(Resources, Opportunity and Services Evaluation)

1 History/Background

Project objective: to create a comprehensive database and tools that would give the board a better means for informed program decision-making, for assessing priorities, identifying needs, identifying programs no longer relevant, and assessing the opportunity costs being incurred (i.e.; what else the association could be accomplishing if a program were revised or eliminated).

The project began with a detailed and in-depth inventory of all the programs currently offered. For each offering, staff cataloged its:

- purpose,
- target audience,
- objectives or desired outcomes,
- strategy,
- profitability, and
- level of participation for the past five years.

This was followed by an analysis effort: organizing the data in a systematic way that would allow for informed judgments to be made as to:

- the strengths or weaknesses in each program;
- whether the current allocation of resources is adequate to meet stated intentions and/or justified by the return on investment delivered;
- current and prospective:
    - competition;
    - partnership opportunities; and/or
    - outsourcing opportunities;
- how well each program aligned with members' needs and the association's strategic objectives; and
- where there were gaps in the inventory (i.e.; critical needs not being met).

It is important to stress that the data collection included not only financial performance, but also data on member value and utility, level of staff and volunteer resources devoted to the program, and strategic impact. Unlike a for-profit corporation, in which profitability is often the only relevant measure of success, the association is a not-for-profit, mission-driven entity. As such, there are ***two*** key metrics of the association program performance:

1. How much they contribute toward achieving strategic plan goals, and
2. Their profitability (which generates the resources to support less profitable or unprofitable, mission-related programs).

It was ***not*** our view that programs needed to perform strongly on ***both*** metrics. Some programs are vital components to advancing mission-critical strategic goals but cannot and never will operate on a financially profitable basis (government relations, for example). Other programs are less obviously or integrally aligned with strategic goals, but contribute to overall organizational profitability and create resources to fund strategic initiatives (affinity credit card programs, for example). Some program offerings stand up well against both metrics (such as certifications and the the association journal).

2 General Discussion and Findings

Putting the ROSE process in place created a mechanism that allows the association to continually and regularly evaluate current and new programs and services. Over time, it has allowed the associaiton to become more nimble in shifting resources to areas that are in need and are in line with the organization's strategic goals and objectives.

The ROSE analysis also demonstrated that we needed to do a better job of communicating to the members what the association has available that can benefit them. We needed to give our marketplace a mechanism to find what they want and need quickly and easily. This led to two new Web portals (described briefly below).

The process served to confirm with empirical data a number of issues we instinctively felt we knew; the confirmation, however, gave the board and staff the courage to act.

Because of the staff-wide nature of the research project, important insights were often articulated by staff that would not otherwise have had input or even detailed knowledge of a particular program, product or service. The openness of the dialogue was very unique and fostered an environment where the full range of highly eclectic backgrounds and business experiences represented on the staff could be focussed toward improving the association's value proposition.

2.1 Vertical Analysis

A vertical analysis of the association's products and services approached this inventory ***from the customer's perspective***, seeking to identify the best approaches for ensuring that the association members could easily locate, learn more about and make use of the offerings most relevant to his or her needs. Two different vertical maps were created.

AccessNCRA

This was a product line framework in which products and services are categorized by the nature of the offering (e.g.; certifications, learning opportunities, giving opportunities, etc.). It was implemented as a Web portal on the the association home page to make it easier for members to find the programs of interest to them.

Through this portal a member interested in realtime reporting, for example, would be taken to a menu organizing ***all*** the products and services focussing on this subject area. An individual clicking through to any specific realtime-related products would also be presented links to other the association publications or upcoming seminars focused on realtime training.

CareerMap

This was a career/position framework in which products and services across all product lines were organized around the needs of particular segments of the membership (e.g.; CART providers, official reporters, teachers, students, etc.).

2.2 Horizontal Analysis

The horizontal analysis placed products and programs into categories that defined value as calculated by number scores assigned to each item for strategic and financial impact. Categorizing items this way allowed for a quick "at a glance" appraisal of an item's net worth, although deeper analysis of any given item was required in order to make any substantive programming decisions.

Individual programs and products were scored using a uniform set of defined metrics and assigned numerical ratings in the following areas: financial impact; strategic value; and perceived value.

The vertical analysis described above created an ***external*** perspective, for example, allowing a member to easily see the full range of relevant programs and services available to him or her. In contrast, the horizontal analysis was ***internally focused***, allowing staff and leadership to compare and contrast programs based on organizational performance metrics. Programs with high strategic value and high financial net were highlighted as critical mainstays of the organization that warranted efforts to allocate financial and other resources needed to sustain and improve them. Programs with low strategic value and financial net were highlighted as candidates either for reduction or elimination altogether, saving the organization precious human and financial resources.

3 Macro Issues

A series of high-level, strategic issues emerged from the ROSE analysis that required significant additional work before conclusions could be drawn or recommendations for action formulated. For each of these issues, small staff task forces were created to more fully develop an issue statement and plan to address them. The ROSE final report contained specific proposals for action on nine large scale programs or projects, which were pursued by the board in the ensuing 18 months.

4 Program-specific Areas Requiring Board Input and Direction

Each item identified in this section was addressed in an individual issue paper on the agenda for board action at the time the final report itself was presented. The final report provided a brief summary and context for the issue, and the issue papers on the board's agenda documented in considerably more detail what the ROSE analysis revealed about each program or.

Particular attention was given to programs where the data did not compel a clear or obvious conclusion. They were often low net or even breakeven activitities which, although not core or central to the association's mission, had strong cultural implications for the organization and the membership. Volunteer leadership input into the continued relevance and value of the programs was sought and obtained.

5 Actions Already Taken or Being Implemented

This section of the final report addressed program decisions that were fairly limited in scope and where the data on value was clear. This group of recommendations was handled by the board on a

"consent agenda" basis: they were presented as a block for ratification as a single action, with the board provided the opportunity for individual items to be pulled for separate action.

6 Appendices

One challenge of the process was correlating different factors for products and services that were widely dissimilar. In appendices, cross tabulations of ROSE data were presented to show correlations between eight pairs of rating categories:

- High financial/high perceived value
- High financial/high staff hours
- High financial/high strategic value
- High financial/low staff hours
- High financial/low strategic value
- Low financial/high perceived value
- Low financial/high staff hours
- Low financial/high strategic value

In addition, based on the skills and knowledges gained by looking backwards at past programs, a process for vetting new product and services was created.