaders must have adequate resources and the capacity to plan, implement, and monitor a performance measurement system (Agarwal, Osiyevskyy, & Feldman, 2015; Knox & Wang, 2016; Smith & Phillips, 2016).

Social entrepreneurship. Social entrepreneurship is the creation of social value through the implementation of innovative activities and the establishment of scarce resources which can lead to nonprofit success (Andersson & Self, 2015; Pais & Parente, 2015). Given the array of social challenges, social entrepreneurship is an alternative sustainability approach for NPO leaders to consider when improving social disparities (Andersson & Self, 2015; Berzin et al., 2016). Within a social entrepreneurship strategy, leaders use social innovation to enhance the social well-being and quality of life for a group of people, which could include the creation of programs and services, administrative activities, or organizational strategies related to mission (Berzin et al., 2016; Shier & Handy, 2016). Leaders should use responsible innovations that avoid harm to people and the planet and do good by offering services that nourish social progress (Voegtlin & Scherer, 2017).

The use of innovation and effective communication by leaders through social media is an effective approach to alleviate a social challenge (Berzin et al.,2016; Shier &

Handy, 2016). Using social media, NPO leaders can strategically organize and encourage community and stakeholder relationships to expand programs and services related to the organizational mission (Armstrong, Delia, & Giardina, 2016; Avidar, 2017). Leaders who advocate social and ethical responsibility through the effective use of annual sustainability reports, benefit the reputation of the NPO, expand stakeholder dialogue, and attract new donors and talent (Gazzola, Ratti, & Amelio, 2017). Thus, leaders who use effective communication and engagement to encourage social awareness are more likely to minimize sustainability challenges.

Various scholars of nonprofit studies point to the effectiveness of using a social entrepreneurship approach (Andersson & Self, 2015; Gazzola, Ratti, & Amelio, 2017; Pais & Parente, 2015). When using social entrepreneurship, NPO leaders appear more advantageous, socially aware, capable, and supportive of social issues (Andersson & Self, 2015). Leaders who practice social innovation as an approach to furtherance social impact decrease the need to emphasize financial pressures (Berzin et al., 2016). Additionally, a focus on workforce engagement, employee training, board involvement, and leader direction shifted an organizational culture toward social wellbeing (Shier & Handy, 2016). Successful leaders can use innovative programs and creative organizational structures to embrace strategic opportunities, align sustainability initiatives, pursue external backing, and integrate the NPO's mission and core values (Berzin et al., 2016; Bunger et al., 2019; Langer & LeRoux, 2017).

Performance Excellence

Leaders that promote strategy and performance must readily react and respond quickly to environmental changes (Caesar, 2016). Leaders on a performance excellence journey can use organizational assessments, such as the Baldrige Excellence Framework, to evaluate systems and processes, identify opportunities for improvement, and understand organizational strengths to increase learning and effectiveness (Fry, Latham, Clinebell, & Krahnke, 2017; Thompson & Blazey, 2017; Willems, 2016). Originated in 1987, the Baldrige Performance Excellence Program criteria emphasize the impact of a leadership focus on strategy and customers, in conjunction with workforce engagement and operational processes leading to results depicting high levels of performance (Baldrige Performance Excellence Program, 2017; Thompson & Blazey, 2017). Measurement, analysis, and knowledge management aligned with organizational values are fundamental to the achievement of results (Baldrige Performance Excellence Program, 2017). Leaders who focus on performance excellence create an integrated approach to organizational management that results in value creation for stakeholders, enhancement of systems and processes, and organizational learning (Baldrige Performance Excellence Program, 2017; Latham, 2013a). Leaders who evaluate performance are more likely to hone results, reach the stated objectives and goals, and build a competitive advantage (Baldrige Performance Excellence Program, 2017; Knox & Wang, 2016; Schulingkam & Latham, 2015).

A significant amount of the Baldrige criteria emphasizes the importance of organizational improvement and learning as a method to create sustainability. Compared

to public organizations, leaders of NPOs have greater autonomy and flexibility to innovate programs and services and should consider performance improvement as a method to emphasize accountability and transparency (Despard, 2016a, 2016b). With an increasingly competitive environment, nonprofit leaders will need to incorporate more transparency in operations (Harris & Neely, 2018; Sanzo-Pérez et al., 2017; Smith, 2018).

To collect and maintain needed revenue to encourage effective operations, NPO leaders should consider expanding quality infrastructure and initiatives rooted in organizational learning (Bunger et al., 2019). Implementing a performance improvement system can cost a significant amount of capital, thereby adding difficulty for NPO leaders who are not financially healthy (Bunger et al., 2019). Tracking and trending the associated savings and benefits may cause difficulty for leaders, due to the struggles associated with data gathering, analytics, the impact of evaluations and assessments, and the communication of results (Smith & Phillips, 2016). Although measuring performance may be challenging, leaders can create success through management by fact, and deliver value and beneficial results, contributing to a more sustainable organization (Baldrige Performance Excellence Program, 2017; Ferdowsian, 2016; Smith & Phillips, 2016).

Transition

In Section 1, I presented the foundation of the study, which included the following components: background of the problem, problem statement, purpose statement, the nature of the study, research questions with the associated interview

questions, conceptual framework, operational definitions, assumptions, delimitations, and

limitations, and a review of the professional and academic literature.

In Section 2, I outline the details associated with the project including the role of

the researcher, participants, research method and design, population and sampling, ethical

considerations, data collection and analysis, information regarding the reliability and

validity of the data, as well as a summary section. Additionally, I propose the approaches

used to protect participant confidentiality, including the storage and retention of data and

electronic documentation associated with the study.

In Section 3, I provide a comprehensive summary of the analysis used in this

study. I use interview questions in conjunction with the 2017-2018 Baldrige Excellence

Framework as an assessment tool to depict a comprehensive analysis of the client

organization's key organizational characteristics, systems and processes, and results from

this qualitative single-case study. I use the Baldrige Excellence Framework to explore the

client organization's leadership, strategy, customers, knowledge management, workforce,

operations, and results.

Section 2: The Project

In Section 2, I include the purpose statement, the role of the researcher, and a description of the participants. I discuss the research method and design, the population and sampling method, research ethics, and data collection instruments and techniques. I used semistructured telephone interviews with three nonprofit leaders of a small NPO in the mid-Atlantic region of the United States, and I reviewed company documents to explore revenue diversification strategies to assure ongoing success.

Purpose Statement

The purpose of this qualitative single case study was to explore what revenue diversification strategies leaders of small NPOs use to facilitate ongoing organizational success. The target population consisted of one nonprofit senior leader and two BOD leaders from a nonprofit human services organization located in the mid-Atlantic region of the United States that successfully diversified revenue sources to improve community services and achieve organizational sustainability. The implications for business and social change include the potential for other leaders of small NPOs to diversify revenue sources to further the organizational mission, advance community services, and catalyze organizational success.

Role of the Researcher

The researcher is an essential element of the research process (Fusch & Ness, 2015). The role of a qualitative researcher is the primary instrument of data collection and analysis (Clark & Vealé, 2018). As a data collection instrument in this case study, I collected information from participants through qualitative semistructured, open-ended

interviews. This role as a qualitative researcher included asking the right questions, being a good listener, staying adaptive, having a grasp of the issues, avoiding bias, and conducting research ethically (Yin, 2018). By aligning with the Belmont protocols, I promoted respect, justice, and beneficence.

Although I have experience working in the nonprofit sector, I do not have experience working or volunteering in the human services sector. However, I have many years of Baldrige examiner experience that could have produced bias. The role of a qualitative researcher is participatory; thus, bias can influence the study's outcomes (Clark & Vealé, 2018). Therefore, researchers should document the assumptions, values, and reasons for choosing the research topic. Additionally, a researcher cannot draw unbiased assumptions regarding relationships (Yin, 2018). To minimize bias, researchers can test the degree of possible bias by contemplating contrary evidence (Yin, 2018). Additionally, minimization of bias can occur with the use of induction, an interview study protocol, and triangulation across multiple data sources (Morse, 2015; Yin, 2018). To lessen bias in this study, I created an interview protocol (Appendix A) and used triangulation to challenge the findings.

Participants

In Walden University's consulting capstone, doctoral students partner with client organizations to assess organizational performance using the Baldrige Excellence Framework. To be a part of the scholar–client relationship, business leaders go through a rigorous and detailed selection process and adhere to IRB requirements. Doctoral students must follow a specified code of conduct while working with the client

organization. Participants in this doctoral study include three SLs, one of whom is the

executive director of the NPO, and two leaders who are members of the BOD. All

participants are (a) involved in the promotion of the mission, vision, and values; (b) have

some operational oversight; and (c) able to provide insight on the importance of revenue

diversification strategies to assist organizational sustainability.

   To solidify a beneficial and trusting relationship with the client-organization, I

maintained contact with the NPO leader via phone and e-mail. Because of geographical

restrictions, I interviewed participants by phone. Remotely interviewing participants can

reduce research costs and encourage participation; however, researchers must consider

the lack of social cues that could increase ambiguity and misrepresentation (Bowden &

Galindo-Gonzalez, 2015). To encourage respect, trust, and effective communication, I

used weekly phone conversations with the executive director and visited the nonprofit in-

person to understand the essence of the organizational mission better. I established a

working relationship with the board participants through e-mail and an introductory

phone call to answer any specific questions related to the research process. Qualitative

researchers should communicate continuously with participants to strengthen trust and

transparency, which might result in fewer misunderstandings (Øye, Sørensen, &

Glasdam, 2016). Thus, continual clarification regarding the research process with

participants in this study extended a respectful and collaborative working relationship.

Research Method and Design

Research Method

I used the qualitative method to explore revenue diversification strategies that nonprofit leaders of small NPOs can use to facilitate ongoing organizational success. Qualitative researchers aim to capture an in-depth knowledge of participants feelings, beliefs, perceptions, and experiences in a real-life setting (Hurst et al., 2015; Runfola, Perna, Baraldi, & Gregori, 2017). Qualitative research is an effective method to collect participants' direct answers related to practical issues (Nusbaum, Douglas, Damus, Paasche-Orlow, & Estrella-Luna, 2017). In this study, I explored processes and participant experiences, rather than data associated with numbers, related to identifying revenue diversification strategies; therefore, the qualitative method is an appropriate approach for this study. To discover the experience associated with a phenomenon, qualitative researchers engage conscientiously in another person's experience through interviews and thematic analysis involving a word, phrase, or sentence (Clark & Vealé, 2018). For this study, I interviewed three SLs by asking *what*, *how*, and *why* questions and then used thematic analysis to identify revenue diversification strategies that might be relevant to other nonprofit leaders.

The quantitative and mixed-method approaches were not appropriate for this study. Quantitative research is a data collection method that uses numbers rather than opinions or experiences (Clark & Vealé, 2018). Quantitative researchers test hypothesizes and uses statistical analysis as the methodological basis for a study (Ridder, 2017). Mixed-method research is a combination of both quantitative and qualitative methods,

where a sharing of the same research question, collecting of corresponding data and

conducting counterpart analysis (Saunders et al., 2015; Yin, 2018). The mixed-method

approach is more challenging to execute in a case study design (Yin, 2018). Therefore,

neither the quantitative or mixed-method approach were appropriate for this study

because no data collection using numbers or testing of the hypothesis occurred. Although

qualitative research is different from quantitative methods, many researchers argue that

scholars can achieve rigorous, valid, and reliable findings through qualitative research

(Ridder, 2017; Runfola et al., 2017; Saunders et al., 2015). The qualitative method,

therefore, was the appropriate approach to use for this study.

Research Design

Qualitative research designs include the use of phenomenology, ethnography, and

case study (Saunders et al., 2015). For this study, I used the single-case study design to

explore revenue diversification strategies that nonprofit leaders use to facilitate ongoing

organizational success. A case study design is the investigation of a complex,

contemporary phenomenon in a real-world setting when the context and boundaries are

unclear (Yin, 2018). Through the adaption of data collection methods to the situation,

researchers can explain complex connections associated with the phenomenon (Runfola

et al., 2016). In case study research, researchers ask *what*, *how*, and *why* questions to

explain the causal links, describe an intervention, illustrate viewpoints, and enlighten

situations relative to processes, phenomenon, or perspectives (Ridder, 2017; Yin, 2018).

The case study design was appropriate for this study because I used in-depth

semistructured interview questions to explain how and why revenue diversification is a successful strategy to facilitate ongoing organizational success.

To answer the *what*, *how*, and *why*, qualitative case study researchers can choose between the single- and multi-case study designs. There are five rationales for designing case studies, the foremost of which is to explain the frequent occurrence of circumstances and situations that occur in everyday situations (Yin, 2018). Researchers can use single-case studies to test a well-documented theory and comprehend the deeper causes of a phenomenon (Dasgupta, 2015; Ridder, 2017). Conversely, the multi-case design involves the comparing of two or more cases to compare the similarities and differences, which could lead to extensive resources and time (Ridder, 2017; Yin, 2018). Regardless of the design, not reaching data saturation could affect content validity. However, there is no one-size-fits-all approach; researchers should consider the depth of data (Fusch & Ness, 2015). With as little as three participants, data saturation could occur if rich data is evident. Therefore, the single-case study design with three participants was appropriate for this study because I explored the lack of revenue sources as a common occurrence in most NPOs.

Other qualitative design methods include phenomenology and ethnography; however, these methods are not appropriate for this study. In phenomenological designs, researchers do not follow a step-by-step form of inquiry but instead study the lived experiences of participants through observation and reflection (Adams & van Manen, 2017). On the other hand, researchers using ethnographic designs study the customs of individuals which can provide rich insights into processes that occur over a more

extended period (Saunders et al., 2015; Willems, 2016). Because the study of revenue diversification strategies is not about understanding the lived experiences of participants nor the customs of individuals over time, the phenomenological and ethnographic designs are not suitable for this study.

Population and Sampling

A researcher should conceive a meaningful population and sampling when progressing with a single case study design. Case study designs are ideal for expanding empirical evidence on theoretical concepts and contributing to researchers' knowledge of complex social phenomenon involving individuals, groups, organizational processes (Yin, 2018). For this single case study, I purposely selected three SLs of a nonprofit human services organization located in the mid-Atlantic region of the United States who successfully use revenue diversification strategies to expand community services and engender ongoing success. Qualitative researchers can use purposive sampling to determine information-rich cases that highlight the questions proposed (van Rijnsoever, 2017). To acquire meaningful results, the sample size depends on the nature of the phenomenon and the quality of the data (Morse, 2015). Moreover, it is important to use rich and thick data rather than a one-size-fits-all approach to data sampling (Fusch & Ness, 2015). Focusing on rich and thick data and a purposive sample size of three, I acquired valuable insights on revenue diversification strategies from a limited resource.

The participants I questioned were leaders of a client organization vetted by the Walden University consulting capstone program. As part of the DBA consulting capstone program, the client leader signed a DBA research agreement, which serves as a

consulting agreement between Walden University and the consulting client to preserve

compliance with all IRB requirements. I interviewed the executive director of the

nonprofit human services organization and two board members who are responsible for

promoting the organizational mission, strategic direction, and organizational

performance. Before commencing the interviews, the participant leaders signed a consent

form electronically, and verbally agreed on the day of the interview.

      To explore revenue diversification strategies that leaders can use to improve

sustainability, I conducted semistructured interviews via telephone conference call, and I

recorded sessions and followed-up by e-mail if necessary. Semistructured interviews are

advantageous when there are many questions participants need to answer, where

questions are involved, and when the order and logic of questions vary (Saunders et al.,

2015). After conducting the interviews, I transcribed all recordings to develop codes and

themes and verify the transcripts through member checking. Researchers use codes to

decipher a word, phrase, or sentence to determine the core meaning of the data collected

(Clark & Vealé, 2018). To determine themes, I grouped codes based on similarity,

frequency, and sequence across all three interviews. Ensuring an understanding of the

thematic relationship between themes and the research question occurs, researchers can

refine themes and test propositions as part of the analytical process (Saunders et al.,

2015). To test the relationship and propositions in the data, I looked for alternative

explanations and negative examples that do not conform to the pattern tested.

      Data saturation occurs when no new information is evident, new codes do not

occur, and there is adequate information to duplicate the study (Fusch & Ness, 2015). I

reached data saturation when no new information and codes were evident from the participants. To ensure the validity and reliability of results, scholars can use data triangulation, the collection of information from multiple sources, and achieve data saturation (Fusch & Ness, 2015; Yin, 2018). I collected information from participant interviews, organizational documents, and publicly reported data.

Ethical Research

The research ethics and compliance department at Walden University requires that IRB approval occurs before the collection or analysis of any data (Walden University, 2018). I obtained IRB approval (#01-30-18-0743605) on January 30, 2018, which allowed me to collect and analyze any data collected through senior leader interviews, internal organizational documents, and public data and literature. Walden University students also adhere to a strict code of ethics outlined in the university's student handbook. A code of ethics could amend compliance with standards of ethical practice and supplied a more accurate assessment of behavior (Krč, 2015). As part of Walden University's consulting capstone, the client leader and I signed a service order agreement before beginning the research process. The service order agreement outlines the duration, scope, deliverables, and desired outcomes of the research project.

Qualitative researchers often discover ethical dilemmas during the research process. Qualitative research is unpredictable, and ethical dilemmas are impossible to predict because of the relationships formed between the researcher and participants (Øye et al., 2016). However, ethical dilemmas could occur less with specific procedures such as the signing of informed consent, participant procedures, agreements, and measures to

secure participant protection. Ineffective communication of the risks and benefits compromise participants' ability to commit to the research project (Nusbaum et al., 2017). To assure ethical research, I communicated the risks and potential benefits of the research and acquired written and verbal consent before beginning any interviews with the identified SLs. I confirmed that participants had the right to withdrawal from the project at any time, as noted in the interview protocol. I formally noted any withdraw from the study and cease interaction with the senior leader immediately. Additionally, the client organization could withdraw from the study directly by contacting Walden University. Participants did not receive any incentives, monetary or otherwise, for participating in the study.

Qualitative researchers must ensure the confidentiality of participants by keeping the data provided private, promising not to reveal their identity, and presenting findings in a way in which no identification could occur (Saunders et al., 2015). To safeguard the ethical protection of the participants, I used multiple precautionary procedures that include assigning a pseudonym (P01, P02, P03) to each participant and coding all transcripts using a different name. I protected participants and the collected information through appropriate redaction and password protection. I scanned all nonelectronic collected information and transcriptions and will store all documentation associated with this study, on a password-protected hard drive for 5 years. After 5 years, I will destroy all information associated with this study.

Informed Consent

Informed consent is an essential element to secure ethical compliance across the research process and a requirement of Walden University. The informed consent process is a crucial and necessary component to the success of the research proposal (Guerriero & Correa, 2015). Written consent of participants should occur before commencing the data collection process. However, participants must willingly volunteer to agree to participate without fear of physical or psychological coercion (Øye et al., 2016). The consent process could appear daunting to the novice participant, and misunderstandings could occur, which may jeopardize the obtainment of appropriate consent. To minimize such misunderstandings, researchers should deliver frank, open, and honest communication. Robust communication surrounding the benefits and risks of participation can help the effectiveness and minimize misapprehension related to the consent process (Nusbaum et al., 2017). Øye et al. (2016) implied that qualitative researchers might be unaware of the ethical considerations in advance, making the informed consent process iterative, rational, and situational. Yin (2018) contended that participants need to be aware of why the study is important and what procedural variations might occur. Sincere, honest communication with the participants could help researchers prepare for potential ethical dilemmas. Well-documented protocols outlining the consent, data collection, and release of information processes should minimize potential errors.

The IRB is responsible for ensuring all student research from Walden University complies with the U.S. federal regulations and university standards (Walden, 2018). I obtained IRB approval (#01-30-18-0743605) on January 30, 2018, before commencing

the data collection process. This study may help other students and nonprofit leaders understand potential ethical dilemmas that could occur throughout the research process.

Data Collection Instruments

When conducting qualitative research designs, the researcher is the primary research instrument used to collect and analyze data (Clark & Vealé, 2018; Saunders et al., 2015; Yin, 2018). For this qualitative single case study design, I was the primary data collection instrument. The qualitative researcher is participatory and gains access to participants in the natural environment (Clark & Vealé, 2018). Using the semistructured process, qualitative researchers ask a set of crucial questions but may vary the order depending upon the conversation (Kallio, Pietilä, Johnson, & Kangasniemi, 2016; Saunders et al., 2015). The semistructured interview process is an appropriate method to ask new, clarifying questions to explore the central research question (Yin, 2018). To aggrandize reliable and valid results, a qualitative case study researcher should ask good questions, be a good listener, stay adaptive, have a firm grasp on the issues, avoid bias, and ethically conduct research (Yin, 2018). Therefore, to gain access to participants, I used the semistructured interview process to collect data. Using the semistructured interview method, I asked appropriate questions, listen with intent, and stay adaptive.

I completed three 60-minute semistructured interviews with SLs of a small NPO to determine the revenue diversification strategies used to establish ongoing success. In each interview, I followed an interview protocol, recorded the conversation, listened with intent, took notes, and transcribed the data collected. An interview protocol is a procedural guide that researchers can use to improve the reliability of findings (Kallio et

al., 2016; Yin, 2018). To enhance the reliability and validity of the data collection

process, I used the member checking process and an interview protocol (Appendix A).

Although scholars should not use member checking as a validation process (Morse,

2015), the approach is beneficial in confirming the accuracy of the data collected

(Saunders et al., 2015). Hence, researchers should use member checking to secure the

accuracy of the transcription rather than validation of the analysis (Iivari, 2018).

Therefore, I used the member checking approach after I transcribed the data, but before I

completed the required analysis to unfold codes and themes.

Data Collection Technique

Using a semistructured interview data collection technique, I explored the revenue

diversification strategies that nonprofit leaders can use to enhance organizational success.

The semistructured interview process is advantageous when (a) there are many questions

asked, (b) questions are complicated and open-ended, and (c) the order may need

variation (Saunders et al., 2015). Disadvantages of the semistructured interview process

include the inability of a researcher to create rich dialogue, poor listening skills resulting

in missing the information, and maintaining an unbiased perspective (Yin, 2018).

Qualitative researchers need to understand that participants are complex and respond

differently based on situations, resulting in little adherence to objectivity (Clark & Vealé,

2018). Qualitative researchers seek to remember the uniqueness of the real-world context

in which they are investigating (Cairney & St Denny, 2015). Hence, scholars must focus

on rich data and thick data, and maintain congruence through the interview process to

solicit rich data (Castillo-Montoya, 2016; Fusch & Ness, 2015). To capture rich data, I posed follow-up questions and maintained congruence from one interview to another.

Using an interview protocol (Appendix A), I facilitated a reliable approach to questioning the nature of the comments and establish rapport. Using an interview protocol, scholars can align the interview questions with the overarching research question, construct an inquiry-based conversation, and receive feedback from other researchers (Castillo-Montoya, 2016). However, researchers should (a) be willing and open to making immediate changes; (b) have a genuine concern, care, and interest for the participants; and (c) listen with intent (Drabble, Trocki, Salcedo, Walker, & Korcha, 2016). Therefore, I used the interview protocol to create an inquiry-based conversation, establish rapport, and build trust.

In addition to using an interview protocol, I gathered written consent from each participant before participating in the interview process and followed a DBA consulting capstone 40-week timeline (Appendix B) to foster the accomplishment of study objectives timely. Due to geographic constraints, the interviews occurred over the telephone. Using telephone interviews, commented that researchers might miss the face-to-face nuances, which could lead to lead to ambiguity and misrepresentations of the exchanged messages (Bowden & Galindo-Gonzalez, 2015). Hence, when conducting telephone interviews, researchers should cultivate and maintain rapport, demonstrate responsiveness, and communicate regard for the participant's contribution (Drabble et al., 2016). I expressed concern, nourished rapport, and established responsiveness while interviewing the SLs based on availability, using recording software, and taking notes.

Following the interviews, I transcribed the data collected to develop codes and reported themes. Using the interview transcriptions, I used member checking to facilitate the accuracy of the information collected before completing the data analysis. Member checking is a valid approach to ensure credibility between the participants and the researcher (Liao & Hitchcock, 2018). Researchers can use member checking to emphasize participant collaboration, throughout the interview process by validating information between participants or by checking the accuracy of the information collected before the transcription begins (Morse, 2015; Saunders et al., 2015). SLs of the NPO furnished financial statements, strategic plans, tax records, survey results, and other information, as needed. Access to organizational documents allows for triangulation of the data provided from the interview participants (Saunders et al., 2015). I did not conduct a pilot study but instead, relied on the semistructured interview method and the collection of organizational documents.

Data Organization Techniques

I coded and sorted all data collected from participant interviews to conduct a thematic analysis. For each interview, I transcribed the collected information verbatim, displayed codes using colors, and sorted the color codes into themes. Qualitative researchers use the identified codes to obtain patterns and themes based on similarity, difference, frequency, sequence, correspondence, and causation (Clark & Vealé, 2018). However, throughout the data collection process, qualitative researchers need to understand that personal opinions and perspectives could influence the coding and sorting processes, ultimately impacting the findings of the study (Clark & Vealé, 2018).

Additionally, qualitative researchers should engage in reflective and interpretive thinking to maintain an accurate assessment of the research topic (Clark & Vealé, 2018). Qualitative researchers can, therefore, use a notebook, journal, or diary to engage in reflective and interpretive thinking to enrich findings.

To track emerging themes, I used a reflective journal to note what happened and the lessons learned. A reflective journal is an established tool to record research learning, ultimately prompting interpretation and reflection (Saunders et al., 2015; Vicary, Young, & Hicks, 2017). Following Walden University IRB requirements, I will keep all data and documentation collected and analyzed, that pertains to this study, on a password-protected computer for 5 years. After the 5 years, I will destroy all collected and associated information to this study.

Data Analysis

For this study, I was the primary data collection instrument, performing all interviews, and collecting all documentation. I used methodological triangulation to confirm data from multiple sources. Triangulation should cultivate the reliability of results, and that methodological triangulation is the best approach to correlating data from multiple sources (Fusch & Ness, 2015). In a single case study, the use of methodological triangulation is effort and time-intensive but adds breadth and scope to a study (Morse, 2015). Although many sources of data create a more substantial analysis burden, triangulation is essential to capture the participants' perspective in the case study and reach data saturation (Fusch & Ness, 2015; Saunders et al., 2015; Yin, 2018). The data sources included in this study are participant interviews, organizational documents,

Internal Revenue Service (IRS) tax returns, financial statements, publicly reported information, and any information collected verbally in response to asking *what*, *how*, and *why* questions aligned with the 2017-2018 Baldrige Excellence Framework. Using thematic analysis, I systematically analyzed data collected from interviews and documentary evidence to convey detailed and rich themes.

Raw qualitative data has little meaning without using some form of analysis to make the information relevant (Saunders et al., 2015). To support analysis, scholars can use methodological triangulation systematically, and should (a) develop a database comprised of multiple sources of evidence organized by notes, documents, tabular materials, and narratives; and (b) maintain a chain of evidence while to increase reliability, consistency, and validity (Yazan, 2015; Yin, 2018). Using the lens of MPT and methodological triangulation, I analyzed the collected information to determine patterns and themes related to revenue diversification. First, I transcribed each interview verbatim in Microsoft Word and manually coded the recorded data using a color-coded system. To analyze the information collected, scholars can use computer-assisted tools such as Microsoft Word and Excel to capture and code case study evidence to search for patterns, insights, and concepts (Yin, 2018). Second, I used the coded data to identify patterns, resulting in overarching themes across the interviews.

Additionally, I created data displays to demonstrate the converging of ideas and concepts. Scholars can create data displays, use a matrix of categories and placing evidence within the appropriate box, and tabulate the frequency of different events to communicate the importance of the thematic analysis (Clark & Veale, 2018; Yin, 2018).

Although time and labor-intensive, researchers that use triangulation have the distinct advantage of creating converging lines of inquiry, leading to convincing and accurate conclusions (Yin, 2018). Using all collected information and methodological triangulation, I discovered effective strategies that leaders of small NPOs can use to establish ongoing organizational success. Finally, I correlated the key themes with the 2017-2018 Baldrige Excellence Framework, the tenants MPT relative to NPOs, and any recent and relevant academic literature.

Reliability and Validity

Researchers should contemplate reliability and validity when unfolding case study findings. More importantly, qualitative researchers should consider research rigor to ameliorate credibility, dependability, confirmability, and transferability (Anderson, 2017). Researchers achieve rigor, comprised of reliability and validity, primarily through the data collection and analysis processes (Morse, 2015). Therefore, researchers should consider the impact of reliability and validity as foundational to establishing case study rigor.

Reliability

Researchers should regard reliability as an essential element of ensuring consistency of processes and results associated with a case study. Reliability, an essential element of research quality, is the researcher's ability to replicate and prove the data collected is trustworthy, credible, and dependable (Anderson, 2017; Saunders et al., 2015; Yin, 2018). However, participant error, participant bias, researcher error, and researcher bias are four threats to reliability that the researcher must consider (Saunders et al.,

2015). Development of a coding system, member checking, and thick descriptions are a few methods to overcome such threats (Morse, 2015). Researchers enhance reliability by conducting research ethically, minimizing bias and errors, using multiple sources of evidence, maintaining a chain of evidence, and exercising care when reviewing data from electronic sources (Yin, 2018). To assure the reliability and dependability of the study findings, I recorded all changes, thoughts, and decisions in a reflective journal. Moreover, I confirmed the accuracy of transcripts through member checking and create a coding system to minimize error and bias, thereby improving reliability, credibility, and dependability.

Validity

Qualitative researchers should perfect case study validity by focusing on credibility, transferability, confirmability, and data saturation. Researchers can guarantee validity by using the appropriate measures, ensuring the accuracy of analysis of results, achieving data saturation, and understanding the generalizability of findings (Fusch & Ness, 2015; Saunders et al., 2015; Yin, 2018). The use of triangulation, member checking, and a coding system are effective strategies to fortify research credibility and validity (Hober, Weitlaner, & Pergler, 2016; Morse, 2015; Yin, 2018). To ensure transferability, researchers can provide thick descriptions of the research design, context, and findings to afford opportunities to transfer findings to another context (Hober et al., 2016; Saunders et al., 2015). Using methodological triangulation, cultivating a coding system, providing thick descriptions, and collecting data until saturation are appropriate

methods that I used to ensure the credibility, transferability, confirmability, and validity of research findings.

Transition and Summary

In Section 2, I described the study purpose, the role of a qualitative researcher, the identified participants, and the research method and design. I expanded on the population and sample, noting the data collection instrument, techniques, and organization I used throughout the collection and analysis phases of the research. Additionally, I explored the tenants of ethical research, ensure reliability and validity, and maintain research rigor throughout the exploration of revenue diversification strategies that nonprofit leaders could use to foster ongoing organizational success relative to MPT and the 2017-2018 Baldrige Excellence Framework.

In Section 3, I use the Baldrige Excellence Framework to discover details related to the organizational profile of the client organization. The organizational profile is a snapshot of the key influences, operational characteristics, and competitive environment of the 501(c)(3) NPO in this study. Using the seven categories of leadership; strategy; customers; knowledge, analysis, and knowledge management; workforce; operations; and results, I identify client strengths, opportunities for improvement, and key themes. The section concludes with an executive summary, a project summary, outlining contributions, and recommendations for future research.

Section 3: Organizational Profile

Six-Thirteen Foundation, a pseudonym, is a 501(c)(3) human services NPO located in the mid-Atlantic region of the United States. Beginning informally in 2004, the executive director (director) identified a social need after seeing a grocer throw away a muffin rather than sharing it with a hungry, homeless man. Realizing the lack of social services allocated for those in crisis, the director created the NPO in 2009 without seed money or funding, relying only on a personal vision and a commitment to serving the vulnerable. Founded to meet the material needs of individuals and families dealing with poverty, homelessness, and serious illness, the leader helps by removing barriers, building personal relationships, and eliminating bureaucracy. Staff determine needs and offer immediate assistance, with compassion and kindness, to individuals and families who are unable to garner support from government agencies or traditional service organizations.

The director relies on the advice and expertise of a BOD and an advisory board to restore dignity and hope to individuals and families during times of crisis, including poverty, homelessness, and severe illness. Together the leader and board members provide services to those who fall through the cracks, cultivate support from partners and sponsors, and foster awareness for individuals in crisis through conference speaking arrangements and community presentations. Strengthened by a team of seven employees and many volunteers, the director is the recipient of many established and well-known leadership awards for the work of Six-Thirteen Foundation. The director and board

members possess the expertise and skills to create ongoing success and lead the NPO into the future.

Key Factors Worksheet

Organizational Description

Six-Thirteen Foundation is a 501(c)(3) human services NPO that is not faith-based. The primary purpose of the NPO is to meet the needs of individuals and families (recipients or people in need) in crisis, homelessness, poverty, and serious illness by providing material goods with compassion while restoring hope and dignity. Through the adoption and implementation of strategic objectives, the SLs (i.e., executive director and BOD) strive to meet the needs of the community through the expansion of funding sources and strengthening of organizational capacity. The leaders (i.e., director and managers) of Six-Thirteen Foundation support individuals, families, schools, and partner with local and national organizations to provide material supplies so that people can move forward with self-respect.

Operating within an environment of 14,328 human services NPOs with the mid-Atlantic region of the United States, as illustrated by GuideStar, Six-Thirteen Foundation leaders compete with other human services NPOs for limited cash and donated goods to serve individuals in crisis. In 2017, 100% of the total revenue originated from other (nongovernment related) grants, gifts, and contributions, of which 92% came from individual and public donations, and the remaining 8% originated from partners and sponsors. Six-thirteen Foundation currently operates with less than $2.5 million in gross revenue each year. To reinforce the mission, the director employs seven individuals,

engages 930 volunteers a month, collaborates with social workers and student interns, and partners with more than 300 leaders from other organizations (affiliates). In 2018, the workforce helped 11,821 families by delivering 14,314 personalized care packages. Within these care packages, foundation staff distributed over 1,060,000 diapers, 204,000 menstrual period supplies, and almost 15,000 other essentials individuals in need. Six-Thirteen Foundation is one of the top 20 diaper distribution centers in the United States, and the only organization that provides baby wipes and baby soap to accompany the diapers. To continue serving individuals who are in crisis, poverty, homeless, and severely ill, SLs develop and implement a 5-year strategic plan that illustrates the need to fundraise, reinforce staff and board competencies, and promote quality services to fulfill the organizational mission. Six-Thirteen Foundation leaders are skilled, competent, and knowledgeable to meet the needs of the community, enhance the mission, and ensure ongoing success.

Organizational environment. The organizational environment assessment of Six-Thirteen Foundation includes a summary of the main product offerings, mission, values, workforce (employees and volunteers) profile, assets, and regulatory requirements.

Product offerings. In 2018, leaders changed the lives of 47,000 individuals through a variety of services in four programs: Classroom for Good, Critical Needs, Diaper Bank, and Period Supplies (Table 2). At any given time, the staff has over 150 different products to meet the needs of individuals who are in crisis due to poverty, homeless, or are critically ill. Staff distributes different products and services, such as

toiletries, diapers, clothing, and shoes, depending on the individual's needs. Leaders

employ a variety of delivery mechanisms that include (a) delivering emergency packages

to recipient's homes, (b) collaborating with 12 partners for package distribution, (c)

incorporating guidance from social workers, and (d) shipping packages to the home via

United States Postal Service or FedEx. Barriers to providing services to more families in

crisis include the lack of volunteer capacity to deliver products and costly postage for

front-door delivery.

   Mission, vision, and values. The mission of Six-Thirteen Foundation is to meet

the needs of individuals in crisis. Although there is no stated vision, leaders and staff live

by the values of kindness, compassion, dignity, and hope. Six-Thirteen Foundation is not

a faith-based organization, and leaders believe in treating all individuals with humanity.

Core competencies, the NPO's area of greatest expertise central to fulfilling the mission

of the organization, include (a) a mission-driven workforce, (b) removing barriers, and

(c) meeting the needs of the entire family. Together, the SLs and workforce leverage the

core competencies to achieve the mission of meeting the needs of individuals in crisis

with by honoring dignity and restoring hope. The director provides staff with

opportunities for learning to nurture thoughtful, empathetic, and supportive guidance to

recipients in crisis. The mission is the foundation by which SLs conduct operations, guide

the organization, and enhance the social well-being of the community.

Table 2

Programs and Associated Services for Individuals in Need

Programs	Associated services
Classroom for good	Diaper bank
	Critical needs
	Period supplies
	Team building activities
	Teen ambassador
	Program orientations
Critical needs	Baby gear
	Books
	Clothing
	Diapers
	Emergency food
	Household items (excluding furniture)
	School supplies
	Shoes
	Toiletries
	Toys
	Other*
Diaper bank	Baby formula
	Baby soap
	Baby wipes
	Books
	Diapers
Period supply	Sanitary pads
	Tampons

Note. As evidenced by the asterisk, staff provide other essential need items based on request and availability.

Workforce profile. To maintain operations, the director employs seven employees, with varying hours, to source program administration, volunteer management, and office support. The leader and employees coordinate and collaborate with 11 essential volunteers who administer, manage, and consult for technology services, human resources, and grant management to streamline operations. Leaders collaborate with student social workers, managed by a Master of Social Work volunteer, to assess the needs of individuals who apply for services and work with the workforce to facilitate coordinated social efforts to improve societal well-being. The volunteer manager and volunteer coordinator are responsible for managing over 4,000 unique volunteers who donate approximately 45,000 hours annually of program support. Volunteers work a variety of jobs, in 2- or 4-hour shifts, including packaging care boxes, coordinating and sorting clothing, and writing personal notes to the families. A significant element of workforce engagement includes the alignment of personal values with the organizational mission and values. Other key motivating elements include addressing the social needs of recipients, working flexible shifts and hours, and collaborating with teammates to enrich the organizational purpose. Through effective screening and hiring processes, the director reinforces the alignment between personal values and organizational values. The critical health and safety requirement for the workforce is protection from injury. There are no education requirements for the workforce. Table 3 shows the workforce profile identified at Six-Thirteen Foundation.

Table 3

Workforce Profile, Education, Gender, and Ethnicity

	Workforce	
	Employees	Volunteers*
Education		
High school diploma or equivalent	2	1
Associates degree or technical certification		1
Bachelor's degree	3	5
Master's degree or higher	2	3
Other		1
Gender		
Male	0	5
Female	7	5
Percent	70.6%	29.4%
Ethnicity		
White	7	8
Hispanic		
Asian		1
African American		
Native American		
Other		1
Tenure		
<1 year	2	3
1-5 years	3	5
6-9 years	1	2
10+ years	1	1

Note. * Volunteers = Key volunteer positions

Assets. Six-Thirteen Foundation headquarters are in 6,500 square feet of rented, flexible space that comprises of offices and a warehouse used for packaging boxes, storage, and recipient distribution. Using 10,000 square feet of donated space, the workforce process, and sort in-kind donations before packaged boxes move to the warehouse for recipient distribution. Other organizational assets include cloud-based software, including Salesforce, Digital Galaxy, and Little Green Light, an extensive inventory of diapers valued at $40,000, and approximately $100,000 of new clothing. Net assets totaled $960,962 in 2017, equaling an 883% increase from 2013. To support continued operations during economic hardships, SLs maintain 1 year of cash reserves.

Regulatory requirements. Located in the mid-Atlantic region of the United States, Six-Thirteen Foundation is a registered 501(c)(3) public charity that furnishes human services to individuals in need. As such, Six-Thirteen Foundation leaders must follow all state and federal laws associated with operating an NPO and observe all IRS rules, regulations, and tax codes. NPOs within the mid-Atlantic region must have a BOD to comply with the organizational bylaws, administer oversight of operations, and keep accurate records of funding sources. To ensure accuracy and compliance with federal and state regulations, the director initiates an annual audit by an independent firm to review financial statements. The workforce follows all applicable labor laws, policies, and procedures, outlined in the employee handbook, to promote compliance. Using an impact card, the director annually shares essential information with key stakeholders regarding NPO operations, including information about financials, recipient demographics, services and programs administered, and social necessity.

Organizational relationships. The organizational relationships associated with Six-Thirteen Foundation include the organizational and governance structure, customers (recipients), key stakeholders, suppliers, partners, and collaborators.

Organizational structure. The organizational and governance structure of Six-Thirteen Foundation (Figure 1) includes a BOD that monitors operations to facilitate ongoing success and an advisory board that offers guidance on recipient welfare. The BOD comprises of nine individuals, including the director, who live across the United States and bring a variety of skills and competencies that aid operations and mission expansion. The BOD is responsible for all aspects associated with Six-Thirteen

Foundation, including personnel issues, financial oversight, fundraising opportunities, and legal responsibility. The BOD meets monthly to discuss progress toward goals, operations, and opportunities for revenue growth. Annually, the BOD retreats for 2 days to evaluate the strategic direction and to outline corresponding objectives, action plans, and performance measures. Additionally, the BOD team evaluates the performance of the director by monitoring organizational measures and the accomplishment of strategic objectives. The director evaluates the performance of her direct reports that in turn, assess the performance of other workforce members.

A three-member advisory board advises the director on mission attainment and offers counsel on severe cases, incorporating a spiritual perspective. The BOD is responsible for conveying strategy, attaining resources, monitoring performance, establishing credibility, pursuing stability, maintaining operations, and ensuring compliance with all regulations. The director reports directly to the BOD, seeks spiritual advice from the advisory board, and manages the workforce tirelessly to enrich the social welfare of the community.
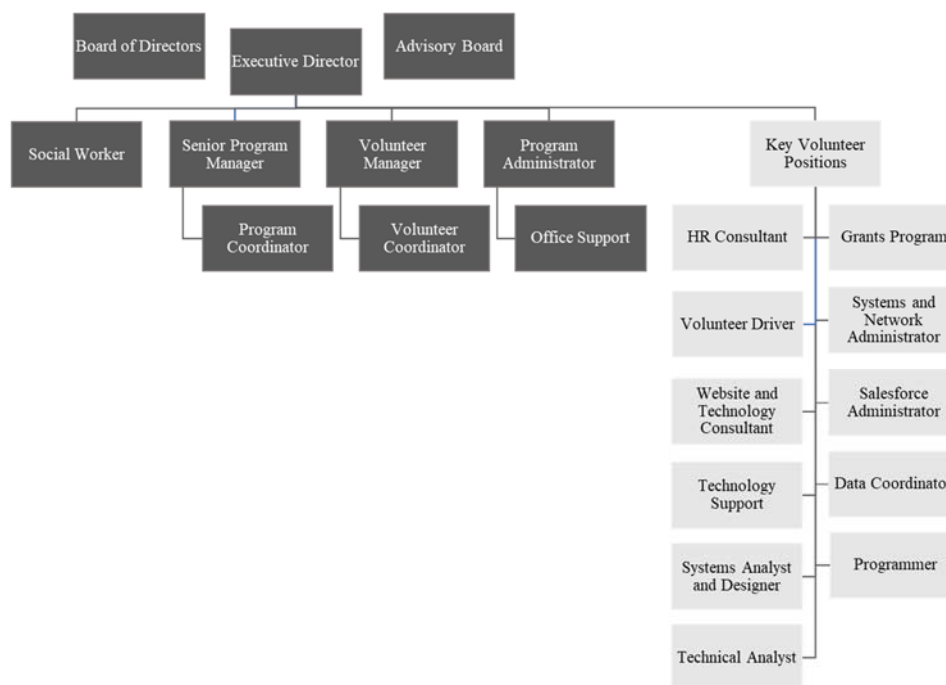
Figure 1. Organizational structure at Six-Thirteen Foundation.

Customers and stakeholders. The primary customers (recipients) of Six-Thirteen

Foundation are individuals who are homeless, seriously ill, in poverty, and crisis (i.e.,

mentally ill, disabled, veterans, domestic violence, incarceration). Most recipients of

programs and services are mainly from the state in which the foundation operates in the

mid-Atlantic region of the United States. However, upon request for a particular need,

staff may provide to individuals across the contiguous 48 States. Recipients learn about

Six-Thirteen Foundation services and programs through social media, a webpage, social

services, affiliations with local hospitals, and partner organizations. Recipients expect

and require an opportunity to express their life story, and for the workforce to listen with

compassion, develop a personal connection, and deliver necessities. In addition to

recipients, other key stakeholders include the workforce, BOD, Advisory Board, referral

sources, partners, suppliers, collaborators, and the community. Leaders furnish

personalized care in all interactions to meet the different stakeholder expectations and

requirements (Table 4).

Table 4

Key Stakeholder Requirements and Expectations

Requirements and expectations	Stakeholder				
	Partners	Workforce	BOD and advisory board	Referral sources	Community
Access to services	•			•	•
Mission alignment	•	•	•	•	•
Personalized care		•		•	•
Strategy achievement	•	•	•	•	
Transparency	•	•	•	•	•

Suppliers and partners. To endorse continued operations, strategy attainment,

and mission alignment, Six-Thirteen Foundation leaders work with various suppliers,

partners, and collaborators. Suppliers, partners, and collaborators play a key role in the

success of the NPO by providing needed services at a discounted rate, sponsoring

programs through much needed corporate grants, and cultivating support for those in

need. The director partners with hundreds of referring agencies, receives supplies from 33

diaper affiliates, and collaborates with corporate sponsors for grants, warehouse space,

shipping services, and volunteers. In 2018, the director lost almost all the funding for

shipping boxes to recipients; to overcome the challenge, the leader sought and

collaborated with 12 partners to distribute care package, thereby bring the supplies in

closer proximity to the recipient family. To foster transparency and supply-chain

effectiveness, suppliers, partners, and collaborators complete an affiliate agreement upon

the commencement of the relationship. Communication between the workforce and

suppliers, partners, and collaborators occur through two-way communication (i.e.,

telephone, email, and text), in-person meetings, quarterly in-person status sessions, and

planned site visits. Although the requirements differ by the role each partner, supplier,

and collaborator hold, mission alignment is unanimous across the groups. The innovation

of products and services is important to Six-Thirteen Foundation leaders, and the

Supplier 2 leader is instrumental in improving products and offering innovative ways to

manage supplies to improve operating efficacy. Table 5 shows the key suppliers,

partners, and collaborators for Six-Thirteen Foundation, the role, and supply-chain

requirements.

Table 5

Key Suppliers, Partners, and Collaborators Roles and Communication Methods

Suppliers, partners, and collaborators	Role	Two-way communication methods
Suppliers		
Supplier 1		
Supplier 2	Provide supplies at a discounted rate	
Supplier 3		Telephone, email, and in-person meetings
Supplier 4		
Supplier 5	Gives brand-new merchandise for free	
Partners		
Partner 1	Furnish warehouse space and covers shipping costs	
Partner 2	Supply grants and 800 volunteers annually	
Community groups	Provide in-kind and cash donations	
Corporate foundations	Allocate volunteers and grants for needed supplies	
Distribution centers	Furnish space for boxes that recipients will collect.	Telephone, email, and in-person meetings, and training sessions
Faith-based organizations	Dispense donations and grants	
Family foundations	Give donations, cash, and grants to fund services	
Local supermarkets	Donate food items	
Technology partners	Host organizational web page for free and assists with free Internet advertising	
Collaborators		
Faith-based organizations	Provides support, cash, volunteers, speaking opportunities	
Mom's groups	Volunteer monthly and coordinates item drives	
Schools	Help identify those in need, volunteers, and collect donations	Telephone, email, in-person sessions, and fundraising drives
Scout groups	Organize donation activities for needed items	
Corporate groups	Team building activities and volunteer work	

Organizational Situation

The following subsection is a review of the organizational situation, competitive environment, strategic context in which the leaders operate, and the performance improvement system used to remain competitive.

Competitive environment. A review of the competitive environment includes a description of the nonprofit leaders' competitive position, key competitive changes, and comparative data used to make organizational changes.

Competitive position. Six-Thirteen Foundation is a regulated human service NPO, and as such, does not have traditional competitors. NPO competition is the number of NPO leaders who operate within the same metro area and compete for limited resources to ensure continued operations (Prentice, 2015). As noted in GuideStar, within the metro area that Six-Thirteen Foundation operates, 2,177 human services nonprofits administer a variety of services to meet the needs of the community; however, only 184 of these have greater than $1 million of revenue. More specifically, there are 428 human services NPOs within the county, of which 51 (12%) operate with over $1 million, and 13 are within the same city. Of the 13 human services NPOs that operate within the city, only two have greater than $1 million in revenue. While 13 NPOs within the city compete for valuable resources, there are no NPOs that provide similar programs and services. There is one large human services NPO within the mid-Atlantic region of the United States that operates with over $15 million in annual revenue. However, because of the organizational size and geographical reach, the director does not consider CTC (a pseudonym) a key

competitor. Unlike Six-Thirteen Foundation, CTC leaders serve children in need across the United States from birth to age 12.

Competitive changes. SLs have not identified any upcoming competitive changes. Changes in Medicare and Medicaid funding for individuals over 65, meet low-income requirements, are pregnant, and have disabilities, could impact the services that Six-Thirteen Foundation leaders distribute. Specifically, lowering the funding levels for Medicaid could increase the number of people served who are in crisis, draining valuable resources and reserves. Because of the growing segment of the population who is in poverty and the increased number of people with medical issues, Six-Thirteen Foundation SLs expect a bigger need for services and programs. Leaders work closely to acquire new health partners to treat and service the mentally ill, critically ill, poverty-stricken, and homeless. In 2018, leaders doubled the number of health partners and initiated the innovative menstrual period supply program to increase access for women and girls that do not have the resources to obtain these essentials, which could lead to missed work and school.

SLs are continually looking for ways to diversify revenue sources to grow reserves to meet the social needs of the community, foster financial stability, and weather economic hardships. Before 2016, 100% of Six-Thirteen Foundation's revenue originated from contributions, gifts, and grants. Realizing a need for funding diversity, the leaders diversified revenue to include fundraising from special events in 2016. In 2017, contribution revenue for Six-Thirteen Foundation exceeded $2 million, of which less than $62,000 derived from two special events, equaling 97% of revenue from contributions,

donations, and gifts. Table 6 illustrates a breakdown of the different funding sources. To strengthen the ability to diversify revenue sources, leaders work continuously to build relationships with potential partners, suppliers, and collaborators to expand funding sources, minimize expenses, and build awareness for the social services administered to customers in need.

Table 6

Revenue Sources used at Six-Thirteen Foundation

Funding source	% of the funding source			
	2015	2016	2017	2018
Contributions, gifts, and grants	100%	100%	97%	95%
Cash	9%	12%	7%	6%
Corporate grants	6%	4%	5%	5%
Foundation grants	11%	9%	3%	6%
Donated goods	73%	78%	86%	75%
Donated services	3%	3%	3%	1%
Other	0%	1%	0%	1%
Special events - fundraising	0%	0%	3%	5%

Comparative data. Except for human performance data, Six-Thirteen Foundation SLs do not systematically use comparative data related to operations and nonprofit performance due to the unavailability and inaccessible of specific data related to human services NPOs. Additionally, lack of employee competencies, time, and resources make finding and acquiring available data for benchmarking purposes difficult. While external comparison data is challenging to discover, the director creates internal targets and uses historical data to determine progress towards goals, strategic accomplishment, and organizational performance.

Strategic context. SLs daily encounter social, economic, and environmental factors that could impact organizational operations, performance, and mission accomplishment. Specifically, the leaders identified nine strategic challenges across the areas of business, operations, societal responsibility, and workforce that could hinder the expansion of caring for individuals in crisis. To lessen the effects of these factors, SLs capitalize on eight strategic advantages. Table 7 demonstrates the strategic challenges and strategic advantages for Six-Thirteen Foundation.

Performance improvement system. Although there is not a formal, structured performance improvement system such as plan, do, check, act for the systematic improvement of processes and services, the leaders continuously improve programs and services by listening to the voice of the individuals requiring help and achieving strategic goals. SLs create an environment focused on kindness, compassion, dignity, and hope for recipients through workforce training, policies, procedures, and mission inspiration. Through collaborative relationships with partners and suppliers, leaders improve existing programs and services, offer new programs and services to communities, and seek new communities to serve. The BOD monthly monitors progress towards goals, action plans, and mission realization, and when needed, redirects resources as necessary to accomplish objectives, as outlined in the strategic plan.

Table 7

Focus Area with Associated Strategic Challenges and Strategic Advantages

Focus area	#	Strategic challenges	Strategic advantages
Business	1	Small organizational size	305 mission-driven partners, suppliers, and collaborators
	2	Limited organizational capacity in people, processes, and technology to plan, implement, and achieve the mission	
Operations	1	Access to data and comparative information	Work with fewer obstacles and less bureaucracy
	2	Competition from other NPOs for funding	Personalized care for each recipient
	3	Limited space to manage operations	
	4	Limited funds for the acquisition of technology, human resources, and grant acquisition	
Societal responsibility	1	Increased number of individuals who are critically ill, homeless, in poverty, and crisis	Distribution network: recipients within 45 miles deliver to the door and drive packages to distribution collaborators
	2		Treat people ranging from infants to the elderly
Workforce	1	Limited expertise for the procurement of governmental grants	2,900 unique volunteers who provide organizational support (approximately 900 volunteers per month)
	2	Unable to offer health benefits, which limits the ability to recruit qualified staff	Use of social workers to care for the whole person
	3		Engaged highly, skilled volunteers in essential roles
	4		Mission-driven workforce

Leadership Triad: Leadership, Strategy, and Customers

The following section demonstrates the importance of the leadership triad, comprising of a leadership focus on strategy and customers. Leaders who develop and implement an organizational strategy based on the customers' needs, expectations, and requirements are the foundation for building a culture of performance excellence and achieving outstanding results (Baldrige Performance Excellence Program, 2017).

Leadership

The leadership section comprises a description of how leaders' personal actions guide and sustain the organization, fulfill the legal, ethical, and societal responsibilities, and ensure responsible governance.

Senior leadership. The following is a review of how leaders guide and lead the organization, including setting the vision and values and promoting legal and ethical behavior, communicate and engage the workforce, and create an environment for success through the focus on action. SLs of Six-Thirteen Foundation includes the director and 11 members from the BOD.

Setting the vision and values. SLs use a leadership system (Figure 2) to guide daily decision making, create alignment across the organization, deploy the mission and values, and facilitate ongoing success. The director set the mission and guiding principles in 2010, at the commencement of operations, and annually validates the mission and values at the BOD and strategic planning retreat. In 2018, a team of workforce and board members modified the previous mission to a simple statement that leaders could easily share with the community, partners, suppliers, and collaborators – *meeting the needs of*

people in crisis. Deployment of the mission and values to partners, suppliers,

collaborators, and key stakeholders occur through the communication processes (Table 8)

including in-person appointments, social media, webpage, community events, and SLs

personal actions. SLs personal actions demonstrate the highest standards of ethical

behavior by promoting kindness, compassion, hope, and dignity at workforce meetings,

partner communications, BOD assemblies, and daily work. Using the communication

approaches (Table 8), the director personally recognizes workforce members for

demonstrating behaviors with the organization's core values.
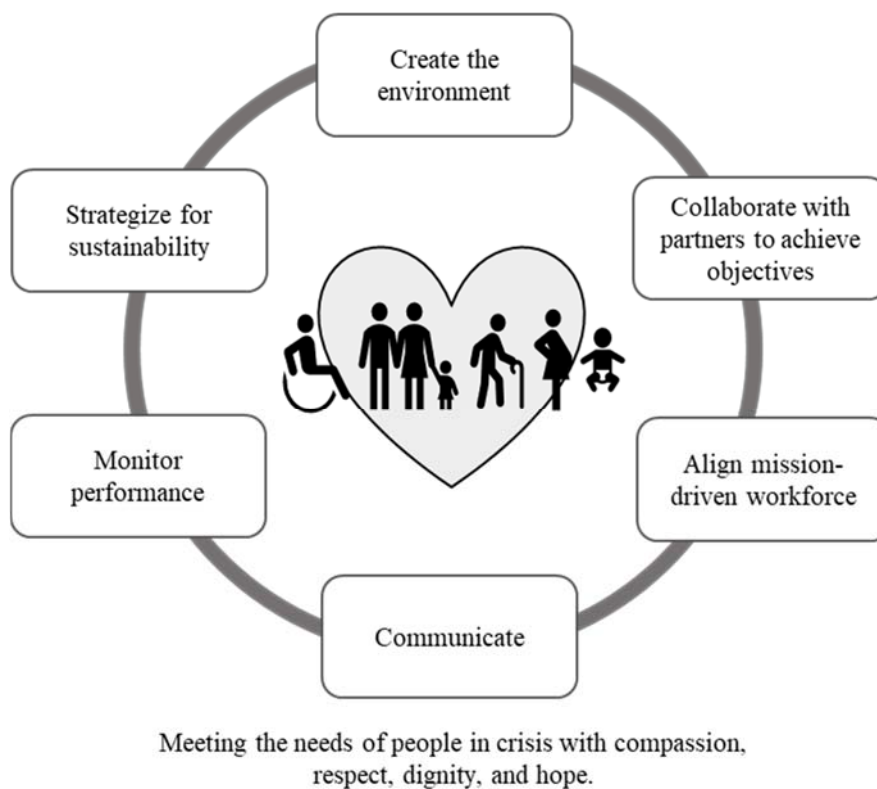
Figure 2. Leadership system used to deploy and integrate organizational priorities.

   Promoting legal and ethical behavior. Through the adherence of workforce

policies, including a code of conduct, employee handbook, and confidential information

and nondisclosure agreements, SLs commit to ethical and legal behavior and organizational values. To promote an organizational environment supportive of legal and ethical behavior, SLs confirm the attendance of all employees, volunteers, and Master of Social Work students at annual ethics training and encourage the workforce to report questionable behavior. If the behavior is suspicious and incongruent with the mission and values, SLs confront the behavior or engage outside experts to engage staff and provide additional training, depending upon the nature of the issue. The SLs review policies for ensuring legal and ethical behavior on an annual basis.

Communication. Using the leadership system (Figure 2), SLs communicate and engage with the entire workforce, recipients, and key stakeholders through frank, two-way communication methods, including social media (Table 8). Further, the director motivates the workforce to achieve high performance and supports recipients through personal notes of thanks, recognition at daily workforce huddles, and appreciation at events such as lunch and learns for staff. Semi-annually, the workforce thanks and communicates essential information to volunteers through an all-volunteer event and volunteer appreciation lunches. The director communicates critical decisions through weekly staff meetings and daily huddles and maintains an open-door policy to support workforce collaboration and teamwork. Through the annual performance review, leaders confirm the alignment of the organizational mission and the team member's personal values. The director and managers hire employees motivated by the intrinsic value of helping others to foster alignment with the mission and values.

Table 8

Leadership Communication Methods for the Workforce, Recipients, and Stakeholders

Communication methods	Frequency	Direction of communication
Workforce		
Huddles	D	2-way
Lead volunteer check-ins	O	2-way
Lunch and learns	M	2-way
One-on-one meeting	W	2-way
Performance evaluations	A	2-way
Staff meeting	W	2-way
Student intern meeting	W*	2-way
Volunteer appreciation lunch	BA	2-way
Volunteer meeting (including youth engagement)	M	2-way
Partners		
Handwritten thank-you notes	O	1-way: top-down
Thank you calls	M	1-way: top-down
In-person meetings	W	2-way
Email, texts, phone calls	O	2-way
Newsletter	M	1-way: top-down
Other stakeholders		
Advisory board meetings	A	2-way
BOD meetings	M	2-way
Community group participation	O	2-way
Handwritten thank-you notes	O	1-way: top-down
Newsletter	BW	1-way: top-down
Social media and website	O	2-way
Fundraiser	BA	2-way
Recipients		
Complaint management system	O	1-way: bottom-up
Self-referral	O	1-way: bottom-up
Critical needs update	O	1-way: top-down
Impact study pilot	O	1-way: top-down
Reward and recognition		
Birthday celebrations	M	
Lunches or snacks for staff	W	
T-shirts and swag	O	
Thank you lunches for interns	Q	
Thank you notes	O	

Note. Frequency: A = Annually, BA = Biannually, M = Monthly, Q = Quarterly, BW = Biweekly, W = Weekly, D = Daily, O = Ongoing

Creating an environment for success. To facilitate mission expansion and organizational performance, SLs build an environment of success and create a focus on action, beginning with the organizational strategic plan and the accomplishment of objectives and action plans. The leadership system is the foundation upon which SLs facilitate ongoing success and long-term sustainability. To create an environment focused on success now and in the future, SLs focus on essential work processes, plan for the future, align the workforce, communicate, and monitor progress towards performance. To maintain an environment of success, SLs rely on multiple sources of revenue, sponsors, partners, and strong financials to weather economic hardships.

The team uses a diversified revenue portfolio, including individual contributions, cash from two fundraising events, grants collected from family and health foundations, and free services and products provided by partners, suppliers, and collaborators. Leaders solicit donations through multiple processes, including an annual appeal, two fundraising events, the teen ambassador recognition event, warehouse tours, and presentations at events to raise awareness. To support operations, the leaders pursue new grants from corporations and foundations, and in 2018, received 19 grants worth almost $195,000. In addition to soliciting funds and seeking grants, the leaders found that individuals who volunteer in the warehouse are more likely to donate cash, gifts, or goods to Six-Thirteen Foundation. Leaders retain donors through cards of thanks and calls for every donation regardless of the dollar amount. Through personal connections, the director uses feedback to document key work processes to ensure consistency, transparency, and accuracy and strengthens relationships for the promotion of social welling for individuals in tragedy.

The director, with the help of human resources, recruits and hires team members that demonstrate a team-based attitude, a giving heart, and alignment with organizational values. The leaders continually align staff to the needed role, capability, and fundraising objectives to facilitate ongoing success. The director cultivates a learning environment and develops the workforce through lunch and learns, webinars, training sessions, and conferences. To facilitate a culture recipient satisfaction, the director coaches the workforce to remove barriers to care, listen with compassion, treat each recipient with respect, and honor dignity. There is no formal succession plan for managers at Six-Thirteen Foundation. If needed, the director, with the help of human resource experts, will hire and recruit for management positions and roles. The director focuses on agility and learning by continually reviewing and adjusting workforce roles, processes, and communication methods.

Creating a focus on action. Six-Thirteen Foundation SLs create a focus on action to achieve the organization mission through role model behavior and a 5-year strategic plan, comprising of four priorities that include fundraising, staffing, board development, and services. Monthly SLs monitor progress towards goals using performance and activity measures and adjust action plans often to achieve strategic and operational objectives. For example, in 2018, the SLs concluded that the systems and databases used to capture performance measures did not provide the necessary information required for organizational improvement. After identifying the issues, the SLs developed multiple requests for proposals for software that aligned to organizational objects. After a thorough vetting process, the leaders planned, implemented, and integrated a new

management system that the director will use to grow volunteer capacity, a strategic

priority. Through the employee evaluation processes, the director establishes

accountability and drives action towards the accomplishment of objectives. Essential

workforce members assist the director with accountability by categorizing the core

responsibilities of each volunteer job function. By monitoring progress through measures

and realigning workforce roles, leaders balance the needs of stakeholders and recipients.

Governance and societal responsibilities. Outlined in the following subsections

is a review of the Six-Thirteen Foundation governance system, senior accountability,

legal and ethical behaviors, and social responsibilities to the surrounding community.

Governance system. The organizational governance system comprises of a 9-

member BOD, containing individuals from various backgrounds including finance, law,

fundraising, medicine, and technology. Through five subcommittees of governance,

finance, fundraising, technology, and human resources, the BOD and the director are

responsible for organizational decisions and objectives, strategy development and

deployment, and mission realization. The board meets monthly to ensure accountability

and transparency, and on an as-needed basis if necessary to address changes in strategic

priorities, fundraising efforts, and capacity objectives. There are no predetermined roles

on the board, but SLs are responsible for the organizational strategy, fundraising efforts,

development of capacity, and financial stability. Specifically, some BOD members make

monthly calls to potential donors to ensure economic viability for the long-term. BOD

recruitment begins with candidate names provided by each BOD member, which includes

a thorough vetting process, and a discussion of the candidate's skills and organizational

fit. To foster transparency and accountability, the director completes a standard monthly agenda which includes a fundraising report, financial status, future events, technology issues, board development opportunities, staffing challenges and opportunities, engagement programs, and internships. At the close of each financial year, the director completes and distributes a community impact card that identifies measures of success, including the number of families served, diapers distributed, and demographics of recipients.

The BOD is responsible for monitoring the effectiveness of internal and external audits, which are completed annually by an independent third-party firm. In 2017, the director presented concerns to the BOD regarding the audit process about the lack of actionable data. Upon review, the BOD decided to switch CPA firms and implement internal audits bi-annually to ensure financial and regulatory compliance for NPOs. The director tracks all grants, contributions, and sponsorships in a database saved to the cloud for verification, planning, and tracking purposes. Although the director does not share financial statements with partners, sponsors, collaborators, or donors, the director reports the audited financials to the appropriate oversight board, which are available for review on GuideStar.

When needed, the director and BOD members rely on the expertise and mission-focused advisory board, comprising of three community leaders. The role of the advisory board is to deliver guidance on severe cases, provide spiritual influence when need, and ensure mission actualization. Advisory board membership sporadically changes, guaranteeing stable collaboration efforts between Six-Thirteen Foundation and

community members, partners, and the workforce. There is not a succession plan for the executive director position; should the director leave the organization, the BOD would engage a human resource expert, recruit, and hire the best fit.

Performance evaluation. There is no formal performance evaluation process to determine compensation, development, or effectiveness for the director and BOD at Six-Thirteen Foundation. However, discussions between the BOD and director occurs regularly to discuss organization performance, improvement opportunities, and workforce capability and capacity. The director formally evaluates the performance of staff annually, discussing education goals, and opportunities for improvement. Since the Foundation's beginnings, the BOD, advisory board, and the director were all volunteers for the cause of meeting the needs of people in crisis. Upon evaluation of organizational resources in the fall of 2017, the director now receives a small stipend for organizational oversight.

Legal and regulatory compliance. To maintain compliance with legal and regulatory agencies, Six-Thirteen Foundation leaders follow all applicable laws for an NPO, including auditing all financials annually, engaging a BOD for operational oversight, and filing IRS Forms 990. The director shares all IRS tax filings to GuideStar for public availability, producing accountability and transparency for donors, sponsors, and partners. The SLs comply with all state and county regulations related to workplace safety, including fire inspections, fire extinguisher compliance, sprinkler, and air systems checks. To mitigate organizational risk, SLs proactively discuss any concerns at BOD meetings, and the director routinely reminds the workforce to bring forth any compliance

or legal issues. When concerned with legal, regulatory, or compliance issues, SLs solicit legal and financial counsel for guidance and advice to minimize organizational risk.

Through the communication methods (Table 8), SLs anticipate public concerns associated with providing programs and services to individuals in crisis. To date, there are no public concerns mentioned regarding operations, the workforce, or legal and regulatory compliance. However, to proactively address possible concerns relative to funding, the director seeks and uses free products provided by donors, sponsors, and partners, reclaimed office furniture, and donated food supplies, fostering good stewardship and alignment with the organization's mission.

Ethical behavior. SLs promote and ensure ethical behavior in all interactions with all stakeholders by modeling appropriate and ethical conduct. Annually, the director invites ethics specialists to train the BOD on the importance of modeling ethical behavior in stakeholder interactions. After the training, each BOD member signs a conflict of interest statement. Upon hire, the director provides employees with the employee handbook, confidentiality information and nondisclosure agreements, and a code of conduct. Leaders deliver training and education regarding office ethics and etiquette to all staff, student interns, and essential volunteers during orientation sessions. The director has zero-tolerance of illegal or unethical behavior and holds the workforce accountable when lapses in judgment occur, at which time the leaders offer additional education and coaching as needed. When a behavior is questionable, the director with the help of an expert addresses the BOD member, and together they work toward a resolution, which

may or may not lead to a change in the BOD role. A list of legal, regulatory, and ethical

behavior compliance processes, measures, goals are evident in Table 9.

Table 9

Compliance and Ethical Processes, Measures, and Goals

Processes	Measures and indicators	Goals
Annual internal and external audits	# of issues	No issues
Compliance with all regulations impacting human resources	# of issues	100% compliance
Compliance with state and IRS laws and regulations for NPOs	File IRS Forms	100% compliance
Conflict of interest statements and code of conduct	% of statements signed	100% compliance
Employee handbook	% of handbooks signed upon receipt	100% compliance
Inventory audit	# of findings	100% compliance
	# of safety incidents	No occurrences
Providing a safe place to work	# of fire inspection deficiencies	No deficiencies
	% compliant with air filter requirements	100% compliance
Whistleblower policy	# of violations	No violations

Societal well-being. Societal well-being is central to the mission of Six-Thirteen

Foundation. SLs consider the societal well-being of the community and individuals in

need by providing programs and services that are foundational to recipients' physical,

spiritual, and mental health. In conjunction with the workforce, leaders listen with

compassion, honor dignity, and restore hope for the most vulnerable individuals who fall

through the economic and social gaps in society. Many of the recipients served are unable

to provide diapers for their children, resulting in a potential loss of employment, lack of

childcare, and absences from school, ultimately impacting the financial health of the

family. Hence, the director and workforce provide services that are foundational to the

economic and societal well-being of the entire family. Before providing services and

programs, leaders consider the environmental and social impact of products given away to recipients and community members at local events and make decisions accordingly. There is little waste in donations because the team recycles clothing, paper, plastics, and toys that do not meet specifications for quality.

Community support. The key communities served by SLs and the workforce include those that are homeless, disabled, mentally fragile, seriously ill, and in poverty within the local community, and the mid-Atlantic region of the United States, as requested. The workforce identifies these communities through a systematic application process filled out by the potential recipient. After reviewing the intake forms, social workers and student interns call to confirm individuals' needs and note any discrepancies. Leaders support the communities by building collaborative relationships with partners, sponsors, and collaborators to ensure continued funding support, distribution sites, donations, and a supply of volunteers. Additional community support approaches include teen ambassadors, Classroom for Good, and speaking engagements educating the public on the social disparities of individuals in crisis. SLs leverage the core competencies of a mission-driven workforce, removing barriers, and meeting the needs of the entire family to offer services and programs to a broader community while ensuring a strong financial position during economic hardships.

Strategy

The strategy section is a description of how SLs develop strategic objectives and action plans, implements these objectives and action plans across the organization, identifies measures to ensure success, and modifies action plans should circumstances

require a change.

Strategy development. Strategy development is a description of how SLs establish strategic objectives and action plans, use innovation and strategy considerations, capitalize on internal or external work systems and processes, and identify strategic objectives worth pursuing.

Strategic planning process. Using a repeatable strategic planning process (Figure 3), the BOD and the director creates an environment for organizational success. Annually, the strategic planning process begins with the director, BOD, and selected staff members validating and analyzing the success of the previous year's action plans and performance measures to determine the operational effectiveness and makes changes as necessary. Before identifying the next year's strategic priorities, SLs analyze relevant data collected from environmental observations and stakeholders using communication methods (Table 8). Next, the team develops specific objectives, action plans, measures, and timelines to enable mission realization and ongoing success. After setting the goals, action plans, and measures, the team allocates financial and human resources in the annual budgeting process to facilitate goal achievement. After determining the appropriate resources, SLs deploy and communicate the strategies and action plans to the workforce, BOD, and advisory members. When applicable, the director communicates specific objectives to partners, suppliers, and collaborators to enable teamwork and collaboration toward a common goal. Lastly, the director monitors organizational progress, performance, and financial impact to ensure achievement of objectives and reports progress at the monthly BOD meetings.

The strategic planning process is iterative, and when needed, the BOD modifies strategies, action plans, and measures to improve flexibility and goal attainment. At the annual retreat, leaders establish long-term (5 years) and short-term (1 year) objectives, and thoroughly vet and prioritize each strategy before implementation. Strategic discussions occur with the workforce during monthly meetings, team huddles, and performance evaluations, fostering systematic deployment and success. Because of the small NPO, the leaders are agile and flexible when making fact-based decisions and organizational improvements relative to strategies and action plans.
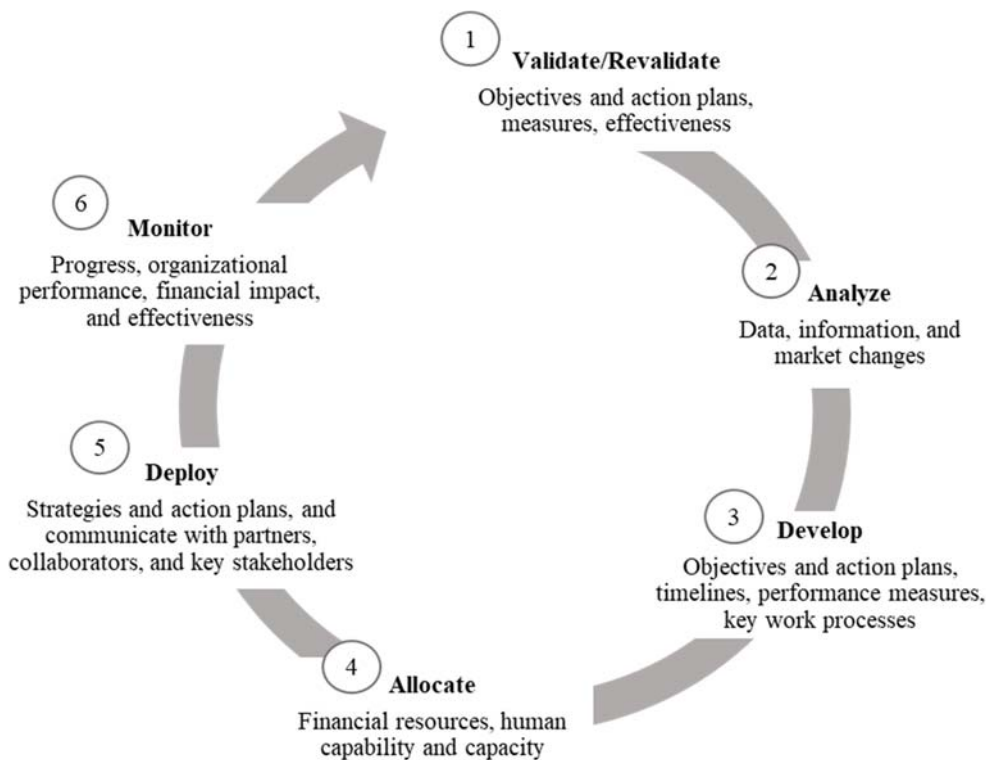

Figure 3. Six-Thirteen Foundation's strategic planning process.

    Innovation. Using the strategic planning process, SLs stimulate performance improvement and innovation across organizational priorities and operations. Through

improvements and innovative ideas, the Six-Thirteen Foundation team makes meaningful change to improve services, programs, and process, creating value for stakeholders. The director collects ideas and suggestions for improvements through the leadership system (Figure 2), communication processes (Table 8), and the strategic planning process (Figure 3). The leaders and workforce identify opportunities for innovation and improvement through an environmental scan, conference attendance, and best practices gleaned from partners. After assessing a suggestion for improvement to determine the relevance, appropriateness, feasibility, financial impact, and ease of implementation, the director engages the workforce and key stakeholders to develop, implement, and integrate the idea into daily operations. Recent improvements include the implementation of a volunteer online database, enhancement of a new and improved organizational web page, and use of student interns to help create marketing plans.

SLs identify strategic opportunities through the strategic planning process each year, after a thorough review of the market, current conditions, and potential changes. New opportunities for Six-Thirteen Foundation leaders include providing more services and programs for individuals affected by poverty and expanding distribution partners to supply packages with the requested items closer to recipient homes. By exploring these strategic opportunities, the director could expand the mission into new communities.

Strategy considerations. Through the strategic planning process, the director and workforce managers collect relevant data and information from recipients, online sources, affiliates, schools, and diaper bank distributors to support the advancement of new strategic priorities. Using GuideStar, the director gathers financial data and ratings for

competitors like CTC and other NPOs within the service area. After collecting relevant and applicable data and information, the team analyzes the data, incorporating recipient preferences, BOD input, environmental changes, organizational results, and feedback from key stakeholders to assist in the identification and validation of the organizational priorities, strategic challenges, and strategic advantages.

In the analysis and development steps of the strategic planning process, leaders (Figure 3) leverage the core competencies and strategic advantages to minimize strategic challenges to facilitate effective execution of the strategic plan. Through conference attendances, education sessions, and collaboration with partners, suppliers, and collaborators, leaders identify potential changes in the regulatory and external business environment and detect potential blind spots in operations and critical work processes. Capitalizing on a BOD with different capabilities and perspectives from various industries, the director improves the identification of potential blind spots, understanding of potential regulatory changes, and the ability to implement and deploy strategic initiatives.

Work systems and core competencies. The critical organizational work and support systems include intake, donations, distribution, and business support, which includes the acquisition of adequate funding. The director accomplishes most of the vital work systems and process internally, with the help of the workforce. Through ongoing analysis and evaluation of crucial supplier and partner expertise, the leaders validate, and if necessary, determine which key processes some partners and suppliers could accomplish to facilitate organizational success. When discussion occurs on the possible

need to outsource a process, the team evaluates the potential partner and process using the core competencies. If the processes do not align or strengthen the core competencies, the director outsources the process to an external partner, supplier, or collaborator. Currently, marketing, human resources, information technology, and legal services are the only processes that the director outsources.

Strategic objectives and considerations. Essential to the sustainability of Six-Thirteen Foundation are the four strategic objectives that are critical to meeting the needs of individuals in crisis: fundraising, staffing, board development, and quality of services. Leaders identify the strategies, goals, and measures of success for 1-year and 5-year periods during the develop step of the strategic planning process. There is no expectation that any significant changes will occur in the programs and services provided to recipients or in how SLs will work with partners, suppliers, and collaborators in the future. However, to accomplish the four objectives and give the recipients needed supplies closer to home, the director is looking to add six additional distribution partners in the surrounding communities. By using additional distribution partners, the director can decrease costs associated with deliveries, increase locations for recipient pick-up, and build a network of support for sponsorships. In 2016, the director and BOD established the 5-year strategic plan for 2017-2021, of which 3 years remain. A detailed list of the strategic objectives, corresponding measures, and action plans are evident in Table 10 for the remaining 3 years.

The strategic objectives are complementary by nature to balance the varying organizational and stakeholder needs. Beginning with a focus on finance, leaders seek to

expand contributions, sponsorships, donations, grants, and donor retention for the continued expansion of the mission and ongoing organizational success. By concentrating on the strategic objectives (i.e., finance, staffing, and board development), the director can stabilize, build capacity, and improve quality in the services provided. Through the advance of workforce capacity and capability and board development, the BOD and director can improve fundraising, warehouse and volunteer management, and board performance. Using the strategic objectives, the team can leverage the mission-driven workforce, a core competency, to enable mission realization. With annual planning timeframes, leaders can balance the short- and long-term challenges to improve strategy execution should sudden market changes occur.

To improve the execution and success of strategies and action plans, leaders may need to implement new technologies which may be costly. When required, leaders evaluate the software and budget funds for a future purchase. For example, through the evaluation of technology options that could aid the team in accomplishing organizational goals, the director determined in 2015 that a volunteer management software would be beneficial to the team. Because of the software cost and the lack of features available to ease operations, the director decided to budget funds for a future purchase. In April 2019, after a thorough evaluation of the current software capabilities and cost, the director implemented the new management software to collect volunteer data and preferences.

Table 10

Strategic Objectives, Action Plans, Measures, and Timetables

Objectives	Strategies	Goals	Action plans	Measures	2019	2020	2021
Fundraising							
Reach $375,000 in annual fundraising through focus on priorities. Aim for $500,000 annual fundraising by 2020	Major gifts: Individuals	Portfolio of 100 by 2020; 75% retention rate; multi-year giving	Strategic major gifts plan and practices; strong teamwork	$325,000 raised annually, with 75% retention rate; stretch goal is $450,000 annually by 2020	Together working plan; tracking toward portfolio of 100; retention rate of 75%; and $325,000 raised		Portfolio of 100 individual donors; 25 institutional donors; 75% retention rate; $325,000 raised
	Major gifts: Institutions	Portfolio of 25 by 2020; 75% retention rate	Strategic plan and practices; effective grant writing		Evaluate prospect research and grant writing capacity	Optimizing performance based on 2019 evaluation	
	Major gifts: Pledge giving	$50,000 annually via gifts under $1,000; grow monthly giving	Direct mail; online; word of mouth; events; monthly giving	$50,000 raised annually with 75% retention rate	Double # of monthly donors	Double # of monthly donors	Consistently raise $50,000; have solid giving program; be efficient
Staffing							
Shore up sufficient capacity in fundraising, warehouse management, and volunteer management	Hire and support dev. director	Hire in 2017; establish major gifts program; prove stability by 2020	Prioritize best practice in major gifts program development	Whole team raises $375,000 annually in 2 years	Moderate success; full-time position if possible	Development program should be humming	Consecutive years of stable success
	Grow capacity in warehouse mgt.	Define and deliver on highest appropriate standard	Excellent staff	Warehouse and inventory managed with excellence	Execute	Reevaluate	Evaluate and strategize through 2025
	Grow capacity in volunteer mgt.			Manage needs of org. and volunteers with excellence	Execute	Reevaluate	

Note. Yearly plans are for Q1-Q4

(table continues)

Objectives	Strategies	Goals	Action Plans	Measures	2019	2020	2021
Board development							
Well-performing board by 2018; high-performing board by 2020	Establish good governance practices	BOD observes best practices in good governance	Board learning and implementation	New practices beginning in 2017; excellent practices in motion by 2018	Demonstrating good governance per principles system		Excellence in good governance evident and natural
	Develop and implement board pipeline	BOD develops pipeline of strong board prospects	Build pipeline balancing skill, diversity, teamwork, and temperament	Strong pipeline being developed; excellent pipeline in motion	Continuing to use formal pipeline and board terms process		Excellence in board recruiting evident and natural
	Board education and training	BOD balances governance with learning	Board learning items included in each agenda; evaluation of performance	Board education; excellence evident	Update and observe education calendar		Excellence in board education evident and natural
Service							
Stability and quality are watchwords; 1 million diapers by 2020; 40,000 people served by 2020	Stabilize	Hold program levels steady until 2018 at soonest	Focus on quality; say "no" to close-but-not-quite opportunities	Leaders breathe calmly and feel stable	New growth		Evaluate and strategize through 2025
	Build capacity via staffing and partnerships	Secure, retain, and develop staff	Excellent recruiting, onboarding, training, and teamwork	Staff ensures highest quality; teamwork is excellent	Reevaluate staffing, planning for future needs		Develop and retain quality staff
	Quality	Experience of clients, volunteers, and staff are outstanding	Focus on core values; build and reward culture of excellence	Clients, volunteers, and staff agree "this is incredible"	Reevaluate quality standards and plans		Continuous improvement

Note. Yearly plans are for Q1-Q4. BOD = board of directors

Strategy implementation. The following section is a description of how SLs implement strategic objectives and action plans, change the priorities to facilitate ongoing success, and monitor progress to garner short-term and long-term wins to achieve sustainability.

Action plans and implementation. The director, in concert with the BOD and workforce managers, is responsible for the evolvement, deployment, and modification of action plans. To implement an organizational strategy, the team uses the strategic planning process (Figure 3). In the analyze and develop steps of the process, leaders analyze data and information to facilitate awareness and understanding of the market indicators that could affect daily operations and hinder goal achievement. After examining the data, leaders identify and establish the strategic objectives, action plans, and performance measures for successful execution (Table 10). To address the complexity of some goals, leaders identify multiple action plans and measures, prioritized by criticality to achieve success. Once established, the team does not change organizational priorities for another year, unless an unexpected market shift occurs. The director guarantees alignment to the strategic objectives by discarding action plans not related to the strategic objectives of finance, staffing, board development, and quality of services.

Action plan deployment occurs in step 5 of the strategic planning process. Using the communication methods (Table 8), leaders systematically deploy action plans to the workforce and key stakeholders, as necessary. All action plans have an assigned owner to enable accountability and transparency. Review of action plan status occurs through

monthly BOD meetings and workforce all team meetings, allowing for shifts in action

plans if necessary. When little to no progress is evident, the director communicates

directly to the action plan owner the importance of the priority, and together, they

develop a plan to achieve the desired goal. For example, some BOD members are

responsible for calling two potential donors each month to raise awareness and possible

funds for services and programs to meet the number one objective of finance. When the

BOD member is not meeting this obligation, the director communicates directly to the

member to understand why and determine a plan to get back on track. The director

reserves the right to disengage the BOD member at the end of the term if no response is

evident.

Resource allocation and workforce plans. The director, in conjunction with the

BOD, allocates the financial resources and develops workforce plans to support the

achievement of action plans while maintaining daily operations. Each year, during the

allocate stage of the strategic planning process (Figure 3), leaders determine the needed

resources. Once the leaders determine economic feasibility, the director budgets for the

financial and human resources, and occasionally diverts key workforce members from

their primary roles and responsibilities to ascertain action plan achievement.

When funds are not readily available, the team collaborates with partners,

suppliers, and key stakeholders to acquire the needed resources. For example, the

workforce needed a better way to inventory, store, and pack donated goods, and

recognized that new and improved shelving racks would increase productivity, flow, and

space. However, the director felt that spending given funds for administrative

improvements did not meet donor intent. The director sought four to five additional sponsors to fund the desired shelving, thereby saving essential cash reserves for economic hardships. Through collaborative partnerships and sponsorships, expanded workforce capability and capacity, and sound financial stewardship, the director manages organizational and financial risk.

> ***Performance measures and projections.*** Table 10 shows the key performance measures of Six-Thirteen Foundation used by leaders to track strategic plan achievement and effectiveness. By focusing on the strategic priority of finance and corresponding financial performance measures such as diversifying funding sources, increasing individual and institutional donors, and improving donor retention rates, the director advances the financial health of Six-Thirteen Foundation, impacting the ability to achieve of short-term and longer-term action plans. The director communicates the progress of performance measures through the various communication methods (Table 8) using an achieved or not achieved language. Because data and information are challenging to collect from external sources, the leaders do not use performance projections for strategic, financial, or operational measures. The SLs are in the beginning stages of tracking and trending performance measures related to outcomes.

Customers

> The customer section describes how SLs engage customers to facilitate long-term sustainability, listen to the voice of the customers (VOC), meet and exceed customer expectations, and build relationships with current and potential customers. SLs of Six-Thirteen Foundation reference the customer as the recipient or the people.

Voice of the customer. The subsequent section is a review of how SLs obtain information from current and potential recipients and determine satisfaction, dissatisfaction, and engagement of recipients.

Customer listening, Current customers, and potential customers. Current customers of Six-Thirteen Foundation include current and potential recipients that are in crisis, poverty, homeless, and severely ill. In 2016, the director started collecting data related to medically fragile recipients after realizing their limited access to services and healthcare, which produces social vulnerability. To understand the needs of recipients, both current and potential, leaders practice multiple formal and informal methods to listen to, interact with, and observe recipients, across the life cycle, to obtain actionable feedback to identify opportunities for improvement and innovation. Table 11 illustrates a detailed list of these methods across the customer life cycle of introduction, building relationships, the fulfillment of needs, and follow-up.

The primary method used by the workforce to obtain information regarding recipient need and feedback is through an online application process found on the Foundation's website. Social workers, student interns, the director, or medical professional volunteers follow-up with a phone call to verify recipient information collected via the website. Using social media, the team listens to current and potential recipients, strengthens the organization's brand, reinforces a mission-driven culture, celebrates stakeholder successes, and engages the extended community, including potential partners and collaborators.

Table 11

Voice of the Customer

Method	Frequency	Direction	Actionable information			Life cycle phase			
			Obtain	Listen	Interact	Introduction	Build relationships	Fulfillment	Follow-up
Advisory board	O	2-way	•				•		
Best-practice sharing	O	2-way	•				•	•	•
Board of Directors	M	2-way	•				•		
Complaint management system	O	1-way: bottom-up	•	•			•	•	•
Critical needs update	O	1-way: top-down			•				•
Day-to-day work (e.g., phone, email, onsite walk-ins)	D	2-way	•	•	•	•	•	•	•
Fundraising events	BA	2-way	•	•	•	•	•	•	•
Impact study pilot	O	1-way: top-down			•				•
Operational discussions	W	2-way	•			•	•	•	•
Partners, suppliers, and collaborators (i.e., schools, foundations)	O	2-way	•	•			•	•	
Referral partners	O	2-way	•			•			•
Self-referral	O	1-way: top-down	•			•			
Social media: Twitter, Facebook, and Instagram	O	2-way	•	•	•	•	•		•
Speaking engagements	O	2-way	•	•			•		
Website	O	1-way: top-down	•			•	•	•	

Note. Frequency: A = Annually, BA = Biannually, M = Monthly, Q = Quarterly, BW = Biweekly, W = Weekly, D = Daily, O = Ongoing.

Through in-person communication, email, phone, and social media, recipients impart product quality issues for resolution, which the workforce tracks in the complaint management system. Using these methods, the team identifies actionable information relative to other nonprofits within the area, including CTC, and adjusts services and programs, as necessary, to meet the needs of individuals in crisis. The leaders use the data and information collected through the VOC system to expand service and program offerings, improve processes, forge new communities, and influence strategic objectives and action plans.

Customer satisfaction, dissatisfaction, and engagement. The leaders use recipient engagement and satisfaction interchangeably to describe the value provided to fulfill recipient needs, expectations, or wishes. Although Six-Thirteen Foundation leaders do not formally determine recipient satisfaction or dissatisfaction relative to customers, the team uses the various VOC methods (Table 11) to detect opportunities for improvement. Using the feedback from recipients, the team evaluates, develops, and implements the desired changes to exceed expectations and engage families for the duration of need. The workforce identifies satisfaction relative to other NPOs through best-practice sharing webinars, conferences, and lunch and learns. There are no formal measures to identify recipient satisfaction or dissatisfaction.

Customer engagement. Review of customer engagement includes a summary of how leaders determine product offerings, customer support, customer segmentation, and strengthen customer relationships, including relationship management and compliant management.

Product offerings and customer support. The workforce commits to meeting the basic and essential needs of recipients to facilitate economic and social recovery. The SLs determine, develop, and adapt product and service offerings (Table 3) to meet the essential needs of individuals who are homeless, in poverty, crisis, and mentally ill, to realize the organizational mission. Not only does the workforce provide diapers for babies, but the team is the only provider in the nation to include baby wipes and baby shampoo with the diapers, guaranteeing that mothers have all the needed items for recovery, and exceeding expectations of recipients. For example, if an expecting mother does not have baby diapers when arriving home with a newborn, the team provides diapers, baby soap, baby wipes, and potentially a baby bottle, books, and toy, depending upon supplies and individual need.

The workforce proactively monitors supply inventory, and when necessary, seeks additional supplies or funding through donation drives, sponsorships, or grant applications. To ensure product quality, the leaders track all product recalls for timely recall to promote recipient safety. If a requested item is unavailable, the team communicates to the recipient about the potential waiting period until the product is in stock or refers the recipient to another organization.

The workforce enables current recipients and potential recipients to seek information and support through various communication approaches (Table 8) and VOC methods (Table 11), with the primary methods being in-person, phone calls, and email communications. Through the online intake process, each recipient describes their situation with a story, so that the workforce can identify opportunities to serve. Social

workers confirm the needs of recipients through phone calls, documenting the request in Salesforce, the relationship management software. Support requirements for recipients include compassion, kindness, dignity, and hope. For material support, the workforce refers to services (i.e., health care, housing, transportation, financial assistance) to outside partners and referral sources as necessary.

Through cycles of learning and sharing of best practices with other nonprofit leaders, the director modifies products and processes to meet the requests of recipients and provide better support. For example, in April 2019, the director and social workers identified that some of the more difficult cases were not returning for help and support. Realizing the gap in support for the long-term, the leader established a program where each recipient receives a 6-month and 1-year call to understand if the recipient requires additional emotional and physical support.

Customer segmentation. Through the VOC process (Table 11), the director gathers information to anticipate and identify future market and customer segments. The director validates the collected information, and determines if needed, new customer segments during the strategic planning process (Figure 3). When the team identifies a potential new customer segment, the BOD confirms the new segment, and the director updates all forms and database software. Customer segments include individuals who are homeless, poverty, crisis, critically ill, medically fragile, single-parent household. When completing an online request form, the recipient records the segment that best describes the household. While occasionally the team serves recipients all over the nation, the primary market is the five closest counties located within a mid-Atlantic state. During the

intake process, social workers and student interns confirm the home address and customer segments for the furtherance of accurate records. The director uses market and customer segmented data and information to support operational and strategic decision-making to facilitate meeting the needs of people in crisis.

Relationship management and compliant management. Six-Thirteen Foundation leaders build and manage relationships with recipients to meet individual needs, exceed expectations, and manage and enhance the organizational brand. The team demonstrates the organizational values by listening to each recipient's story with compassion, offering kindness and dignity with each interaction. The workforce records each transaction in Salesforce, noting the items donated, the donation value, and other pertinent recipient facts. The leaders manage and enhance the brand image through social media, speaker appointments at conferences, website promotional material, and community events. The SLs do not traditionally pursue customer retention, but instead, care for first or repeat recipients as many times as required to facilitate economic and social well-being.

The workforce identifies complaints through the VOC methods (Table 11), and use Salesforce, the complaint management system, to manage recipient concerns regarding products, quality, and services available. The workforce is responsible for managing each complaint promptly and effectively to recover confidence and facilitate recipient satisfaction. When a team member identifies a problem, he or she resolves the issue immediately and logs the complaint for future recall. If a resolution is not timely, the director addresses the issue or refers the recipient to another organization. Although complaints are few, the leader collects the information to find potential opportunities for

improvement. When an opportunity becomes evident, the leader engages the workforce and the appropriate partner, supplier, or collaborator to determine the most appropriate solution.

Results Triad: Workforce, Operations, and Results

The following section includes a description of workforce-focused processes, operational processes, and performance results that derive from these processes. Leaders should use measurement, analysis, and knowledge management as a basis to achieve workforce and operational results, effectively manage and create agility to improve performance, exploit operational effectiveness, and achieve ongoing success.

Workforce

The workforce subsection is a description of how SLs assess workforce capability and capacity needs and build a workforce environment conducive to high performance. Leaders should engage, manage, and develop the workforce, utilizing their full potential, to accomplish overall business needs, generate organizational alignment, and achieve performance excellence.

Workforce environment. In the following subsection is an analysis of how Six-Thirteen Foundation leaders assess workforce capability and capacity, manage change, accomplish organizational work, and ensure a safe environment supported by benefits and policies.

Workforce capability and capacity. The director assesses workforce capability and capacity needs and staffing levels through the allocate step of the strategic planning process (Figure 3). During this step, the leaders determine the human resources needed to

accomplish organizational priorities, and when necessary, realign and hire additional staff. When workforce capacity changes, the director communicates the change and solicits feedback through a variety of methods from the stakeholders (Table 8). When financial resources are available, the SLs evaluate whether adding a new employee is appropriate, financially feasible, and operationally beneficial. When a change in personnel occurs, the director reevaluates the capability required before refilling the position.

For example, the director identified a need for an additional employee after the volunteer manager left in late 2018. After evaluating the workload of the manager, the director determined that additional aid could improve workflow, effectiveness, and volunteer oversight. The director presented the information to the BOD, recommending a manager replacement and an additional volunteer coordinator to ensure efficiency and effectiveness. Once approved, the director recruited and hired additional help. Alternatively, a reduction in the workforce occurred in 2017 when the BOD identified the ineffectiveness of a grant writer, the director suggested a change and eliminated the position. Through a recent cycle of learning, the director identified the need to improve volunteer capacity using upgraded technology. In April 2019, the team implemented Galaxy Digital to improve communication to volunteers via mass text, track hours worked, and capture demographic information.

The director predetermines the competencies, skills, and certifications needed to accomplish the organizational work, and incorporates the requirements into the job descriptions for each position. For each new hire, the director and supervising manager

evaluate capability during the hiring and training processes through the annual evaluation process, team meetings, and monthly one-on-ones. When a capability deficiency occurs, the leader and team member develop a plan to advance the needed skills and training for the role, which may result in additional training through attendance at conferences, lunch and learns, and webinars. If a volunteer is unable to perform a task, the volunteer manager offers assistance or suggests a change in role.

New workforce members. To support the mission, the director carefully and thoughtfully recruits and hires potential candidates that fit the mission-driven culture. With expert human resources help, the director begins the recruitment, hire, and placement processes by using social media, Indeed, nonprofit professional websites, and student internships. The human resource expert reviews applications to determine the best fit and screens the top eight candidates before completing a phone screening interview. The director champions a panel interview with the three most qualified candidates. The team chooses the candidate who best aligns with the organizational values and starts the hiring process, which includes a reference check, safety requirement verification, and a warehouse tour. Because of the NPO size, the director considers the candidate who best fits the organizational culture rather than hiring to represent community diversity. SLs abide by equal employment opportunity when recruiting and hiring new employees. Except for the director, all employees work part-time and with hourly compensation.

The director onboards each new employee through a 2-day training session incorporating office etiquette, professional attire, Salesforce protocols, confidentiality, and organizational expectations. To facilitate success, the director meets with each new

employee weekly for a period to discuss progress towards onboarding goals, cultural assimilation, and unanswered questions. The director retains the workforce and reinforces a mission-driven culture using systematic communication methods (Table 8).

Workforce change management. Six-Thirteen Foundation SLs acknowledge the ever-changing capability and capacity needs necessary to accomplish organizational work and further the mission of meeting the needs of individuals in crisis. Because of the limited financial resources available for the hiring of more staff, the team utilizes a large team of over 4,000 engaged volunteers to accomplish organizational work. When the environment necessitates a change, leaders first consider the associated financial cost and the applicability of the decision for recipients and then prepare the workforce for the change using the leadership system (Figure 2) and communication methods (Table 8). The director discusses all workforce changes with transparency and meets with the employees and volunteers individually to discuss the change. The director actively manages and realigns the team to facilitate accountability, transparency, and performance, and when needed, readjusts staffing to ensure operational continuity and prevent workforce reductions. With BOD acknowledgment, the director prepares and manages for periods of workforce growth through the recruitment and hiring processes. When a vacancy occurs, the SLs reaffirm the importance of the role and financial resources available before moving forward with filling the position.

Work accomplishment. The director organizes and manages the workforce using managers and office support to accomplish organizational work (Figure 1). Using job descriptions, systematic hiring practices, and performance evaluations, the director

reinforces a customer-focus and capitalizes on the core competencies of a mission-driven workforce, removing barriers, and meeting the needs of the entire family. When a gap in recipient expectations becomes evident, the director realigns workforce and financial resources and reinforces the mission to meet the needs, expectations, and requirements of recipients. Through monthly BOD meetings, the team monitors the execution of operational, financial, and workforce capacity to exceed performance expectations and achieve strategic priorities.

Workforce environment and workforce policies and procedures. The director promotes and reinforces workplace health, security, and accessibility for the workforce through standard policies and procedures, customization of physical activity for volunteers, and new employee orientation. For example, when a new workforce member joins Six-Thirteen Foundation, he or she attends an orientation to learn about appropriate work attire to prevent warehouse injuries. The team makes appropriate accommodations for volunteers, including opportunities to sit frequently, take breaks, and minimally lift packages. For instance, each customized box contains a handwritten note, inscribed by a disabled volunteer, to the recipient detailing the contents of the box and offers encouragement to the recipient. Volunteers work in shifts of 2-4 hours, depending upon physical strength and desire.

All workforce members follow the same rules and expectations for safety regardless of working in the warehouse or the office. The leaders do not overlook harassment of any kind, including discrimination based on gender, sexual preferences, physical or mental disability, age, race, creed, color, or national origin. For the health of

the workforce, the director does not allow smoking on the warehouse premises. Although there is no tracking and trending of performance measures related to the workplace environment, the director monitors volunteer falls and first aid usage to determine if an unsafe pattern is evident.

The director supports the workforce through the regular use of an employee handbook, policies, and procedures to prevent workplace injury. Because of limited financial resources, the director does not give employees health insurance but provides flexible work schedules and a retirement plan. Acknowledging a gap in benefits, the SLs decided to offer vacation time in 2018 as a result of an evaluation of the current benefits. The team collaborates with volunteers by providing flexible schedules, customized roles, and variable volunteer opportunities.

Workforce engagement. The following subsection is a description of how leaders engage the workforce to achieve high levels of performance, including drivers, performance management, learning and development, evaluating the effectiveness, and organizational culture.

Organizational culture. The director nurtures an engaged workforce of 4,173 unique volunteers, seven employees, and many student interns by treating everyone with compassion and kindness. To better care for recipients, the leaders nourish an organizational culture characterized by open communication, high performance, and an engaged workforce cultivated through the employee evaluation process, leadership system (Figure 2), communication methods (Table 8), strategic planning process (Figure 3). Using the leadership system, the director cultivates a culture of high performance and

improvement, advancing workforce creativity, thinking, and diverse ideas during daily huddles and weekly meetings. During the annual performance review with every employee, the director reaffirms the importance of meeting recipients' expectations, achieving strategic priorities, developing personal goals, and achieving high performance. The director has an open-door policy, so that all employees, volunteers, and students have access to individual feedback and real-time responses to questions.

The leader empowers the workforce to solve problems at the source, negating the need for a manager or leader to resolve every issue. When a workforce member suggests an improvement, the director asks for possible solutions to the known issue, confirming a culture of sharing, engagement, and openness. Through an open-door policy, the director monitors office discussions to facilitate a focus on mission and customer service in all interactions. If stakeholder input is essential to the successful resolution of an issue, the director seeks to remove barriers and fosters open communication between the team and partners, suppliers, and collaborators, thereby solving the problem jointly. Encouraging a team approach, the director emphasizes the importance of donor relationships and encourages the workforce to personally thank donors with a note, email, or phone call.

Assessment and drivers of engagement. Although there is not a formal survey process to assess workforce engagement, the director assesses workforce engagement and satisfaction through personal interactions and direct communication approaches (Table 8), including weekly one-on-ones and staff meetings. If an issue occurs, the leader pursues a root cause and, together with the team member, identify a personal plan to readdress priorities and methods to remove barriers to success. The director uses

retention, absenteeism, vacation requests, and grievances as indicators of workforce satisfaction and engagement. Through the various communication methods, the director determined the overreaching reasons for working at Six-Thirteen Foundation is the mission, culture of excellence, teamwork, and improving the social well-being of the community.

Performance management. The director uses a workforce performance management system comprising of annual performance evaluations, rewards, and recognition (Table 12), and open communication to achieve high performance, strategic objectives, and fulfill the mission. Because of the NPO size and the limited financial resources, the director utilizes a paper approach, employee folders, and Excel spreadsheets for tracking workforce performance. Each employee has a personnel file that the director keeps locked in the administrative office. When compensation changes are necessary, the director searches for comparative wage and salary information from GuideStar, Indeed, Glassdoor, partners, and BOD experts. Using flexible work schedules, the director accomplishes organizational objectives while addressing individuals' needs, requirements, and expectations. The director reinforces workforce engagement, recipient satisfaction, strategic priorities, and the mission through various communication methods (Table 8).

Table 12

Workforce Rewards and Recognitions

Rewards and recognitions	Frequency	Given by	
		Leader	Workforce
Birthday celebrations	M	•	•
Lunches or snacks for the team	W	•	
Peer-to-peer recognition	O		•
Personal notes, emails, and cards	O	•	•
Public thanks during team meetings and huddles	W/D	•	•
Sharing of recipient thank-you letters	O	•	
Thank you lunches for interns	Q	•	
T-shirts and swag	O	•	
Volunteer appreciation lunches	BA	•	

Note. Frequency: A = Annually, BA = Biannually, M = Monthly, Q = Quarterly, BW = Biweekly, W = Weekly, D = Daily, O = Ongoing.

Learning and development system and system effectiveness. Leveraging the core competencies and strategic advantages to minimize the impact of strategic challenges, the director capitalizes on a mission-driven workforce that begins with recruitment and hiring the right candidate. Once onboard, employees attend a new employee orientation for 2 days upon hire to understand organizational needs and requirements. To foster successful integration into the organization and high performance, the director meets with each employee and volunteer to determine progress toward objectives, comfort with the training process, and organizational awareness. Using lunch and learns, training at partner or collaborator sites, conference attendance, and webinars, the director continues educating the workforce to accomplish organizational objectives and reaffirms customer-focus, strategic action plans, and performance measures using various communication approaches (Table 8). All outside training sessions, that the workforce attends, align to organizational needs and typically pertain to topics such as ethics and compliance,

leadership development, understanding poverty and trauma, and government assistance programs.

After attending training, the workforce shares opportunities for improvement and best practices with the team at weekly huddles, improving the knowledge of all employees and volunteers. The director evaluates the effectiveness of the learning and development approaches through the changed behavior of workforce members and monitoring of performance measures. For example, upon discovery of an error in the menstrual period supply inventory, the director identified the individual responsible, determined if adequate training occurred, and corrected the issue through additional training and monitoring.

Career progression. There is no formal process to manage career progression for the workforce or the director. Because Six-Thirteen Foundation is small, all employees receive cross-training, so that a minimum of two individuals can perform any job function, safeguarding business continuity. To foster an environment of learning, the director encourages team members to seek, build, and establish new skills and competencies that further personal development goals and the organizational mission. Should an employee aspire to another role, upon a vacancy, the director interviews the employee alongside additional candidates to determine the most suitable individual for the job. The leaders acknowledge career progression as an opportunity for improvement.

Operations

The following subsection contains a description of how Six-Thirteen Foundation leaders design, manage, and improve work processes to enable organizational

effectiveness, deliver customer value, and achieve ongoing success.

Work processes. The subsequent section contains an analysis of how leaders design, manage, and improve essential products and work processes, including process management and improvement, supply-chain management, and innovation management.

Product and process design. The leaders determine essential product and process requirements from customer needs, expectations, and requirements discovered through the various VOC approaches (Table 11). Although there is no structured process or timeframe in which the team determines and designs work processes and process requirements, the team plans services and programs to meet the recipient needs by analyzing data, gathering workforce input, and identifying trends based on feedback from partners, suppliers, and collaborators. For example, one partner decided to cut substantial funding used for shipping in early 2018, leaving the team without the ability to deliver requested items to recipient doors. Through collaboration from key stakeholders, the team established a distribution network, whereby volunteer drivers deliver care boxes to a central location for recipient collection. While at the time, losing funding for shipping incurred additional expenses, heartache, and doubt, the team turned the challenge into an opportunity to build an extensive network of distribution partners, ultimately improving financial health and long-term sustainability.

The director incorporates technology, organizational knowledge, risk, and customer value as part of the design process by choosing only products and services that are recipient-friendly and safe. The director practices good financial stewardship by acquiring products and services at little or no cost. If an item is unavailable, the team

either chooses to forgo purchasing the item to save financial resources or pursues funding to fulfill recipients' needs, expectations, and requirements. The team evaluates and refines work processes and support processes, incorporating stakeholder input, to ensure ongoing operational efficiency and effectiveness. The leaders are in the beginning stages of tracking and trending measures that demonstrate operational efficiency and effectiveness. Table 13 identifies the work processes, support processes, requirements, and measures used to control and improve effectiveness to facilitate ongoing success.

Table 13

Key Work Processes, Support Processes, Process Requirements, and Indicators

Processes	Requirements	Indicators and measures
Key work processes		
Intake	Customer-friendly	Website visits
	Effective	Intake form functions as expected
	Efficient	Errors identified in intake process
	Timely	Validate requests within 72 hours
Donations	Customer-friendly	Accept products aligned to the mission
	Effective	Inventory errors
	Mission-focused	Products align with the mission
	Safe	Quality of products
Distribution	Customer-friendly	Close to home
	Effective	Pick-up rate
	Efficient	Errors identified in the distribution process
	Mission-focused	Aligned values of distribution sites
	Safe	Distribution sites in safe locations
	Timely	Turnaround time from the initial request
Support Processes		
Administrative support	Maintain records, improve services, manage day-to-day operations	
Human resources	Recruit, hire, manage, and retain a mission-driven workforce	
Information technology	Maintain technology hardware and software to support daily operations	
Legal support	Compliant with federal and state regulations	
Marketing support	Assist leaders with support for website, impact cards, and social media	
Referral management	Manage referrals from partners and collaborators to fulfill recipient needs	

Process management and improvement. The SLs ensure that day-to-day

operations of work processes meet the process requirements of safe, customer-friendly,

efficient, effective, timely, and mission-focused by monitoring donor-recipient

demographic information, donor retention rate, finances, VOC inputs (Table 11), and key

performance measures (Table 14) including pick-up rate and inventory distribution. By

engaging the workforce in meeting customer needs, monitoring supply levels, pick-up

rates, and demographic information, the director addresses potential issues quickly and

effectively before the issue becomes a susceptible operational challenge. The director

uses support processes (Table 13) to address the strategic priorities and core

competencies of a mission-driven workforce, removing barriers for recipients, and

serving the entire family to ensure ongoing operational success.

Capitalizing on a mission-driven workforce, the SLs improve work processes and

reduce variability through a team approach, real-time monitoring of performance, and

leader support. The leaders continually improve processes through the leadership system

(Figure 2), the strategic planning process (Figure 3), and collaboration with partners and

suppliers. Although the leaders are in the beginning stages of developing and

implementing performance measures for all areas of importance, primarily because of

capacity challenges, the director supports and empowers the workforce to solve problems

at the time of occurrence or when identified. If there is an issue, the leader initiates a root

cause analysis to determine the source, and once found, engages the team to solve the

issue permanently. Through support and a team-based approach, the director nurtures

transparency, accountability, and a culture of high performance.

Supply-chain management. Because good stewardship of financial resources is paramount, the director pursues suppliers who dispense products for little or no cost to Six-Thirteen Foundation. When payment is necessary, the leader acquires only quality products meeting the needs of recipients for safe and effective items which are essential customer requirements. SLs vet suppliers before initiating an agreement to guarantee that all suppliers values align with the mission of Six-Thirteen Foundation. The director evaluates supplier performance on the attainment of promises, and when necessary, replaces suppliers who consistently fail to perform on intended promises or align with organizational values and mission. There is no formal tracking and evaluation of supplier performance or feedback provided on improvement opportunities.

Innovation management. The director pursues opportunities for improvement and innovation through analysis of data and information collected through the leadership system (Figure 2), strategic planning process (Figure 3), communication methods (Table 8), and VOC methods (Table 11). Additionally, the team captures innovative ideas and best practices by attending webinars and conferences. The director presents possible innovations to the BOD during the annual strategic planning process and monthly BOD meetings for vetting and approval. When approved, the director makes financial and other resources available for successful implementation. For example, a partner noted that an improved inventory rack system could increase product storage in the warehouse. After soliciting BOD approval, the director sought additional funds from partners and collaborators to offset the associated cost, saving valuable financial reserves. Upon completion of the project, the team obtained approximately 30% additional space for the

storage of donated goods. If financial resources are not available, the director tables the idea for future consideration and approval.

Operational effectiveness. The ensuing paragraphs are a description of how leaders ensure the effectiveness of operations for Six-Thirteen Foundation, including process efficiency and effectiveness, management of information systems, and safety, emergency preparedness, and business continuity.

***Process efficiency and effectiveness*.** The leaders control the overall costs of daily operations by practicing good stewardship, seeking free or reduced-priced products, recycling poor quality clothes, and spending funds frugally. The director determines an annual budget, which the BOD approves and holds the director accountable to the effective management of resources. The BOD reviews operational expenditures, donations, and cash reserves at each monthly meeting, fostering transparency and accountability. Minimizing costs associated with external audits, the director conducts internal financial audits monthly to prevent compounding issues. When possible, the team incorporates technology and software like Galaxy Digital, Salesforce, and Little Green Light, to maximize efficiency and effectiveness of work processes.

To prevent potential errors and rework, the team checks and double-checks processes associated with the recipient. For example, the workforce marks all recipient boxes with a sticker identifying Six-Thirteen Foundation and a label detailing the number of packages to ensure successful delivery. Before delivering packages to each distribution partner, volunteer drivers double-check the labels against the intake form, preventing potential errors from occurring. All distribution centers receive a list of recipients and the

number of boxes for pickup to improve accuracy, partner knowledge, and efficiency.

When errors do occur, the director discusses and corrects the issue, seeking input and

suggestions for improvements from the workforce, and delivers training to avoid

reoccurrence. The director balances the needs of recipients with the requirement to save

valuable financial resources by seeking out discounted gently-used items, refurbished

office equipment, or free products used to improve services and programs provided to

current and potential recipients. The balancing of financial considerations with recipient

needs, expectations, and requirements is a constant consideration. The director is in the

beginning stages of incorporating cycle time and productivity into work processes.

Management of information systems. The director ensures the reliability of

information systems by using a team of experienced technology volunteers who manage

the webpage, and information systems, including software and hardware. These

volunteers secure all data and information using internal servers and redundant systems.

For example, the director has three redundant copies of the website to facilitate recovery

within minutes of system failure. Outside partners host the organizational webpage,

monitor for security breaches, complete network scans, and provide technical services.

After incorporating feedback from key stakeholders, SLs vet all information systems

before implementation, checking for potential pitfalls, operating errors, and compatibility

with existing systems.

The leaders ensure the confidentiality, security, and cybersecurity of sensitive or

privileged information through role-based access, passwords, and hidden cameras. The

team uses cloud encryption for all sensitive information, including recipient

demographics and credit card information. The director meets with key information

system partners monthly to maintain effective management of information systems.

Acknowledging the increased risk associated with cybersecurity, the director moved from

a shared server to a secure individual server in 2017. Volunteer partners back-up the

system every hour, monitor software for breaches, and complete security patches to

prevent cybersecurity attacks.

Safety and emergency preparedness. The director cultivates a safe operating

environment for the workforce, incorporating approaches to prevent, inspect, and identify

the root cause. Building upon the foundation of comprehensive policies and procedures

for workplace and workforce safety, the director uses security cameras, quarterly fire and

sprinkler inspections, and safety rounds to ensure a safe operating environment. The

director seeks safety issues through the communication methods (Table 8), and when a

safety issue occurs, initiates a root-cause evaluation to identify, fix, prevent the issue

from reoccurring. If the safety of the workforce is in question due to inclement weather or

social causes, the director may close onsite operations for the day, allowing employees to

work from home.

To ensure business continuity during disasters and emergencies, the director, with

the help of information technology partners, use cloud-based systems for prompt

restoration of systems that facilitate customer and business needs. Collaborating with

distribution partners, SLs provide more locations in which recipients can collect needed

items should a natural disaster occur. There is no formal emergency or disaster

preparedness plan. When emergencies occur, the director determines the best course of

action at the time of the event. Should the need arise, the director could administer

services from processing warehouse.

Measurement, Analysis, and Knowledge Management

The following subsection is a description of how leaders select, gather, analyze,

manage, and improve organizational data, information, and knowledge assets, and use

review findings and organizational learning to achieve high levels of performance.

Measurement, analysis, and improvement of organizational performance.

The performance management section illustrates how leaders use performance measures,

comparative data, customer data, and agility to analyze, review, and improve

performance.

Performance measures. SLs are in the beginning stages of systematically

selecting, collecting, and aligning information relative to daily operations and overall

organizational performance. The director selects, collects, and aligns data relative to

strategic objectives (Table 10), to monitor progress towards goals as outlined in the

leadership system (Figure 2) and strategic planning process (Figure 3). After the selection

of performance measures (Table 14), the team tracks information and data in the

information systems like Salesforce, Galaxy Digital, Little Green Light, and Excel

spreadsheets. In some cases, the team tracks data and information manually through

spreadsheets and office whiteboards. For example, the director utilizes an office

whiteboard to track distribution partners, the associated max capacity for families served,

the number of boxes packed, and the number of families assisted each given week. The

whiteboard illustrates the need for additional distribution partners by location to timely

meet the needs of the entire family. At the beginning of each week, the team erases the board and starts over.

Due to capacity constraints, the director is unable to compile and trend significant amounts of data and information from these systems related to daily operations. Although there are no performance measures selected for all areas of importance to the organization, the director recognizes the need to create, measure, and align organizational data and information to ensure business continuity and performance. Ever looking for ways to improve, the director acknowledges operational gaps and seeks technology, capability, and capacity opportunities to improve the collection and analytics for understanding operational performance. Acknowledging the operational gap in managing volunteer capacity, the director recently deployed Galaxy Digital as an improved method to track unique volunteers and hours worked.

Comparative data, customer data, and measure agility. The director captures and analyzes performance measures (Table 14) to ensure operational effectiveness and strategic attainment for long-term sustainability, and when needed, selects comparative data and information to support fact-based decision making. Most comparative data originate from historical information captured from the budgeting processes and prior year performance. The director uses comparative information from GuideStar to determine the financial performance of NPOs within the region or to CTC, a competitor. To understand employee compensation practices, the director seeks the council of a human resource expert and comparative information from engaged partners and collaborators. The director shares progress towards performance and financial data at

monthly BOD for agile decision making. When an issue in performance arises, the BOD

charges the director with initiating an action plan to improve progress towards goals.

Because of capacity challenges, the director does not aggregate VOC data and

information, including complaints tracked in Salesforce or taken by phone and social

media.

Table 14

Key Performance Measures

Measures	Short-term	Long-term	Frequency	Figure reference
Financial				
Revenue from contributions	•	•	M	
Revenue from grants	•	•	M	
In-kind donations	•	•	M	
Cash-on-hand/reserves	•	•	M	
Revenue from special events	•	•	BA	
Expenses to budget	•	•	M	
Operational				
Aligned partners, suppliers, and collaborators		•	Q	
Families served	•	•	W	
Diapers distributed	•	•	M	
Volunteer hours	•	•	W	
Pick-up rate	•	•	W	
Period supplies distributed	•	•	W	
Strategy				
Engaged volunteers	•	•	Q	
Donor retention		•	Q	
Committed donors	•	•	Q	
Board education and learning		•	A	
Workforce training	•	•	A	

Note. Frequency: A = Annually, BA = Biannually, M = Monthly, Q = Quarterly, W = Weekly

Performance analysis and review. To obtain organizational success and financial

health, the director collects and analyzes operational and financial data, and aggregates

the information into actionable performance measures (Table 14). Using various

communication methods (Table 8), the director shares the results with key stakeholders

for input, modification, and validation. The BOD reviews accomplishment toward

strategic priorities and action plans, including financial performance, at the monthly

meeting. If necessary, because of poor financial performance or an operational issue, the

BOD will meet more often to assure progress and alignment of operational priorities. To

respond to changing organizational needs and challenges, the director rapidly responds

using a team-based approach. By engaging key stakeholders as part of the change

process, the director ensures a customer focus, mission attainment, and on-going success.

For example, when the team lost funding from a significant partner for shipping, the

director reached out to key stakeholders and developed a new distribution model for

recipient care packages, ultimately decreasing financial costs and expanding the partner

network.

Performance improvement. Beginning with the 2-day strategic planning retreat,

the leaders review all performance measures for relevance, validation, and applicability

to ensure accomplishment of strategic priorities and action plans. To support the

achievement of priorities, leaders allocate resources using the budgeting process and

consider technology or new processes to facilitate goal attainment. The director uses

historical data and information to project financial and operational performance related to

inventory, donations, grants, and fundraising.

Through a review of performance measures at the BOD meetings, daily huddles,

and weekly staff meetings, the director creates a culture of accountability, transparency,

and high performance. In conjunction with performance reviews, the director unites with partners, suppliers, and collaborators to serve more people in need, either through an expanded distribution network or new donations. Using the communication methods (Table 8) and VOC approaches (Table 11), the director continually seeks opportunities for continuous improvement and opportunities for innovation from the workforce, BOD, partners, and other key stakeholders. Using these same communication methods, the director deploys new opportunities for improvement to encourage a culture of improvement and ongoing success.

Information and knowledge management. The following paragraphs are a description of how SLs manage organizational information and knowledge assets, including data and information, data quality and availability, organizational knowledge, best practices, and learning.

Data and information. Leaders verify and safeguard the quality of organization data and information by monitoring data for accuracy through weekly inventory checks, monthly in-house financial audits, and biannual reviews of all performance data, including a review of the donor database, Little Green Light. The director validates data and information by confirming findings with key stakeholders, including the workforce, partners, suppliers, and collaborators. Additional validation techniques include verification via phone for all recipient entered information through the website, volunteer drivers check recipient addresses before delivering packages to distribution sites. To assure the integrity and reliability of the data, only trained personnel or volunteers have access to information management systems. If more training is necessary to improve the

quality and reliability of data, the director distributes additional training and encourages outside education for expanded workforce capability. The leaders review all data before presenting the information to the BOD for decision making.

The director ensures the availability of organizational data and information available on a need to know basis, using password protection and role-based access. Using cloud-based systems, daily backups, and redundancy, the director ensures that data and information are available 24 hours a day, if necessary. The team relies on information technology system experts for input, guidance, and implementation assistance. To encourage a user-friendly format, a team of stakeholders, including technology professionals, review all potentially new information management systems to balance cost, ease of use, and functional abilities. Using communication approaches (Table 8), the director shares data and information promptly. When required, leaders share pertinent information and data with partners, suppliers, and collaborators to expand the distribution network, enlarge the donor base for future funding opportunities, and build new relationships. Via the annual impact card, the team distributes some key performance measures to partners, suppliers, collaborators, key stakeholders, and the community to foster awareness for the organizational mission, build new relationships, and create transparency for daily operations.

Organizational knowledge. To build and manage organizational knowledge, the workforce, with oversight from the director, identify and record processes in organizational policies and procedures, updating the documents when changes occur. Through an onboarding process, the leaders' orient and train all new employees or

volunteers in vital functions to facilitate compliance with organizational policies and procedures. Other methods used to transfer knowledge between the workforce include cross-training, orientation sessions, and information technology. The communication approaches (Table 8) remain the primary source by which the director collects, assembles, and transfers knowledge from stakeholders for performance improvement and strategic planning (Figure 3).

Through the identification of best practices gathered from donors, webinars, conferences, publications, and training sessions, the team presents suggestions for improvement during daily huddles, weekly team meetings, and one-on-one sessions with the director. To implement and deploy recognized best practices, the director may seek financial assistance from partners, suppliers, and collaborators to minimize the implementation impact on financial reserves. The director fosters an environment of learning and sharing by using various communication methods, and requires every BOD, employee, and essential volunteer to attend one learning opportunity annually, with some individuals attending up to four education sessions per year. Using the knowledge captured through VOC processes (Table 11) and communication approaches (Table 8), the director promotes a culture of learning and continuous improvement, furthering ongoing success, and long-term sustainability.

Collection, Analysis, and Preparation of Results

The subsequent section is a collection and analysis of organizational results for Six-Thirteen Foundation relative to organizational performance and improvement for key areas of importance, including product and processes, customers, workforce, leadership

and governance, and financial. Organizational results include the outputs and outcomes of Six-Thirteen Foundation examined based on levels, trends, comparisons, and integration. Levels illustrate the current organizational performance on a meaningful scale, and trends display the rate of performance improvement for areas of importance, marked by an arrow indicating the desired level of performance. Comparisons show performance relative to other organizational or competitors. Given the size of Six-Thirteen Foundation and compacity constraints, the director uses little comparison data and benchmarks for relevant organizational results. Integration is the extent to which Six-Thirteen Foundation leaders measure results related to recipients, services, processes, action plans, and organizational-wide goals identified in the previous sections of the organizational profile. Because much of the team track data via spreadsheets and manual processes, there are challenges with data aggregation for all areas of organization importance. As the director hires additional employees and builds capacity, the collection, aggregation, and analysis of relevant information are easier to achieve.

Product and Process Results

The product and process results section contain a description of the customer-focused product and process effectiveness results associated with customer products and services, work processes, safety, and supply-chain management.

Customer-focused products and service results. Leaders advance programs and services to *meet the essential needs of the entire family when in crisis, within the mid-Atlantic* region of the United States. Serving the entire family is core to the mission of Six-Thirteen Foundation and is an important core competency that the director exploits

when seeking new partners, suppliers, and collaborators. The collection, management, and analysis of customer-focused results is the responsibility of the leaders. Although the team tracks and trends volumes of products and services provided, there are few results related to the quality of products (Table 2).

Beginning in 2010, the director started distributing diapers, wipes, and baby shampoo to individuals in need. As the team builds recognition for the services provided and collaborators with partners and suppliers, the distribution of diapers increases each year (Figure 4). In the fall of 2017, the team celebrated providing 1 million diapers to people in crisis. In 2017, the director added period supplies to the services provided, by working with the organization's largest supplier, and in 2018, the team supplied 204,000 period essentials for women and girls that do not have the resources to purchase these basics (Figure 4). Beginning in 2016, the team started tracking the number of necessities dispensed to recipients to quantify performance related to mission (Figure 5). In 2018, the team provided services to more than 11,800 families (Figure 5) with the help of 305 partner organizations (Figure 6). Using the Classroom for Good program, the leaders educate volunteers about poverty and engages them as part of the solution to improve social welfare. In 2017, 3,000 volunteers donated more than 40,000 hours to serving families in poverty.
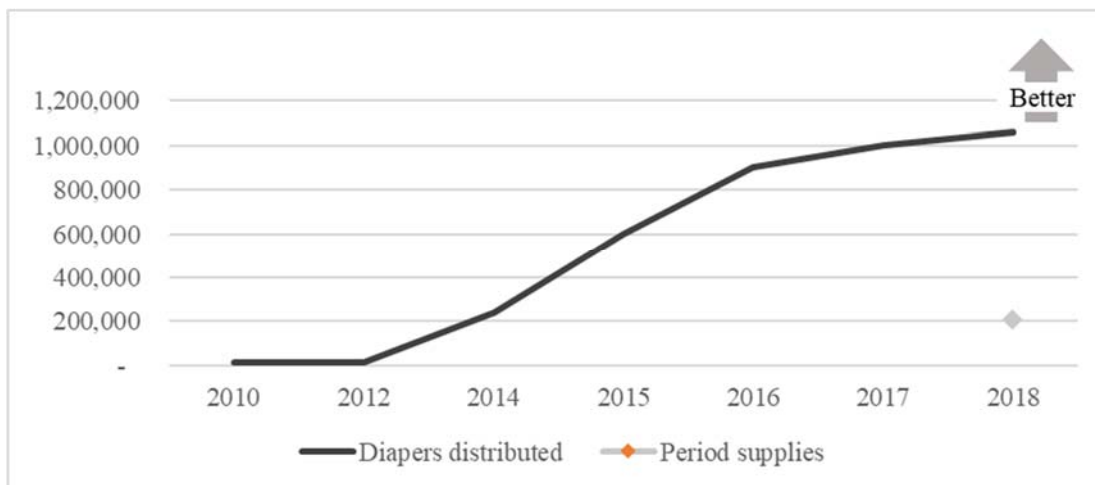
Figure 4. The diapers and period essentials distributed by Six-Thirteen Foundation.
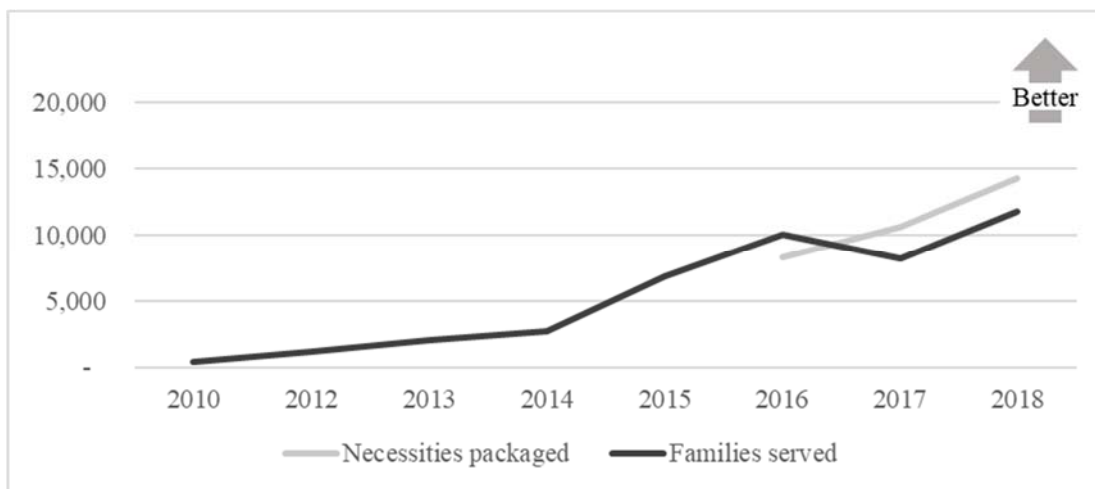
Figure 5. The necessities packaged, and the families who received services.
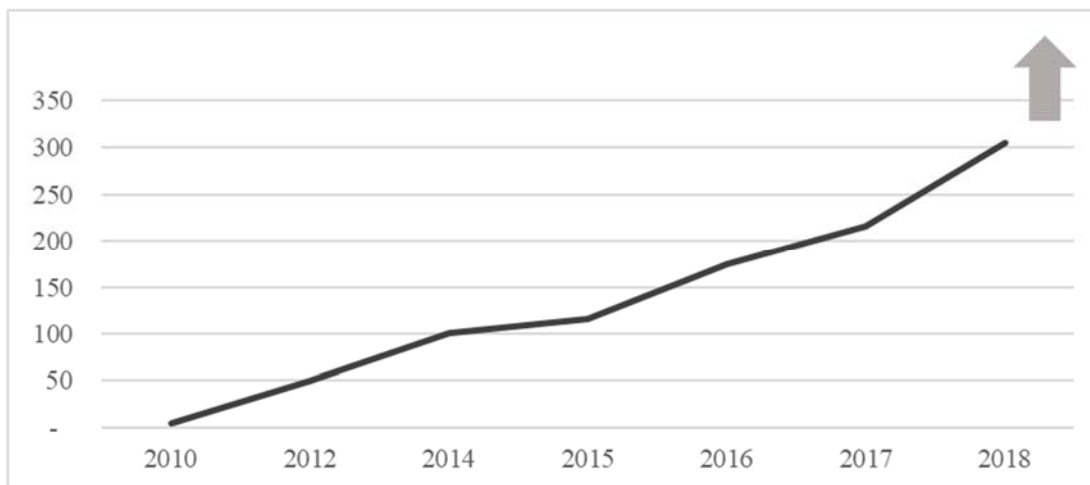
Figure 6. The number of partners, suppliers, and collaborators.

Work process effectiveness results and supply-chain management. Due to

capacity constraints, the leaders are unable to track all work process measures (Table 13)

to determine effectiveness. The director informally addresses turnaround times associated

with recipient requests, packaging, fulfillment, and delivery. To assure the quality of

products, the director removes faulty products from the inventory when a supplier issues

a recall. The use of distribution partners is the newest initiative at Six-Thirteen

Foundation, implemented after losing funding from a key partner. Fostering ongoing

success, the director monitors the recipient pick-up rate (Figure 7) of packages relative to

an internal retrieval benchmark of 80%. To expand the distribution network and provide

recipients essentials close to home, the director continually pursues new partners. In

2018, the director began distributing supplies for recipient retrieval with a few partners,

adding a few each month. The director concluded 2018 with ten distribution partners and

added two additional distribution sites in early 2019, an increase of 20%. To facilitate a

shared understanding, goals, transparency, and mission-alignment, 100% of suppliers,

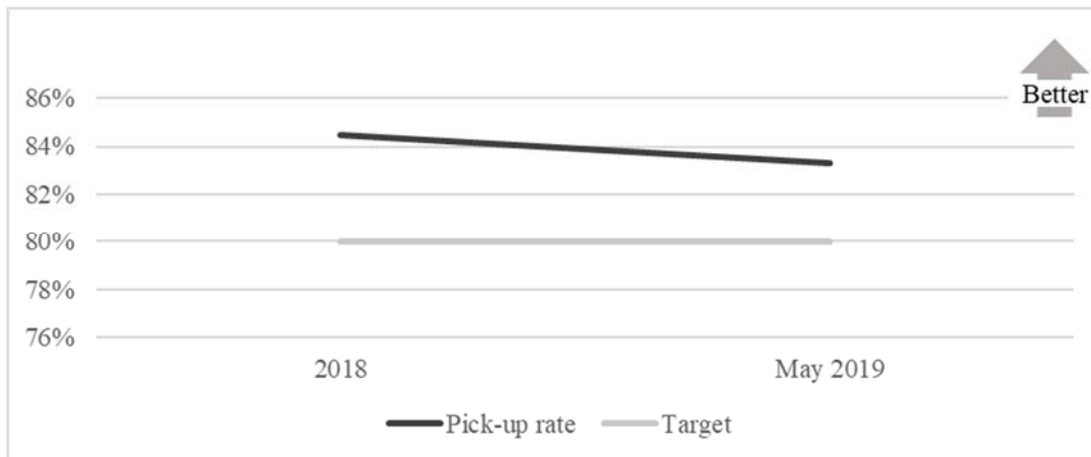partners, and collaborators sign affiliate agreements.

Figure 7. Recipient pick-up rate compared to target.

Safety and emergency preparedness. The director considers the well-being of

the workforce as an essential element of workforce engagement and satisfaction. To

safeguard workforce safety, the director inspects the fire and sprinkler systems quarterly,

fixing any issues that arise quickly to ensure the safety of the workforce (Table 15). The

director practices fire drills (Table 15), on a semiannual basis, to facilitate rapid response

by the entire workforce should an emergency occur. The director administers additional

training regarding safety and emergency processes as needed.

Table 15

Safety and Emergency Preparedness Results

	Percent compliant				
	2014	2015	2016	2017	2018
Fire inspections	100%	100%	100%	100%	100%
Sprinkler inspections	100%	100%	100%	100%	100%
Fire drills	100%	100%	100%	100%	100%

Customer Results

Customer satisfaction and engagement. Serving families in poverty, crisis, homelessness, and severe illness with kindness, compassion, dignity, and hope is central to the work provided at Six-Thirteen Foundation. The team welcomes families and individuals who are unable to obtain immediate or sufficient support from government agencies and traditional service organizations. Through careful assessment and relationship-building strategies (Table 8, Table 11), the team promptly determines recipient needs and delivers individualized assistance. In 2018, the team changed 47,000 lives with varying levels of needs resulting in an increase of 104% since 2015 (Figure 8). Although recipients qualify for multiple demographics such as poverty and illness, the team systematically tracks medically fragile individuals, acknowledging that these individuals need greater assistance. Beginning in 2016, the team started tracking these individuals, serving over 4,000 in 2018, a 69% increase (Figure 9). Because the team changes peoples' lives by providing necessities, recipients seldom complain. One method to capture recipient complaints is by using the website and social media, including Facebook and Twitter. Through increased usage of social media, the director reaches a broader network of recipients, partners, and collaborators.
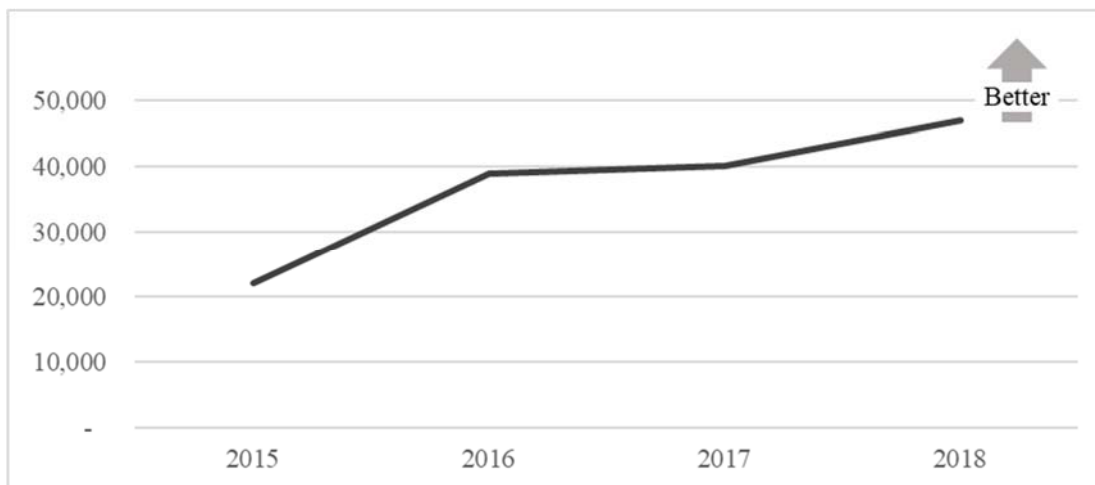
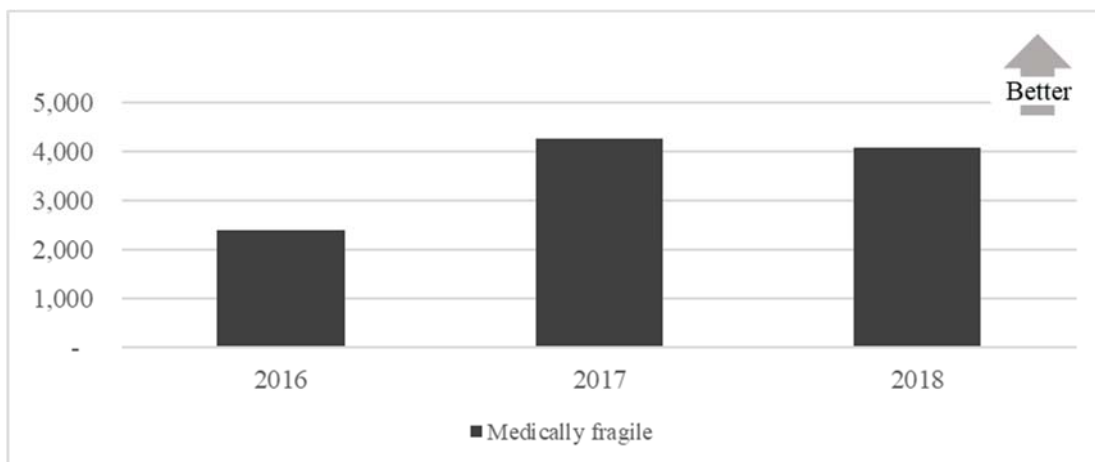*Figure 8.* Lived changed by Six-Thirteen Foundation.

Figure 9. Medically fragile recipients served by Six-Thirteen Foundation.

Workforce Results

Workforce capability and capacity. The workforce is essential to the success of Six-Thirteen Foundation, and without the team, recipients may not receive the help necessary for enrichment. Through enhanced financial growth, the director added employee capacity steadily since 2010 (Figure 10), adding six additional employees. However, because of financial limitations, employees receive less compensation than the

private sector, resulting in recruitment challenges. Salaries and wages as a percent of

revenue is a measure of success that many donors consider before funding future projects.

Through good stewardship, the director manages salaries and wages effectively, which

totals less than 6% of revenue (Figure 11). Without the dedication of engaged volunteers

(Figure 12) augmenting the work provided by employees, recipients would suffer a

decrease in the timeliness of the services and programs. Volunteers donate time on a

daily, weekly, monthly, or annual bases, depending upon the constraints and time

commitments (Figure 12). Through the recent implementation of Galaxy Digital in April

2019, the director can send schedule reminders, store volunteer demographics, and
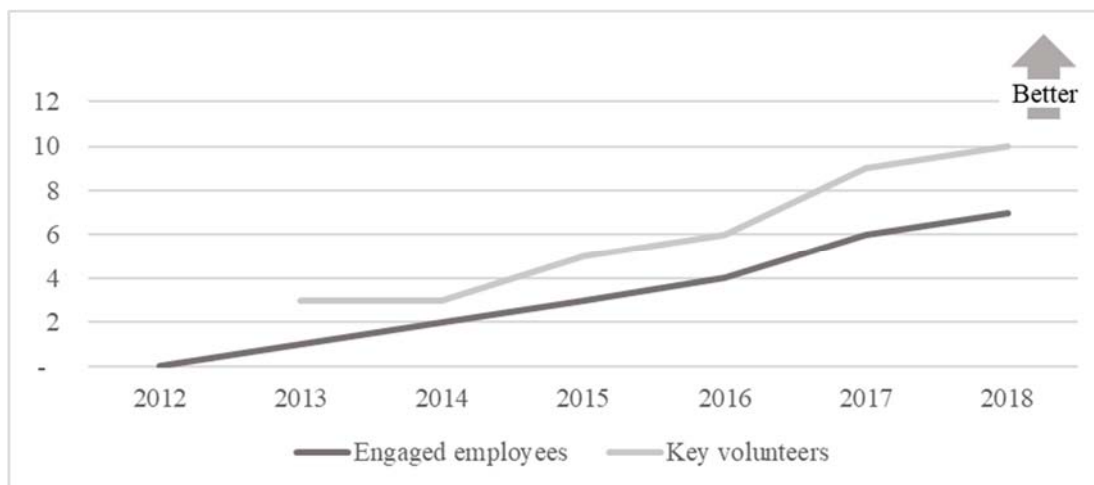
further segment data, which is not yet available.

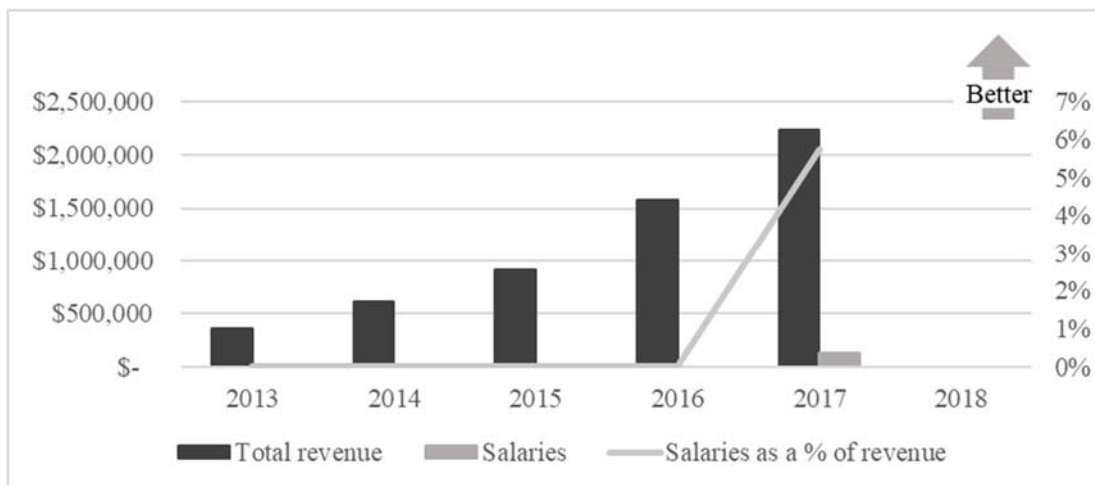*Figure 10.* Employee and essential volunteer capacity.

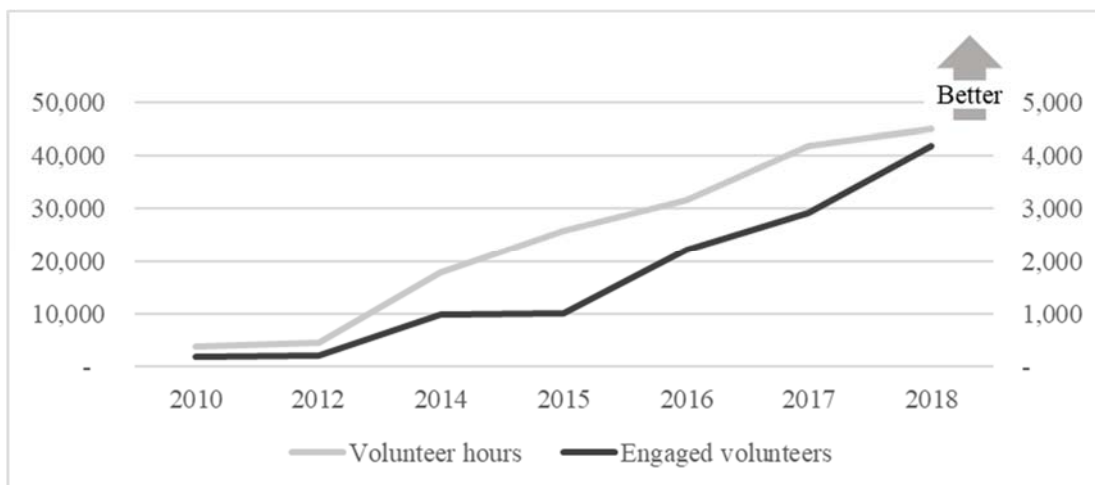*Figure 11.* Salaries as percent of net revenue.

Figure 12. The number of engaged volunteers and hours worked.

Workforce climate, engagement, and development. The director cultivates a

safe work environment by monitoring the number of safety incidents that occur and

completing quarterly fire and sprinkler inspections (Table 15). When an issue occurs, the

director immediately rectifies the problem to foster safety and well-being for all

workforce members. When needed, the director engages the workforce in creative

solutions to prevent safety incidents from happening. For example, the new racking

system, installed in May 2019, creates more space for housing donations closer to the floor, minimizing the need to reach higher levels of shelving, which could lessen falls. Although the director does not track safety incidents and engagement results in a formal survey, the director ranks the workforce as highly engaged with little turnover. With the help of a human resource expert, the director tracks grievances and employee absenteeism as an approach to determine satisfaction. To date, there are no employee grievances or significant issues with absenteeism. To foster a culture of engagement, the director educates employees through webinars, lunch and learns, and conference attendance. The director expects employees to attend at least one training session a year. While the director does not track and trend these data, the director confirms attendance at the annual performance evaluation and indicates that 100% of employees attend at least one education session.

Leadership and Governance Results

Leadership, governance, and social responsibility. The director focuses on ensuring transparency in governance and fiscal accountability by annually initiating an external audit. To prepare for the audit, managers complete internal audits monthly, correcting issues when discovered. To date, there are no significant findings identified through the audit process. However, in 2017, the auditors recommended a correction to internal processes for the tracking of finances to create more transparency and accountability. The director, with assistance from the BOD, maintains 100% compliance with all laws, regulations, and accreditation as a 501(c)(3) (Table 16). The director achieves ethical compliance for the workforce through training and education during

orientation, the signing of a code of conduct, and completing a confidentiality and

nondisclosure agreement (Table 16). Because of the small organizational size, the

director does not use a BOD or leadership survey to determine the effectiveness of

leaders' engagement or communication. With assistance from a dedicated and engaged

workforce, the director improves societal well-being and supports people in need,

changing 47,000 lives in 2018 (Figure 8). The team ensures good stewardship of the

environment through the recycling of clothes not fit for recipients.

Table 16

Governance, Ethics, and Compliance to Laws, Regulations, and Accreditations

Process	Measure or indicator	Results				
		2014	2015	2016	2017	2018
Governance						
Annual internal and external audits	# of issues	0	0	0	0	0
Organizational bylaws	% compliant	100%	100%	100%	100%	100%
Inventory audit	# of findings	0	0	0	1	0
Laws, regulations, and accreditations						
Compliance with all regulations impacting human resources	# of issues	0	0	0	0	0
Compliance with state and IRS laws and regulations for NPOs	File IRS Forms	100%	100%	100%	100%	100%
Conflict of interest statements and code of conduct	% of statements signed	100%	100%	100%	100%	100%
Ethics						
Employee handbook	% of handbooks signed upon receipt	100%	100%	100%	100%	100%
Employee confidential information and nondisclosure agreement	% signed	100%	100%	100%	100%	100%
Whistleblower policy	# of violations	0	0	0	0	0

Strategy implementation. The director achieves strategic priorities (Table 10)

through the ongoing review of performance at the monthly BOD meetings. The leaders

determine measures related to financial and strategic performance during the strategic

planning process (Figure 3) and deploy measures through the leadership system (Figure

2) and communication methods (Table 8). Strong financial performance occurs through

the dedication of donors, partners, collaborators, and suppliers (Figure 6), and without the

help of these key stakeholders, Six-Thirteen Foundation could close. The director

personally calls and thanks each donor, whether the gift donated goods, cash,

sponsorship, or grant. Donors are a significant resource that the director uses to meet the

needs of recipients in crisis; however, due to capacity constraints, the director does not

monitor donor retention or the number of donors. Other strategic priorities include

diapers supplied to families (Figure 4), workforce training and development (see

workforce climate, engagement, and development results), and economic achievements

(see financial and market results).

Financial and Market Results

   Financial and market results. Financial performance measures are essential to

expanding the mission of Six-Thirteen Foundation, and the director monitors results to

ensure organizational viability and stability. The director reviews financial results,

outlined in the strategic plan (Table 10) with the BOD monthly to ascertain progress

towards goals, objectives, and action plans. Revenue derives from contributions, gifts,

grants, and special events (Table 6), with the largest percentage of funds deriving from

donated goods or in-kind contributions (Figure 13). Realizing the need to diversify the

organization's funding sources, the director added two fundraising events in 2016,

resulting in a growth rate of 227% in 2018. The leaders successfully increased grants

from corporations and foundations through the development of personal relationships for

most years shown (Figure 14), resulting in a 71% growth rate from 2015.
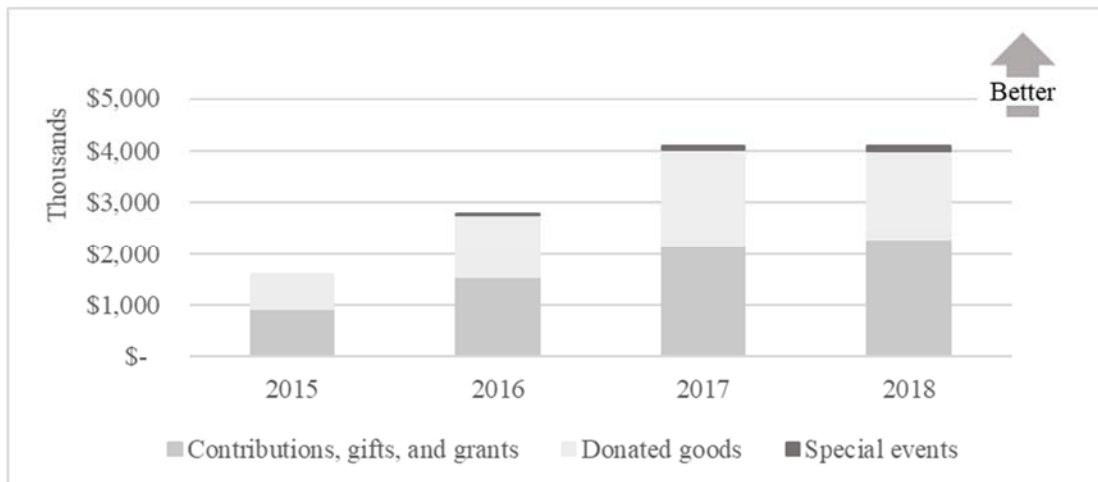

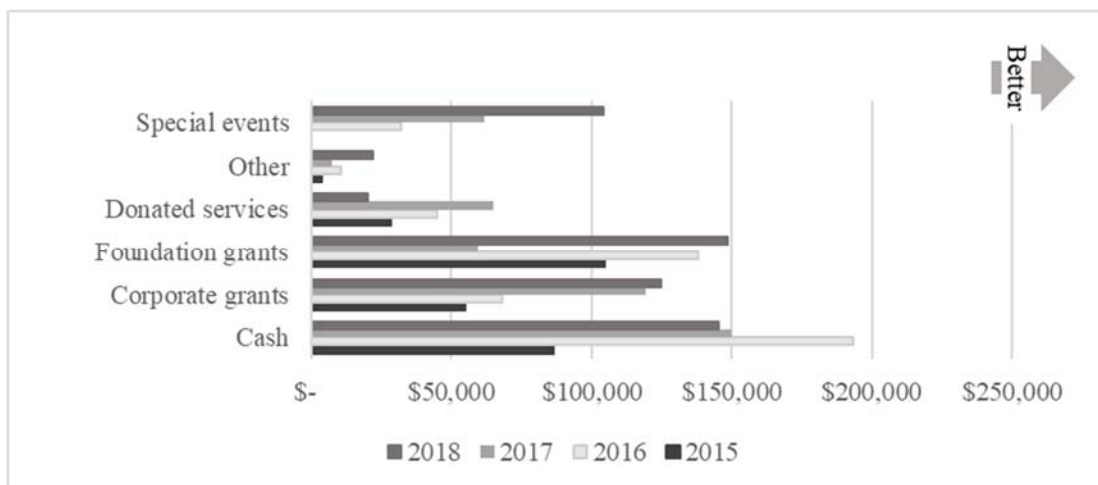*Figure 13.* Revenue from contributions, gifts, grants, and special events.

Figure 14. The diversified portfolio of revenue used at Six-Thirteen Foundation.

The director uses total revenue compared to total expenses (Figure 15) and the

percent change in total revenue compared to the percent change in expenses as indicators

of financial health (Figure 16). From 2013 to 2017, revenue increased by 529% and

expenses increased at a lesser rate of 506%, indicating improved financial performance

through the better management of organizational costs. The percent change for revenue

and expenses, ranging from 22% to 82% for any given year, differs year-to-year based on
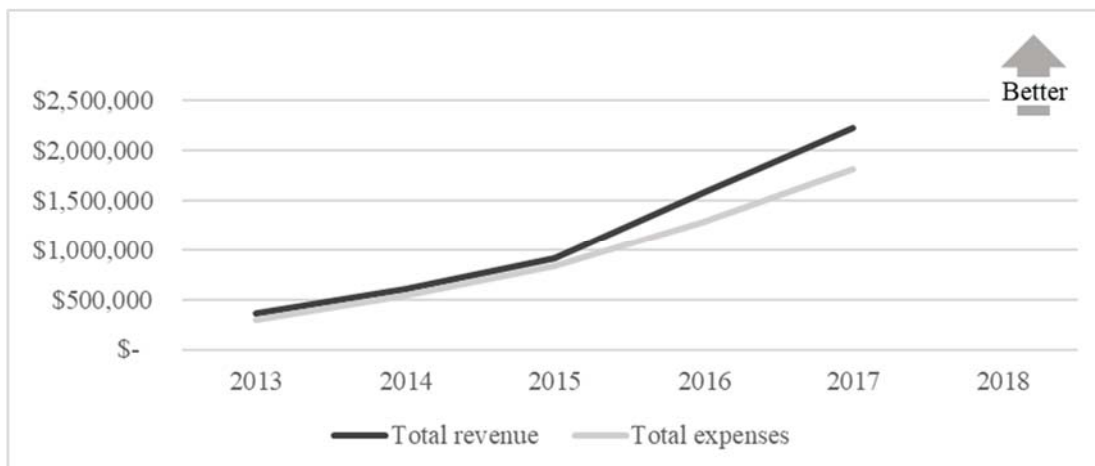
donors' gifts and contributions.

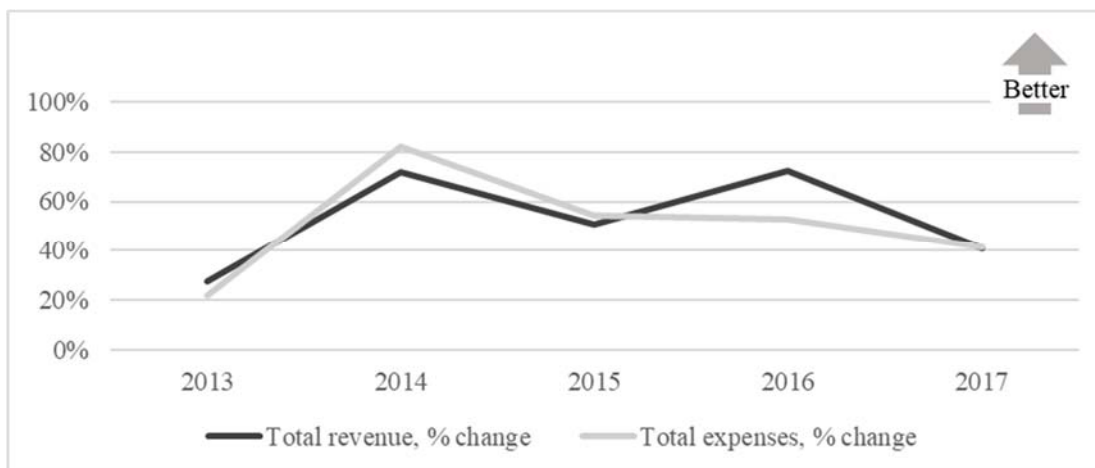*Figure 15.* Total revenue compared to total expenses.

Figure 16. The percent change in total revenue compared to total expenses.

To guarantee financial health for long-term sustainability, the director needs a

surplus of funds to expand the mission and survive during economic hardships.

Unrestricted surplus as a percent of expenses is an indicator of long-term profitability and

financial health. In 2017, the surplus as a percent of expenses exceeded 24%, the highest

since the beginning of operations (Figure 17). Other indicators of financial health are the

days of cash-on-hand, net assets, and months of estimated liquid unrestricted net assets

(Figure 18), the director can maintain operations for up to a year, without a single

donation. Cash, net assets, and unrestricted net assets demonstrate beneficial levels and

trends for each year shown. Because a partner donates the warehouse and office space, no

liabilities are offsetting the effectiveness of organizational assets, thereby improving the

financial health of Six-Thirteen Foundation. The director does not track performance

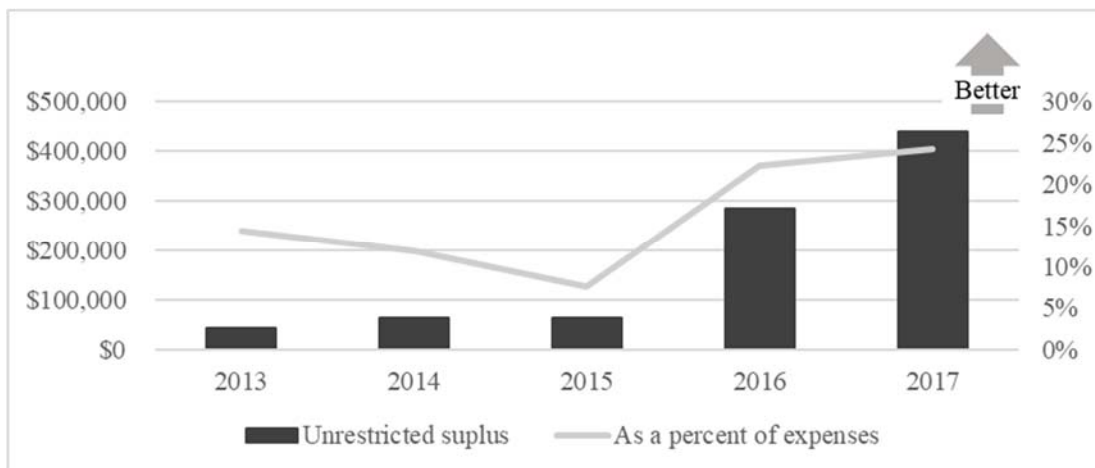measures relative to market place performance and market share.

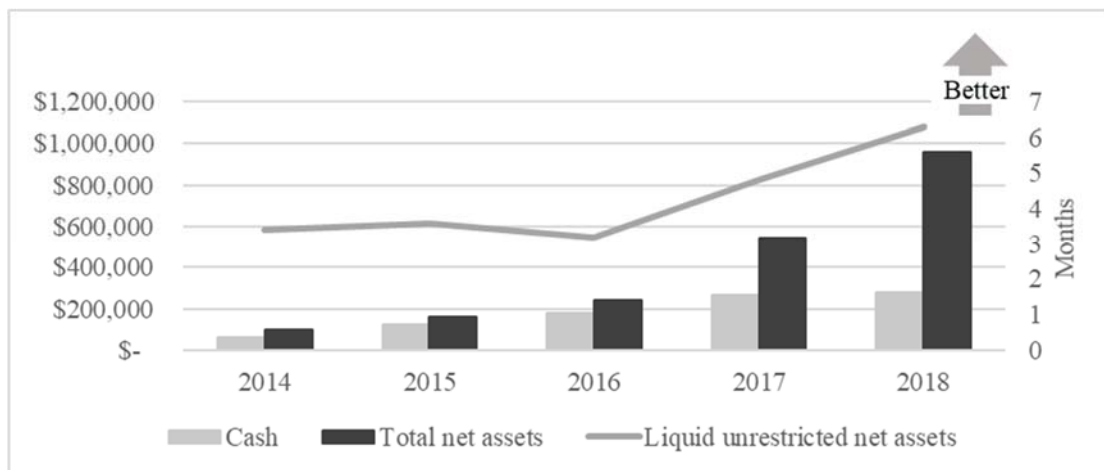*Figure 17.* Unrestricted surplus as a present of expenses.

Figure 18. Measures of financial health, including cash, net assets, and liquid unrestricted net assets.

Key Themes

Understanding *what* essential processes the director uses at Six-Thirteen Foundation and *how* the processes operate is an essential element of this study. The following key themes incorporate process strengths and process opportunities for improvement using the evaluation factors of approach, deployment, learning, and integration. An approach is an extent to which leaders create a repeatable process, enable learning, and deployed the processes across the organization (Baldrige Performance Excellence Program, 2017). Learning comprises of evaluation and improvement cycles leaders use to generate organizational effectiveness and efficiency, and integration is the harmonization among processes, plans, measures, actions, and results (Baldrige Performance Excellence Program, 2017). The final paragraphs include a description of the results strengths and results opportunities for improvements using the evaluation factors of levels, trends, comparisons, and integration, mentioned in the collection,

analysis, and preparation of results section.

Process strengths. The mission and values are the foundation of every action, process, program, and service provided by the Six-Thirteen Foundation team. Through every recipient interaction, the workforce demonstrates a commitment to meeting the needs of recipients by listening with compassion, delivering kindness, honoring dignity, and restoring hope. Beginning with the hiring and orientation processes for new employees, the director fosters a mission-driven and aligned workforce, a key strategic advantage (Table 7), through the leadership system (Figure 2), systematic and well-deployed communication methods (Table 8), and strategic planning process (Figure 3). Using the many communication approaches, the director builds and enhances BOD involvement and collaboration with partners, suppliers, and collaborators to expand the organizational mission for the betterment of meeting the needs of individuals in crisis, poverty, homelessness, and severely ill that are unable to access services from traditional and government agencies.

Leaders support the mission-driven workforce and interactions with recipients through the leadership system (Figure 2) and the annual strategic planning process (Figure 3). Using the strategic planning process, the team identifies strategic priorities, action plans, and associated measures (Table 10) to champion ongoing success and long-term sustainability. A focus on financial performance, including donor retention and revenue diversification, is a significant element of the director's success. The director incorporates stakeholder feedback and suggestions for improvement to expand programs and services for recipients. Through the alignment of processes and operational activities

to the strategic plan, the leaders emphasize the mission in every recipient interaction, create ongoing success, and achieve long-term organizational sustainability for the continued services of people in crisis.

Collaboration with partners, suppliers, collaborators, and key stakeholders for the enrichment of recipient lives is a consideration for every process, action, and decision. Through the newly established distribution network, the director expanded services to recipients closer to home at a lower cost, saving valuable financial resources. By using the distribution network, the leaders share the organizational mission to an expanded community of collaborators, acquire additional committed partners, and unexpectedly, have more opportunities to enhance funding sources. Leaders noted that the distribution network might be the single process that leads to decreased organizational risk and increased financial stability during economic hardships.

Process opportunities. The leaders are in the beginning stages of developing and implementing processes, including assessing workforce and recipient engagement, analyzing organizational performance measures for many areas of importance, and identifying a leader succession plan. Although the director informally determines workforce engagement during the annual performance evaluation and communication methods (Table 8), there is a need to formally assess workforce engagement in a manner to foster trust, anonymity, and objectiveness. Through the assessment of workforce engagement may improve feelings of inclusiveness and commitment while providing anonymous opportunities for improvement.

The team uses Salesforce extensively to track every interaction with the recipients, including dissatisfaction. However, there is no process by which the team formally assess recipient satisfaction and engagement relative to services, programs, processes, and website offerings provided by Six-Thirteen Foundation. By systematically assessing satisfaction and engagement, the director may determine new opportunities for expanded services, website improvements, and process effectiveness, ultimately improving how the team meets the recipients' requirements of timely, effective, efficient, and customer-friendly products.

Through the recent deployment of technology systems to enhance donor relationships and volunteer capacity, the director is beginning to select and collect data and information necessary to organizational operations and decision-making. Many of the data and information collected are in a paper process, making analysis difficult and time-consuming. For example, turnaround times of care packages for recipients are essential to meet the requirement for timeliness of services (Table 13); however, the director does not collect data to determine if the team met the turnaround goal of 72 hours or donor retention, a strategic initiative. By dedicating resources for the systematic analysis of information associated with areas of importance such as workforce safety, strategy attainment, workforce capability, and BOD effectiveness, the director may extract additionally meaning to support evaluation, decision making, improvement, and innovation.

There is not a formal succession plan in place for the director of the organization. Much of Six-Thirteen Foundation's success depends upon the dynamic and mission-

focused personality of the director. There is an overall concern by fellow leaders for the future of Six-Thirteen Foundation should the director retire from the organization. By developing and sharing a formal succession plan with the BOD, the director may aid leadership continuity and organizational sustainability, alternatively mitigating the adverse effects related to limited funding, workforce capacity, and increased number of individuals in a crisis that require services (Table 6).

Results strengths. The leaders at Six-Thirteen Foundation demonstrate beneficial levels and trends for most financial, service, and program performance measures presented. The number of lives served is an indicator of mission achievement; in 2018, the team served over 47,000 individuals in crisis (Figure 9), an increase of 104% since 2015. Providing period and diaper supplies are essential services for families in crisis, and without such essentials, families may have difficulty returning to work or improving their social situation. In 2017, the team celebrated a record 1 million diapers, exceeding the 2018 goal (Figure 4). Since opening the doors of Six-Thirteen Foundation, the team steadily supplied diapers at an increasing rate from year-to-year, and since the beginning, distributed approximately 4 million diapers to families. The period supply program is the newest addition to the programs and services provided, and in the first year, the team supplied 204,000 period essentials to women and girls unable to afford these basics (Figure 4).

To provide programs and services continually necessitates a robust financial position. The director reveals strong financial performance using a diversified portfolio of revenue sources, including donated goods, cash, grants, and event fundraising (Figure

18). The team uses two annual fundraising events to maximize brand recognition and build relationships with donors, partners, and collaborators for future fundraising opportunities. The director models good financial stewardship by repurposing office furniture and supplies thrown away by collaborators, recycles poor quality clothing, and seeks free products for recipients, such as diapers, soap, and toys. Through the practice of stewardship, the director minimizes the use of valuable financial reserves and ensures that every dollar donated goes to meet the needs of individuals in crisis.

Results opportunities. While most of the organizational results presented show beneficial levels and trends, the director is in the beginning stages of integrating performance measures for all areas of business, operational, and financial importance. For example, there are no results demonstrating donor retention, board effectiveness, BOD and workforce training and education, recipient satisfaction, workforce engagement, and workforce capability, one of four vital strategic priorities. Additionally, for some results, there are less than 2 years of data, making the trending of performance difficult. The director acknowledges the lack of performance measure analysis as a method to drive performance improvement and strives to increase workforce capability and capacity to accomplish more selection, collection, and analysis of measures essential to achieve high levels of performance and ongoing success.

Project Summary

NPO leaders promote a public cause on a not-for-profit basis by supplying programs and services to enhance the economic and social development of a community (Liao & Huang, 2016; Richie et al., 2015). Hence, NPO financial health is essential for

the fulfillment of the organizational mission and realization of long-term sustainability (Duquette, 2017). To achieve financial health and sustainability, NPO leaders can use a revenue diversification strategy to improve financial stability during economic hardships and mitigate organizational volatility and risk (Chang & Tuckman, 1991; Mayer et al., 2014, Tevel et al., 2015). NPO leaders who diversify revenue streams to include government grants, individual contributions, partnerships and sponsorships, services and fees, and investments can minimize the effect of predictable changes and reinforce financial stability (Carroll & Stater, 2014; Kingma, 1993; von Schnurbein & Fritz, 2017). NPO leaders who used four or more sources of revenue are less likely to be financially vulnerable to economic changes (Despard et al., 2017). Without a focus on financial health and revenue diversification, NPO leaders could encounter low operating margins and the cutting of programs and services rather than extending the organizational mission (Ceptureanu et al., 2017).

In this study, I analyzed a variety of revenue diversification strategies that leaders at Six-Thirteen Foundation used to facilitate financial health, mission expansion, and organizational success. Using the 2017-2018 Baldrige Excellence Framework criteria questions for areas of importance including leadership; strategy; customers; workforce; operations; and analysis, measurement, and knowledge management, I sought leader responses on *what* processes support revenue diversification strategies and *how* leaders approach, deploy, learn, and integrate processes throughout the organization. Participants provided valuable insight into how leaders use key work processes and support processes to execute the strategic priorities of finance, workforce capacity, BOD development, and

services (Table 10). The findings and recommendations of this study could help SLs at Six-Thirteen Foundation improve organizational systems and processes to improve organizational processes related to strategic priorities and facilitate ongoing success. Continually revising and refining revenue sources, organizational process, and performance measures could lead to financial capability and resilience to weather economic hardships. Leaders of other small NPOs may find the approaches and learnings used by SLs of Six-Thirteen Foundation beneficial to improve financial capacity, operational effectiveness, social responsibility, and workforce capability to expand their organizational mission. Further, the analysis of the approaches, implementation strategies, learning opportunities, and integration of processes across areas importance may help other leaders achieve good-to-excellent performance levels.

Contributions and Recommendations

NPO leaders encounter increased social burdens, such as social disparities and migration, that increase the pressure to maintain adequate revenue sources for the furtherance the organizational mission (Berzin et al., 2016). Diversifying revenue sources is crucial to preserving services, enhancing programs, and saving financial reserves for the achievement of strategic priorities and long-term sustainability. Success is not possible without dedicated leaders creating an environment of learning and the alignment of processes across the organization. To achieve performance excellence, leaders should form an integrated approach to performance management that results in ever-improving value for customers and stakeholders, improving the overall effectiveness and

organizational learning (Baldrige Performance Excellence Program, 2017). In the

following paragraphs, I identify areas of opportunity with associated recommendations.

The mission of meeting the needs of people in crisis with compassion, kindness,

dignity, and hope is the core of every service, program, process, and interaction provided

by the team of Six-Thirteen Foundation. The director integrates the mission and values

through organizational processes using the leadership system, strategic planning

processes, VOC methods, and communication approaches. However, without a dynamic,

passionate, and mission-driven leader, the focus on the organizational mission may be

lost. The emphasis on mission is paramount to Six-Thirteen Foundation's success. To

ensure continued success now and in the future, build brand awareness, and expand the

network of partners, suppliers, and collaborators for Six-Thirteen Foundation, I

recommend that the leaders continue to systematically plan for the future, diversify

revenue sources, guide the workforce, and provide public awareness to the social

challenges faced by individuals in crisis. To support these endeavors, the leaders should

develop a formal succession plan for easy implementation when the need arises.

Expanding the organizational mission would not be possible without help from

devoted and enthusiastic partners, suppliers, and collaborators. Partners, supplier, and

collaborators offer a plethora of products, services, space, marketing, and support at little

or no cost, thereby preserving valuable financial resources. Through these interactions,

the director created a distribution network to expand services to recipients closer to home,

while lowering costs associated with front-door deliveries. The leaders extensively build

relationships with partners to garner new financial resources, achieve strategic priorities,

and safeguard ongoing organizational success. I recommend that the leaders continue to extend the network of partners, suppliers, and collaborators, fostering more awareness for the organizational mission through the community.

The leaders capitalize on a mission-driven, engaged, and agile workforce to accomplish organizational objectives, improve operational processes, and meet the needs of individuals in crisis with compassion and kindness. Through the communication methods, the workforce provides valuable feedback to leaders, identifies opportunities for improvement, shares best practices, and validates customers' needs, expectations, and requirements. Although the team communicates often and openly, the leaders do not practice an approach that anonymously captures workforce feedback. By capturing the voices of over 4,000 volunteers and seven employees, the leaders may find additional opportunities for improvement to enhance operations and workforce morale.

Similarly, the team collects recipient data and information in technology systems, such as Salesforce. However, the leaders do not formally seek the satisfaction of recipients for services and programs provided. By understanding recipients' needs, expectations, and requirements, leaders may improve services and programs to meet the needs of people in crisis better. I recommend that the leaders implement a survey for both the workforce and recipients to identify what the team does well and how they could improve services and programs.

Lastly, I recommend that the leaders integrate performance measures for critical areas of importance, including leadership, strategy, workforce, customers, and operations. The leaders foster a culture of performance improvement and agility through multiple

communication methods, but without aligning measures to essential processes, the leaders may have difficulty catching errors early or react quickly, saving valuable financial, human, and organizational resources. Dedicating resources to the task of integrating performance measures could help leaders manage by fact rather than using anecdotal information to support daily decision making. Through the creation, tracking, and trending of performance measures, derived from organizational needs and strategy, leaders may identify critical data and information about processes, outputs, results, outcomes, and the NPO industry, enhancing organizational sustainability.

To the academic community, I recommend that researchers explore how leaders use an alternative conceptual framework, such as organizational performance, strategic management, or general systems theory, to explore how NPO leaders can use revenue diversification and financial health strategies and supporting work processes to achieve long-term sustainability past 10 years of operations. Using an alternative theory may give an alternative perspective on the subject. Additionally, using a mixed-methods approach, in conjunction with the Baldrige Excellence Framework, may furnish some tangible and actionable data for leaders of small NPOs related to the effectiveness of using revenue diversification strategies. Lastly, I recommend that future researchers use a multiple case study method to validate the effectiveness of the revenue diversification strategies within the same region.

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Appendix A: Interview Protocol

Date:
Time:
Participant:
Researcher:

Introduction:

My name is____. The goal of this reach project is to discover the revenue diversification strategies that facilitate ongoing organizational success. I will use the information gleaned from this interview to identify successful revenue diversification strategies that leaders of small nonprofit organizations can use to expand the organizational mission, improve community services, and catalyze organizational success.

Before this interview, I emailed you a copy of the consent form, which you returned electronically. The interviews will take approximately 30-45 minutes and will follow a semistructured format. I will record the interview, first noting the date and time, and for anonymity, I will identify you as Participant _____(Participant 1; Participant 2; Participant 3) when coding the transcript (PO1; PO2; PO3). You have the right to withdraw from the research project at any time by expressing your intent either verbally or electronically. Do you have any questions or concerns you would like to share with me? If there are no other questions, we can get started.

Turn on the voice recorder.

Central Research Question: What revenue diversification strategies do leaders of small nonprofit organizations use to facilitate ongoing organizational success?

1. Do you have any regarding the topic?

Introduction Questions:

2. When did you start working with _____ (nonprofit organization)?

3. What is your role?

4. Why do you want _____ (nonprofit organization) to be successful?

Interview Questions:

1. What revenue diversification strategies do you use to facilitate organizational success?

2. How do you mitigate the challenges associated with each strategy?

3. How do you determine the effectiveness of your revenue diversification strategies?

4. How would you describe the financial health of your nonprofit organization, since implementing your strategies?

   a. What performance measures do you use to evaluate financial health?

5. How do you use revenue diversification strategies to capitalize on your core competencies, maximize strategic advantages, and mitigate strategic challenges?

6. Based on your experience, how did revenue diversification strategies facilitate your organization's ongoing success?

7. What additional information would you like to share with me about your organization's successful revenue diversification strategies?

Thank you for the time today. I will provide you a copy of the transcript, including all questions and concerns for your review following the interview. If there are any concerns or additional information you feel pertains to the discussion, please feel free to reach me at ____. Have a wonderful day.

Appendix B: Consulting Capstone 40-Week Project Timeline

Term/ Week No.	Activity	Deliverable(s)	Key Performance Indicators/Measures
Term 1/ Wk 1	Contact client Identify and agree upon scope of project and deliverables Create, submit, and receive client's signature on Service Order (SO) Client provides orientation to org's culture, policies and protocols, and regulatory compliance requirements Complete Form A to receive the IRB approval number for this case study	Signed SO that aligns with DBA Research Agreement	List of client's needs, expectations, and requirements, including understanding of client's organizational culture, policies, and regulatory compliance requirements Affirmation of/agreement upon project scope, deliverables, and timeline Signed SO
Term 1/ Wk 2	Begin data- and information-gathering interviews and research (e.g., client's website, foundational documents)	Construct template for working draft of client's Organizational Profile (OP) and outline of key factors (KFs)	Template for documentation of evidence supporting students' identification of key factors that are of strategic importance to the organization
Term 1/ Wk 3	Continue gathering data/information through interviews with client's key leaders, managers, and stakeholders	Complete relevant sections of template	Draft of client's product offerings and services, business proposition, mission, vision, values (MVV), and core competencies, governance structure, relationship to parent organization
Term 1/ Wk 4	Gather data/information about client's workforce and customers	Complete relevant sections of template	Draft of client's workforce profile, including volunteers; table of relevant workforce demographics, requirements, and engagement factors
Term 1/ Wk 5	Gather data/information about client's key suppliers, partners, and collaborators	Complete relevant sections of template	Draft of client's key suppliers, partners, and collaborators, including key mechanisms for communication and key supply-chain requirements

Term 1/ Wk 6	Gather data/information about client's assets, regulatory requirements, and key competitive changes	Complete relevant sections of template	Draft of client's assets (facilities, technologies, equipment), regulatory requirements, including occupational health and safety regulations, accreditation, certification, industry standards, and/or product regulations
Term 1/ Wk 7	Gather data/information about client's strategic advantages and challenges, and performance improvement system	Complete relevant sections of template	Draft of client's key strategic challenges and advantages in areas of business, operations, societal responsibilities, and workforce; key elements of client's performance improvement system
Term 1/ Wk 8	Draft OP	Completed OP template	Working draft of OP
Process Chapters: Leadership Triad Component of Client Case Study (Leadership, Strategy, Customers)			
Term/ Week No.	Activity	Deliverable(s)	Key Performance Indicators/Measures
Term 2/ Wk 1 (Wk 9 of 40-wk plan)	Leadership 1.1: Gather evidence to describe and evaluate: How do senior leaders lead the organization?	- How do senior leaders set MVV? - How do leaders' actions demonstrate their commitment to legal and ethical behavior? - How do leaders communicate with and engage the entire workforce and key customers? - How do leaders create an environment for success now and in the future? - How do leaders create a focus on action that will achieve the organization's mission?	Working draft of Leadership 1.1
Term 2/ Wk 2 (Wk 10 of 40-wk plan)	Leadership 1.2: Gather evidence to describe and evaluate: How do leaders govern the organization and fulfill societal responsibilities?	- How does client organization ensure responsible governance? - How does client organization evaluate the performance of senior leaders and the governance board? - How does client organization address and anticipate legal, regulatory, and community concerns with its products and operations?	Working draft of Leadership 1.2

		- How does client organization promote and ensure ethical behavior in all interactions? - How does client organization consider societal well-being and benefit as part of its strategy and daily operations? - How does client organization actively support and strengthen its key communities?	
Term 2/ Wk 3 (Wk 11 of 40-wk plan)	Strategy 2.1: Gather evidence to describe and evaluate: How does client organization develop strategy?	- How does client organization conduct strategic planning? - How does strategy development process stimulate and incorporate innovation? - How does client organization collect/analyze relevant data and develop information to support strategic planning? - How does client organization decide which key processes will be accomplished by its workforce and which by external suppliers and partners? What are client organization's key work systems? - What are client organization's vital few strategic objectives and timetable for achieving them? - How do strategic objectives achieve appropriate balance among varying/competing organizational needs?	Working draft of Strategy 2.1
Term 2/ Wk 4 (Wk 12 of 40-wk plan)	Strategy 2.2: Gather evidence to describe and evaluate: How does client organization implement strategy?	- What are key short- and longer-term action plans? - How does client organization deploy action plans? - How does client organization ensure availability of financial and other resources (including HR) to achieve action plans while meeting current obligations? - What are key workforce plans to support short- and longer-term strategic objectives and action plans? - What key performance measures or indicators does client organization use to track achievement/effectiveness of action plans?	Working draft of Strategy 2.2

		- For these key performance measures/indicators, what are client organization's performance projections for short- and longer-term planning horizons? - How does client organization establish/implement modified action plans if circumstances require a shift in plans and rapid execution of new plans?	
Term 2/ Wk 5 (Wk 13 of 40-wk plan)	Customers 3.1: How does client organization obtain information from customers?	- How does client organization listen to, interact with, and observe customers to obtain actionable information? - How does client organization listen to potential customers to obtain actionable information? - How does client organization determine customer satisfaction, dissatisfaction, and engagement? - How does client organization obtain information on customers' satisfaction relative to other organizations?	Working draft of Customers 3.1
Term 2/ Wk 6 (Wk 14 of 40-wk plan)	Customers 3.2: How does client organization engage customers by serving their needs and building relationships?	- How does client organization determine product offerings? - How does client organization enable customers to seek information and support? - How does client organization determine customer groups and market segments? - How does client organization build and manage customer relationships? - How does client organization manage customer complaints?	Working draft of Customers 3.2
Term 2/ Wk 7 (Wk 15 of 40-wk plan)	Analyze/Evaluate information for Leadership Triad (Leadership, Strategy, Customers)	Organize, analyze, validate, and confirm data and information for Leadership, Strategy, Customers	Working draft of Leadership Triad chapters of Client Case Study, including evidence-based feedback on client's strengths and opportunities for improvement (OFIs) Milestone 1
Term 2/ Wk 8 (Wk 16 of 40-wk plan)	Align and integrate data/information in OP and Leadership Triad (Process categories 1, 2, and 3)	Compile draft document of OP and all process chapters in Leadership Triad (Process categories 1, 2, and 3)	Complete working draft of process chapters of Leadership Triad (Process categories 1, 2, and 3), including evidence-based feedback on client's strengths and OFIs

Process Chapters: Initial Results Triad (Workforce, Operations) and Measurement, Analysis, and Knowledge Management Components of Client Case Study			
Week No.	Activity	Deliverable(s)	Key Performance Indicators/Measures
Term 3/ Wk 1 (Wk 17 of 40-wk plan)	Workforce 5.1: How does client organization build an effective and supportive workforce environment?	- How does client organization assess workforce capability and capacity needs? - How does client organization recruit, hire, place, and retain new workforce members? - How does client organization prepare its workforce for changing capability and capacity needs? - How does client organization manage its workforce? - How does client organization ensure workplace health, security, and accessibility for its workforce? - How does client organization support its workforce via services, benefits, and policies?	Working draft of Workforce 5.1
Term 3/ Wk 2 (Wk 18 of 40-wk plan)	Workforce 5.2: How does client organization engage its workforce to achieve a high-performance work environment?	- How does client organization foster a culture characterized by open communication, high performance, and an engaged workforce? - How does client organization determine key drivers of workforce engagement? - How does client organization assess workforce engagement? - How does client organization's workforce performance management system support high performance and workforce engagement? - How does client organization's learning and development system support the organization's needs and the personal development of its workforce members, managers, and leaders? - How does client organization evaluate the effectiveness and efficiency of its learning and development system? - How does client organization manage career progression for its workforce and future leaders?	Working draft of Workforce 5.2

Term 3/ Wk 3 (Wk 19 of 40-wk plan)	Operations 6.1: How does client organization design, manage, and improve its key products and work processes?	- How does client organization determine key product and work process requirements? - What are the client organization's key work processes? - How does client organization design its products/processes to meet requirements? - How does client organization's day-to-day operation of work processes ensure that they meet process requirements? - How does client organization determine its key support processes? - How does client organization improve work processes to improve products and performance, enhance its core competencies, and reduce variability? - How does client organization manage its supply chain? - How does client organization pursue opportunities for innovation?	Working draft of Operations 6.1
Term 3/ Wk 4 (Wk 20 of 40-wk plan)	Operations 6.2: How does client organization ensure effective management of operations?	- How does client organization control overall costs of operations? - How does client organization ensure the reliability of its information systems? - How does client organization ensure the security and cybersecurity of sensitive or privileged data and information? - How does client organization provide a safe operating environment? - How does client organization ensure that it is prepared for disasters/emergencies?	Working draft of Operations 6.2
Term 3/ Wk 5 (Wk 21 of 40-wk plan)	Measurement, Analysis, and Knowledge Management 4.1: How does client organization measure, analyze, and then improve organizational performance?	- How does client organization track data and information on daily operations and overall performance? - How does client organization select comparative data and information to support fact-based decision making?	Working draft of Measurement, Analysis, and Knowledge Management 4.1

		- How does client organization select voice-of-the-customer and market data and information? - How does client organization ensure that its performance measurement system can respond to rapid/unexpected organizational or external changes? - How does client organization review its performance and capabilities? - How does client organization project its future performance? - How does client organization use findings from performance reviews to develop priorities for continuous improvement and opportunities for innovation?	
Term 3/ Wk 6 (Wk 22 of 40-wk plan)	Measurement, Analysis, and Knowledge Management 4.2: How does client organization manage its information and organizational knowledge assets?	- How does client organization verify and ensure the quality of organizational data and information? - How does client organization ensure the availability of organizational data and information? - How does client organization build and manage organizational knowledge? - How does client organization share best practices in the organization? - How does client organization use its knowledge and resources to embed learning in the way it operates?	Working draft of Measurement, Analysis, and Knowledge Management 4.2
Term 3/ Wk 7 (Wk 23 of 40-wk plan)	Analyze/Evaluate information for Initial Results triad (Workforce, Operations) and Measurement, Analysis, and Knowledge Management	Organize, analyze, validate, and confirm data and information for Workforce; Operations; and Measurement, Analysis, and Knowledge Management	Working draft of Initial Results Triad chapters of Client Case Study, including evidence-based feedback on client's strengths and OFIs
Term 3/ Wk 8 (Wk 24 of 40-wk plan)	Align and integrate data/information in OP, Leadership Triad, and Initial Results Triad chapters	Compile draft document of OP and all process chapters in Leadership and Initial Results Triad	Complete working draft of process chapters of Client Case Study, including evidence-based feedback on client's strengths and OFIs Milestone 2

Results Chapter: Collection, Analysis, and Preparation of Results			
Term/ Week No.	Activity	Deliverable(s)	Key Performance Indicators/Measures
Term 4/ Wk 1 (Wk 25 of 40-wk plan)	Results 7.1: What are client organization's product performance and process effectiveness results?	- What are client organization's results for products and customer service processes? - What are client organization's process effectiveness/efficiency results? - What are client organization's safety and emergency preparedness results? - What are client organization's supply-chain management results?	Working draft of analysis of results reported in 7.1
Term 4/ Wk 2 (Wk 26 of 40-wk plan)	Results 7.2: What are client organization's customer-focused results?	- What are client organization's customer satisfaction and dissatisfaction results? - What are client organization's customer engagement results?	Working draft of analysis of results reported in 7.2
Term 4/ Wk 3 (Wk 27 of 40-wk plan)	Results 7.3: What are client organization's workforce-focused results?	- What are client organization's workforce capability/capacity results? - What are client organization's workforce climate results? - What are client organization's workforce engagement results? - What are client organization's workforce and leader development results?	Working draft of analysis of results reported in 7.3
Term 4/ Wk 4 (Wk 28 of 40-wk plan)	Results 7.4: What are client organization's senior leadership and governance results?	- What are client organization's results for senior leaders' communication/engagement with workforce and customers? - What are client organization's results for governance accountability? - What are client organization's legal and regulatory results? - What are client organization's results for ethical behavior? - What are client organization's results for societal well-being and support of its key communities? - What are client organization's results for achievement of its organizational strategy and action plans?	Working draft of analysis of results reported in 7.4

Term 4/ Wk 5 (Wk 29 of 40-wk plan)	Results 7.5: What are client organization's results for financial viability?	- What are client organization's financial performance results? - What are client organization's marketplace performance results?	Working draft of analysis of results reported in 7.5
Term 4/ Wk 6 (Wk 30 of 40-wk plan)	Compile and verify results for each Results section	Verify analysis of results levels, trends, and comparisons	Assemble and format Results chapter Milestone 3
Term 4/ Wk 7 (Wk 31 of 40-wk plan)	Assemble full draft of Client Case Study	Align and integrate data/information in all sections of Client Case Study	Full working draft of Client Case Study
Term 4/ Wk 8 (Wk 32 of 40-wk plan)			
Preparation and Review of Client Case Study			
Term/ Week No.	Activity	Deliverable(s)	Key Performance Indicators/Measures
Term 5/ Wk 1 (Wk 33 of 40-wk plan)	Review full draft of Client Case Study with mentor	Revise and refine full draft of Client Case Study	Full draft of Client Case Study to serve as checking copy for client leader's review
Term 5/ Wk 2 (Wk 34 of 40-wk plan)			
Term 5/ Wk 3 (Wk 35 of 40-	Schedule client meetings to present full draft of Client Case Study	Revise and refine full draft of Client Case Study to reflect client's input about errors in fact and suggested edits	Full draft of Client Case Study that has been reviewed by client (and key stakeholders, if appropriate)

wk plan)			
Term 5/ Wk 4 (Wk 36 of 40-wk plan)			
Term 5/ Wk 5 (Wk 37 of 40-wk plan)	Final review of penultimate draft of Client Case Study with mentor	Revise, refine, format, and prepare presentation copy of Client Case Study	Presentation copy of Client Case Study for delivery to client
Term 5/ Wk 6 (Wk 38 of 40-wk plan)			
Term 5/ Wk 6 (Wk 39 of 40-wk plan) Term 5/ Wk 8 (Wk 40 of 40-wk plan)	Prepare "scrubbed" edition of Client Case Study that is suitable for public presentation/publication	Remove/replace all proper nouns and other identifiers, remove all proprietary and confidential information from Client Case Study Students must submit this final, publishable version of the case study to clients for review and approval at least 10 days prior to submission to Walden University for publication, presentation, or use. Students must receive written approval from the client prior to submitting this version of the case study for publication. This is the ONLY version of the case study that may be submitted for publication.	Client's signed consent to publish redacted version of the case study Public copy of Client Case Study for presentation/publication