CFAR

Differences a Day Can Make

EXPLORING THE EFFECTS OF AN ABBREVIATED INTERVENTION ON IMPROVING FINANCIAL MANAGEMENT FOR YOUTH-SERVING ORGANIZATIONS

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Report for Distribution

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The report is organized as follows.

Small Shifts, Big Upside: Introduction and Methodology

In 2009, The Wallace Foundation launched the Strengthening Financial Management (SFM) initiative, a comprehensive multi-year intervention to improve the financial stability and planning of 26 nonprofit Chicago organizations providing afterschool programming. The hypothesis, based on the 2008 report, *Administrative Management Capacity in Out-of-School Time Organizations: An Exploratory Study*, was:

> **Issues relating to financial planning and management were constraining the impact that afterschool interventions could have on improving the lives of Chicago's children.**[1]

This original SFM work focused on two areas:

- building the financial management capacity of the 26 nonprofit afterschool organizations; and
- supporting an effort by the Donors Forum, an organization of Illinois funders, to change funding policies and practices particularly burdensome to the nonprofits.[2]

The financial management capacity part of the effort offered training and consulting to the nonprofits by Financial Management Associates (FMA), a firm specializing in nonprofit financial management. The financial management capacity stream divided the 26 participant organizations into two groups, where 14 took part in the Intensive Model and 12 participated in the Institute Model, as illustrated below:

Years	INTENSIVE MODEL (14 organizations)	INSTITUTE MODEL (12 organizations)
1 – 2	▶ Detailed assessment of financial management systems with a workplan for improvement. ▶ Regular consultation to executive staff to pave the way for the changes. ▶ Quarterly CEO meetings across the organizations to share ideas. The group continued to receive quarterly consulting support and participate in the quarterly CEO meetings for the following two years.	▶ Detailed assessment of financial management systems with a workplan for improvement. ▶ Quarterly one-day group training sessions, followed by hour-long consultations with executive staff of each organization.
3 – 4	▶ Quarterly consultation to executive staff to pave the way for the changes. ▶ Quarterly CEO meetings across the organizations to share ideas.	▶ Semiannual group sessions with the consultants.

[1] http://www.wallacefoundation.org/knowledge-center/after-school/financial-management-for-nonprofits/Pages/Administrative-Management-Capacity-in-Out-of-School-Time-Organizations.aspx
[2] Kotloff, Lauren and Nancy Burd. "Building Stronger Nonprofits Through Better Financial Management: Early Efforts in 26 Youth-Serving Organizations." Public/Private Ventures, 2012.

The Wallace Foundation had invested considerable resources in these initiatives, and the foundation saw an opportunity to leverage the tools, methods, and insights from the study. FMA had amassed a large volume of widely-applicable materials along with valuable insights from the 26 participants in SFM. How could these resources be pared down to help additional organizations in a focused way? What might draw often overloaded small organizations to resources relevant to their fiscal management challenges?

As a first step to extend the impact of this work, Wallace and FMA selected from the considerable resources amassed for the SFM program to compile a free open-access online resource bank at www.strongnonprofits.org.

To increase the use of the above resources, The Wallace Foundation then launched an abbreviated program consisting of a full-day workshop for CEOs and CFOs (or equivalent) and two follow-up webinars, as well as continued access to the online resources to help small afterschool organizations in 12 other cities with financial capacity-building, with a curriculum based on the online materials.

In determining the focus of the abbreviated program, one key challenge was working with the limited absorptive capacity of the organizations. Nonprofit leaders are often pressed for time and resources. In a 2011 survey of nonprofit Executive Directors and CEOs, 65 percent reported feeling significant levels of recession-related anxiety.[3] Would leaders feel that improving financial management was "one more thing" to deal with that did not directly bring in revenue? How could FMA match up the content and engagement strategies with the bandwidth of the invitees and the people back at the office? FMA worked closely with Wallace and used the feedback from SFM participants to select the most relevant pieces to focus on as well as set up a format (one workshop and two webinars with the website resources as perennial pieces) that could extend the learning past one day, and beyond the CEO and CFO of the organization.

CFAR, a management consulting firm with experience helping foundations increase their impact, was asked to provide a review of the abbreviated program including some insights on how to extend the impact. This report reviews the abbreviated SFM program in terms of its strengths and weaknesses as a resource as well as the scope of expected outcomes, and suggests future improvements to increase its impact. The suggestions here emphasize a "trimtab" frame championed by Buckminster Fuller: "the tiny trimtab, which creates a low pressure that pulls the rudder around and in doing so, has a big impact on direction of huge ships." Supporting very focused behavioral changes in an organization as a way to change course is especially key in small nonprofits, where there is often little time or money for rolling out significant initiatives. (Additional readings on ways to increase the impact of a change effort without major investments of time and funds can be found in the Appendix.)

To conduct the review of the abbreviated SFM program, CFAR took the following steps:

- Spoke with Wallace Foundation personnel, including Edward Pauly, Director of Research and Evaluation; Priscilla Little, Initiative Manager, over the work to improve afterschool programming through a systems approach; and Polly Singh, Program Officer for Learning and Enrichment, who oversees grant activities and contributes to special programs and analyses.

[3] http://daringtolead.org/wp-content/uploads/Daring-to-Lead-2011-Main-Report-online.pdf

- Spoke with FMA's Founder and Managing Director Hilda Polanco, and John Summers, Manager of Consulting.
- Attended the full-day workshop at the Family League of Baltimore on September 26, 2013.
- Reviewed online resources at www.strongnonprofits.org.
- Attended one-hour follow-up webinars on October 23 and 31, 2013.
- Reviewed participant evaluations of the workshop.
- Reviewed information about website hits and webinar attendees.
- Reviewed materials provided at the workshop for participants to take with them.
- Spoke with a selected number of workshop participants.

As per our understanding with The Wallace Foundation, we also drew on CFAR's long involvement with foundation-sponsored development initiatives and the development of practices that, based on our experience, increase the follow through and continuous improvement of mission-driven organizations.

1. Description of Workshop and Webinars

Workshop

Pre-Workshop Steps—We were not privy to all pre-workshop planning in terms of how and with what criteria a local collaborator is identified, or the recruiting process for potential attendees. However, we understand that in some cities, only a convener with little knowledge of the community of afterschool providers could be identified, or the municipality itself acted as convener. Some of the Baltimore attendees received emails directly from the Baltimore convener, while others heard about the event from colleagues. Upon registration, participants were sent an email with logistics and a request to bring their organization's financial statements to the workshop.

Workshop—Fiscal Management Associates held a seven-hour workshop at the convener's location. According to the roster for the Baltimore event, the makeup of the attendees was 26 organizations, 13 CEOs or EDs, nine CFOs or financial leaders, and eight program associates or people in other roles, as well as one board member. Of the 26 organizations represented, only five signed up a pair of participants.

The Baltimore session was held in a large room with front-facing tables set up with programmed laptops and computer projection at front. Participants from the same organizations were encouraged to sit together during the session; there were larger tables available for informal discussion over breakfast, lunch, and several breaks to encourage networking.

The stated goals of the session were to:

- Provide an overview of the key elements of strategic financial management, with a focus on financial planning.
- Practice using tools to help their organization achieve a more strategic approach to financial management.
- Reflect on the role of financial management at their organization and how to move it in a more strategic direction.

The agenda for the session was as follows:

Agenda
Planning ▶ Context, framing, and key concepts ▶ Budgeting and scenario planning
Lunch
Planning (continued) ▶ Cash Flow
Monitoring ▶ Reports and what to do with them
▶ Putting it into practice: a team exercise

Two FMA facilitators led the workshop with a combination of delivering key concepts from the front of the room with a slide presentation, asking participants to share their perspectives and current practices, and introducing and debriefing participant exercises using tools.

Post-workshop—Participants received a thank-you email from FMA with the slides, a version of the Funding Opportunity Assessment Tool that was used in the workshop (with the exercises already completed to help participants take the knowledge back to their organizations), and reminders about the follow-up webinars.

Webinars

Two one-hour follow-up webinars were held on October 23 and 31, 2013, focusing on “Understanding Financial Statements” and “Funding Your Program Plan.” Workshop attendees were encouraged to participate and invite others from their organization. Both webinars featured slides and a field for participants to type in questions. FMA polled with questions via the webinar about participants’ experiences with their organizations both to keep the audience engaged and get a sense of how to tailor the session. For example, polls revealed that for the second webinar, 85 percent of those in attendance had been at a workshop, and roughly one-third each were the CEO, financial leader, or in another role.

The first webinar focused on different kinds of financial statements and how to make them manageable by creating dashboards. The follow-up communication included attached slides and examples of dashboards as a guide for participants, but did not include links to the website.

The second webinar covered a new pilot tool, the Program Funding Navigator. The followup included initial versions of this tool as well as the slides from the discussion.

2. Analysis of Strengths and Weaknesses of Workshop and Webinars

Workshop

Participants found the workshop to be an excellent resource, as shown by the high satisfaction scores in evaluations. FMA has condensed the content and shifted focus over time based on participant feedback, resulting in material that provides a solid grounding in concepts of financial planning, as well as emphasizes issues and dilemmas that are most relevant to the participant pool. Where participants have strong systems in those areas, the workshop leaders pull their experience into the seminar, enacting how they can be supports to one another. FMA made the following choices that we believe increased the impact of the workshop:

- **Taking the temperature**—Shortly after introductions, FMA posed the question, "When you hear of an RFP, what do you consider?" The sophisticated level of responses in the Baltimore workshop (as compared to other sessions) was an indicator for the facilitation team on pace-setting and participants' familiarity with financial concepts.
- **Reducing resistance to strategic financial management**—Early on, FMA normalized the experience of many people in the room by acknowledging that many people who work for nonprofits were not drawn to their roles because of interest in the financial piece. By talking about how many organizations view funder reports as a burden and financial conversations as a necessary evil, they framed the materials as primarily useful for the participants' own organizations—not to increase compliance to funders, especially foundations. They allowed participants to consider how good financial management opens doors for programming. Although this was not a foreign concept to the audience, their experience of having the facilitators, financial experts, "join with" them on an emotional level probably contributed to their ability to get the most out of the workshop.
- **Emphasizing setting expectations**—The facilitators reinforced the concepts of starting small and letting an organization "live into" its future of mature strategic financial management, instead of trying to enact abrupt change. This was a wise choice on several levels, as the "baby steps" approach lets attendees envision how they can put changes in place, starting when they return to their desk. Additionally, paving the way for gradual behavioral change in financial management prevents the sense that the workshop participant has a solo agenda to upend the organization's current practices (which may involve key people not in attendance). It de-emphasizes the divide between those who attended the session and those who remained back at the office, giving others the sense of ownership of a communal effort that will increase sustainability of small shifts in practice.
- **Underscoring the need for a collaborative process linking financial management to other core organizational processes: strategy, governance, phasing development, etc.—**Similarly, FMA framed their modules on planning as being part of a larger conversation for each organization. They discussed the fact that the excel-based tools were developed to be a source of data that would inform conversations between key staff members and be reviewed by the board—not the end, but the means. These conversations would ideally be not just among the top leaders in an organization, but with the organization's lead program staff, who are responsible for their own budgets. This was also tied to their discussion of how a management narrative, when done well, could be of great importance as a prompt for getting guidance from the board. The facilitators' emphasis on the strategic purpose of the data-based resources was meant to help participants shift focus from flat financial questions of "what" to strategic financial questions of "how" and "why".

- **Creating the expectation of an iterative process**—Along with drawing people in across the organization to make financial management a collaborative effort, the facilitators described having an iterative process. They regularly emphasized the strategy behind the numbers throughout the session. This helped attendees see that doing things like mid-year budget revisions could be worth the time, because the budget would only be as good as the assumptions behind it, which often change as funding becomes clearer.

- **Introducing Liquid Unrestricted Net Assets (LUNA)**—For many of the Baltimore attendees, the past success and growth of their programs did not necessarily mean certainty that their organization would survive in the long term. Many organizations participating were on the smaller side of the spectrum of afterschool program providers, and having surplus funding did not seem to be the status quo—especially with requirements of most government funding to spend allocations each year. The concept of Liquid Unrestricted Net Assets, developed by FMA, provided a reframing of potential for many organizations. According to an article by FMA founder Hilda Polanco, the LUNA of an organization is "the amounts of cash, receivables, and liquid investments that an agency has on hand that are not designated for specific purposes by the terms of government contracts, foundation grants or individual donor intent."[4] Having sufficient LUNA allows an organization to meet obligations, weather unexpected challenges, and take smart risks to grow. This idea opened the door for the equivalent of a mini-visioning conversation to define ways to establish and grow LUNA, such as finding partners that would pay for services to children. Having the discussion about these possibilities underscored the shift for some from financial management as a compliance activity to an asset for delivering on the mission of the organization.

- **Sharing simple, effective tools**—Participants were very excited to have the program-based budget template and funding opportunity assessment tool. Many people responded that the core benefit of the workshop was having these resources to use and share with others in their organization. The opportunity to focus the hands-on segment of the day on using the tools helped participants carry the learning back to their organizations.

- **Applying helpful frameworks to nonprofit management**—FMA introduced a version of the Boston Consulting Group growth-share matrix,[5] a two-by-two grid designed for large companies with a portfolio of businesses to measure a particular business's market share vs. growth rate, as a basis for determining an informed strategy for the company as a whole. The FMA version's axes measured impact on mission vs. financial impact for each program of a nonprofit institution as an input to help discuss strategic planning for different programs within an organization.[6] As we know, bringing in outside ideas can help leaders see their own organizations with new eyes, in terms of new potential or misdirected resources. This is an example of another kind of resource from the financial data-generating excel tools that FMA passed on to the group that can make a big impact on their strategic thinking.

- **Focusing on real issues for afterschool nonprofits—**FMA discussed concepts like separating direct costs, indirect costs, and overhead on the program-based budget template in light of the conversations that organizations have with funders about what can be considered as part of a program. This concept strengthened the focus on relating financial

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[4] Polanco, Hilda. *The Key to Long Term Financial Health Liquid Unrestricted Net Assets.* New York Nonprofit Press, 12 May 2012.
[5] http://www.bcg.com/documents/file13904.pdf
[6] Polanco, Hilda and John Summers. "*Strengthening Financial Management:* An Introductory Workshop." Unpublished PowerPoint presentation. Family League of Baltimore, Baltimore, MD. 26 Sept 2013.

management to organizational strategy by arming the nonprofit leaders with approaches to increase the scope of funding for different programs using the data.

The workshop was successful in delivering on its objectives, especially considering the constraints of the seven-hour timeframe and variety of participants attending.

The weaknesses that we were able to identify in the content and structure of the workshop relate to the constraints of the workshop and two-webinar format, and some missed opportunities to connect the material to the work of the nonprofit organizations before and after the fact as well as the organizations to one another.

The constraints of the format include the short span of the intervention, including both the limited hours of the one-day workshop and webinars (about nine hours) and the time between the workshop and completion of the program (about one month), and the different roles and differential knowledge of financial management among workshop attendees.

The issues applicable to this specific intervention hinge on identifying opportunities and expectations for the convener and participants. For example, the opportunity to make an early introduction and encourage exploration of the website for participants could be characterized as low-hanging fruit. Additionally, there was a missed opportunity to engage the convener fully with the organizations ahead of the workshop, as well as afterwards. Increasing the convener's understanding of their own potential impact could lead to more relationship building in the community and increase sustainability of the learning. We discuss recommendations to increase the effectiveness of the offering in Section 4.

Webinars

Both webinars were closely tied to the material covered in the workshop, but could be a stand-alone offering, meaning that they were successfully posed as beneficial to both workshop attendees and non-attendees. The pulse poll function allowed the facilitators to check in with the group, and determine ways in which to potentially tailor the session. The quick followup with FMA tools discussed in the session put the material in people's hands when the session was fresh in their minds, although the follow-up emails from FMA did not provide the link to the resources website.

In terms of areas for improvement, participants commented that the webinars felt slower in pace than the workshop, and that since they attended the webinar at their own office, at times they felt pulled into their daily work. Additionally, without all of the voices in the room (as in the workshop), the affect was flatter for the webinars. Some webinar programs allow participants to speak up instead of typing questions, which may be useful going forward.

3. Analysis of Expected Outcomes of the Intervention

The structure of this program creates a wide range of expected outcomes because of the following factors:

- **Support for knowledge integration**—The program included a low level of support for integrating its content into the operations of participant organizations. Access to the website is the only ongoing piece at the close of the workshop/webinars program.
- **Expectation of participation**—Attendance at all three elements of the program was voluntary and attracted different sets of participants. The open webinar format meant that more staff members could have a chance to review and discuss concepts presented. However, the lack of continuity of participants in each element could result in less effective communication of concepts and less pull for implementation of changes to organizational financial management.
- **Organizational resources**—Although there was an effort made to target organizations with similar revenue size, participant organizations represented a range of levels of resources to implement change. While this did not have a direct impact on the program delivery, it widens the span of expected outcomes at participant organizations.
- **Staff size and key people not in the room**—Some organizations with one or two participants had their entire staff in attendance, while a few had only a small percentage of staff. The presentation was geared to CEOs and CFOs, making the assumption that barriers to changing financial management practices were primarily based on operational issues like time, sequencing of projects, and staff constraints, versus issues of influence and decision-making. Having people with less status in the organization in attendance could lessen the impact of the program on organizations because these roles would almost always have less influence on major financial decisions and processes than the CFO or CEO.
- **Organizational evolution**—Some participants were from long-established programs while others were from startups. Intractable but poor systems in place at an established location, and lack of any systems at a new organization, could present barriers to successful outcomes.

However, as a whole, we would expect the impact of this program to be modest at this point because of how much individual responsibility the participants had for weaving the information and tools into their organizations' work. We would also expect to see less change in financial management at each organization because of the short timeline for the intervention (for Baltimore attendees, the workshop and webinars concluded within five weeks).

The FMA team wisely stressed having a more participatory approach to financial management, raising issues of broader cultural change beyond the financial processes. This work means setting context, introducing tools, holding regular meetings to touch base on financial planning, and building in reflection time for correcting missteps in future planning. In the context of often-stretched small nonprofit organizations, the expected impact could be attempts at making changes in the financial planning and monitoring process that are not sustained. In the next section, we recommend steps to embed the learning further to increase sustainability of changes based on the program.

4. Brief Formative Suggestions for Improving this Workshop and Webinars

Every year, it seems, nonprofit organizations are under more scrutiny to reduce overhead and demonstrate impact in terms that may vary from funder to funder. This reality means that any skills development initiative, like any new idea that increases long-term effectiveness but costs time in the short term, is part of the "battle for attention" of nonprofit leaders.[7] We take the low response rate and overall difficulty we experienced with scheduling post-workshop conversations with participants and the convening group as personal experience supporting this broader idea.

With such steep competition for leaders' bandwidth, the need to demonstrate the benefits of any change effort to the organization is a given. However, to ensure sustainability, people must see how they can use the change effort—in this case, more strategic financial management—in practical ways to achieve their own goals in the organization. The information also must be delivered in ways that maximize connections between colleagues and organizations so that many people can own the change.

Especially in the context of nonprofit leaders' strained resources and lack of time, we find that increasing interactivity with the concepts and with other participants can amplify the impact of development and training. Integrating the subject matter into daily work life before and after the session itself, and maximizing two-way communication throughout the process, helps to sustain the learning. Preparing and following up with resources that support behavior change, as well as creating a community of practice, can solidify the chances participants will embed the new approach into their organizations.

Wallace and FMA have structured this program in some ways that reinforce the learning after the workshop—with the webinars being the best example. They have also included hands-on work and questions for the audience in the workshop and webinars. Our recommendations focus on areas where Wallace and/or FMA could go deeper in one or both of these directions.

For the workshop and webinars:

1. **Create community by working closely with the convener**—Perhaps the most impactful step to take would be trying to launch a learning community at each site, which would be sustained (at least for the short term) by the convener and local funding partners. When possible, join efforts upstream with another organization accustomed to supporting learning and change, and has a stake in the success of the afterschool organizations. Go further to collaborate and coach the convener and perhaps two other local organizations funding afterschool programs. Create the expectation that the convener will be central to the participants' success in embedding the knowledge in their own organizations and in helping non-attendees in their network benefit from the ongoing resources.
    a. *Begin with the end in mind* by developing a series of opportunities for convening organizations to help sustain the learning community formed by the workshops, perhaps backed by local funders. For example, the convener could invite participants to attend one or both follow-up webinars together at their site, and have a brief in-person discussion to share questions and ideas with each other.

[7] Davenport, Thomas H. and John C. Beck. *The Attention Economy: Understanding the New Currency of Business*. Boston: Harvard Business School Press, 2001

b. *Set measurable goals for the set of organizations* as a whole to accomplish. For example, a goal could be a shift in self-reported evaluation of the budget planning process from being handled by the executive and finance functions to involving program directors.

2. **Create the expectation of bringing the learning back**—
   a. *Be explicit about the purpose* and repeatedly underscore that the idea is to implement change in financial management of these nonprofits. Get people thinking about changing processes and working to increase impact from the outset to ensure that their focus is on piloting ideas and learning by doing upon their return.

   b. *Strongly encourage pairs to attend*. Our experience has shown us that pairs nearly always are more effective in implementing changes, based on a melding of outside ideas and inside knowledge, than people acting alone. Participants we spoke with recounted that people in their organizations were eager to hear about takeaways and tools from the workshop. However, the risk of sending one person is the risk of having new ideas identified as their aims instead of what could be best for the organization. Sustainability of any new practice in an organization depends on having the people involved see their role in the change and its benefit to them. Having more than one person experience something maximizes its chance to succeed because it generates more perspectives on the strength of the new ideas.

   c. *Capitalize on having pairs in attendance* to get people's best thinking on financial management while they are a captive audience. Finish the workshop with a visioning exercise in the pairs from each organization that covers ideas about goal setting for improving financial management at their organization. Discuss immediate next steps before leaving so that participant pairs have a plan to put in action when they return to their organization.

3. **Take fuller advantage of the website**—Strongnonprofits.org is an incredible resource and was, in fact, the basis for this program. It is also the one real source of ongoing support that organizations have after their webinars. One participant commented, "I do know that when I next need info, I will need to hunt down the website," and another expressed the desire to do more "actual working through your website—more hands on." There is a clear opportunity to tie the work more closely to the content on the website, to introduce the site earlier, and to underscore it in take-home materials.

   a. *Coordinate registration on the site.* Send invitees to the website to sign up for the session, allowing them to experience the site and peruse materials as soon as they hear about the workshop.

   b. *Leverage pre-work* to promote dissemination of the learning. The existing confirmation email asks participants to bring their financial statements to the workshop, although they were not used in the Baltimore session. We believe that participants would be much better prepared to take advantage of the workshop if the email asked them to:

      i. go to the resource site and find a few things they could use as a basis for conversation with their team; and

      ii. interview one to two key colleagues who will not be in the workshop to see what they would like the participant to think about and listen for in the room.

   These two steps first enact ways to use the site after the workshop and help the participant think ahead to the conversations that will help them spread the learning upon their return.

c. *Break the ice at the workshop* by interacting more with the resource site. One aim of the workshop is to create "pull"—generate interest for people to use the website on their own going forward. Walking participants through two to three of the top resources while at their desks at the workshop, as well as giving them a few minutes to dig into descriptions and tools on the website, will give participants the opportunity to recognize the potential value of the website for their organization.

d. *Generate some ideas* while in the workshop on who else in the organization could use different articles and tools on the site and why. This could reduce barriers of "where to start" for participants in sharing the information with others.

e. *Point into the site* in prep for the webinars and follow-up communications for the workshop. Point out concepts and mechanisms to be explored in the webinars. Follow up in an email with links to specific articles and templates referenced in the session.

f. *Keep the site top-of-mind* by sending a notice to workshop participants when the website is updated with a new version of tools or additional timely resources according to changes in legislation, trends or perspectives.

4. **Increase the impact of materials on the site**—The materials represent a valuable source of knowledge, insight, and tools drawn not only from FMA, but also from other top thinkers in nonprofit management like The Bridgespan Group. There is an opportunity to increase the level of interactivity that is increasingly present in websites to help people take full advantage of them.

    a. *Post "iShowU" videos* (or the like) to increase accessibility of resources on the site. Having an FMA consultant walk through how to use the tools would help people overcome barriers to using them. Most people who have access to the site will not have the opportunity to sit for a workshop training on the tools offered—and even participants could use a refresher.

    b. *Add a FAQ section* to address frequent issues that people have with strategic financial management. Some of this is covered in the many insightful articles already on the site, but there is an opportunity to be more specific. Much of this could be drawn from ideas addressed in the workshop, such as key points to discuss with funders on covering overhead costs.

    c. *Host a user message board* to help Wallace and FMA understand what is most valuable to users to address, as well as connect people across the country with others in the field.

5. **Enhance interactivity between participants**—Increasing the opportunities for participants to relate the content to their own organization, and better leveraging the connections between organizations, will help ensure sustainability of the changes.

    a. *Solicit short blurbs* from the participating organizations to help the convener and the participants at the workshop understand the mission and core programs of each organization, and strengthen ties between the organizations from the start. Include the names and roles of people slated to attend.

    b. *Start with mini-interviews* between participants to help people relate to perspectives of those also in the room and generate ideas about potential impact of the session. Questions like "What are you hoping to gain most from this session?" and "Who at your organization do you see as a collaborator in this work?" ask people to focus on impact at the outset and bring the perspectives of colleagues into the room.

c. *Maximize time and attention for hands-on portions*. Although the facilitators were very attentive to participants' questions during portions of the day dedicated to presentation and discussion, the general practice was to leave participants to seek out the facilitators for questions during the practicum sections. However, some teams needed additional support to understand the tools and the work. For example, participants were expected to review financial statements of a fictitious organization in the final exercise to help with decision-making, which was not clear to everyone. Taking the time to visit the working groups would help participants get the most of the hands-on work, as people are less likely to leave the group and cross the room to engage facilitators on their own. Additionally, other teams completed some exercises very quickly and lost engagement with each other (to smartphones and other things that took them out of the workshop experience). These teams could benefit in the future from some follow-up prompts to continue conversation, perhaps reflecting on the experience of the exercise and how it might differ in their organization.

d. *Share stories and encourage storytelling* to bring ideas about strengthening financial management to life. FMA shared some interesting experiences with consulting clients, but we would encourage the facilitators to go even further with vivid examples of the impact of collaborative processes and aligned objectives for organizations' financial planning and execution. Additionally, while participants were asked often how they currently do things (like monitor cash flow), asking them to share more stories about their experiences would help other people in the room understand impact of applying strategic management to financial work processes.

e. *Encourage generative thinking* about the possibilities to increase impact of each participant's organization by improving financial management. FMA clearly underscored the relationship between future programmatic potential and financial well-being. We would recommend taking a step further to ask people to imagine what their organization could do if it could cut down on financial surprises or create a common understanding of the importance of accurate budgeting. Sharing these aspirational ideas will help engage participants in the frame of other's organizations, and solidify the importance of their time together in the workshop.

6. **Working on influencing funders**—

   a. *Creating awareness* among funders was part of the initial large-scale SFM intervention described in the introductory section. Enacting change with system-based strategies is effective because everyone carries the water—small shifts for each stakeholder group can develop results more quickly for the system. Considering the breadth of economic challenges facing small nonprofits, supplementing skills development in nonprofits with influence strategies for funders can augment the impact of the learning.

      i. For example, one two-part intervention might start with a discussion with foundations and others supporting afterschool nonprofits using case studies and industry trends to set the stage. The second part could involve a conversation between a group of nonprofits and the funders about small tweaks that could have a considerable impact on delivering on the mission.

iii. Alternately, funders could leverage the workshops' worth as listening posts in a simpler way. The workshops produce insights worth spreading to others, and their funders could spread awareness of the point of view of nonprofits involved by periodically playing back the learning from a series of sessions in blog form, for example.

b. *Creating peer-assist communities.* In our experience, local funders have placed increased emphasis on basic financial systems as necessary but not sufficient conditions. Some are interested in creating peer assist communities to leverage learning between similar organizations. By learning about the local funder landscape, national funders could play a role beyond engaging an active convener to help launch peer-assist communities, with local funder backing.

5. Conclusion: Brief Formative Suggestions for Shaping Future Initiatives

Many of the ideas that we put forward for enhancing this particular program could be abstracted to improving any skills development effort for peer roles in organizations that deliver similar services. These principles, then, would be:

- **Focus on contextual preparation**—Develop thoughtful pre-work questions and ensure that the attendees are “wearing hats” of those not in the room. Provide relevant background reading or exercises. And most importantly, however possible, maximize leverage of other network entities that have a stake in the skills development of participants.
- **Increase interactivity to ensure engagement**—Provide opportunities during the training session itself for participants to tie new ideas to opportunities, issues, and past experience in their work. Increase the rate of participant-to-participant dialogue versus leaning on participant-to-facilitator question/answer formats, and focus discussions to elicit common experiences.
- **Develop follow-up planning to maximize impact**—Think about where to allocate resources to ensure high rates of take-up across organizations by continuing to communicate, asking for evaluations and follow-up questions, or convening the skills development training group for refresher sessions or about other common issues.

Appendix: Brief Annotated Bibliography of Selected Readings

- **www.strongnonprofits.org**

  This is the open-access website with materials on nonprofit financial management referred to in the report as well as used in both the original large scale and abbreviated interventions.

- **Kotloff, Lauren and Nancy Burd "**Building Stronger Nonprofits Through Better Financial Management: Early Efforts in 26 Youth-Serving Organizations**." Public/Private Ventures, May 2012**
  http://www.wallacefoundation.org/knowledge-center/after-school/financial-management-for-nonprofits/Pages/Building-Stronger-Nonprofits-Through-Better-Financial-Management.aspx

  This is the full report of the original intervention with the 26 Chicago nonprofit afterschool organizations.

- **CFAR's "Related Resources: Organizational Learning"**
  http://www.cfar.com/resources?w=issue&t=376

  This link to CFAR's site gathers many of our key resources on organizational learning that may be relevant to afterschool organizations, including managing conflict within top teams and engaging the organization in the strategy process.

- **Shea, Gregory P., Kenwyn K. Smith and Thomas N. Gilmore. "Mindfulness and Executive Education." Philadelphia: CFAR, April 1998.**
  http://cfar.com/sites/default/files/resources/Mindfulness_and_Exec_Ed.pdf

  This paper provides observations and guidance on how to make the most of executive education opportunities by facilitating participants' bringing the most helpful aspects of their characteristics and lives into the session, focusing more heavily on the preparation and follow-through than the session itself.

  Of particular interest for this workshop could be the sections on preparation and on "returning home". The latter segment focuses on things like reflecting on new ideas from the session on what's most important in order to compile a "not to-do list" to combat the overload when one returns. The segment also covers integrating concepts into daily work, seeing one's own organization with fresh eyes, engaging others, and goal setting.

To access the following resources, please write to Tom Gilmore and Carey Gallagher at tgilmore@cfar.com and cgallagher@cfar.com:

- **"Briefing Notes: Effective Follow-Through from Development Courses." Philadelphia: CFAR, 2002.**

  This briefing note is written to the participant as guidance on how to get the most from a development opportunity like executive education courses at a high level. It walks through ideas about how to select the most relevant concepts for your organization, integrate those concepts into your daily organizational life, tap into resources on an ongoing basis, and spread learning and get feedback from staff.

This note, or ideas drawn from it, could be valuable to participants as handouts at the end of the session or within a follow-up email.

- **May, Linda. "Exploring 'Pull' vs. 'Push' within the Campaign Approach." Philadelphia: CFAR, 2007.**

This slide deck introduces concepts as part of CFAR's Campaign Approach to Change, which focuses on two-way engagement to draw on best practices already in place in pockets of one's organization to bolster implementation of a leader's vision. This notion of building on the strengths within an organization leads to a change initiative that already has solid support of staff who are recognized for their ideas on the ground. The focus of the slide presentation is on ways to "create pull" for change and new ideas—tactics centered on positioning a change initiative in the path to achieving other stakeholders' goals.

This may be especially useful for organizations mounting skills development programs and looking for ways to make the changes stick. Farther afield, the concepts have value for any organization working to build systems and communities of practice. For example, for a foundation trying to partner more closely with funders to move toward more standardized formats for financial reporting, and more detail and reflection in budget narratives to help funders measure impact, but also be able to help organizations according to their most pressing needs.

- **May, Linda. "On Tap, Not on Top—Strategic Decentralization in an Urban School System." Philadelphia: CFAR, May 1999.**

This case study explores an experiment in the relationship between public schools in Trenton, New Jersey and the school district's central office. At the time this piece was written, the central office began helping schools not by doing things *for* them, but by making resources available so that schools could do things for themselves. Therefore, the central office was "on tap," not on top.

By sending staffers actively into the field, the central office was offering a kind of help that was neither a traditional headquarters' push nor a more diffident waiting around to be asked. Instead, the central office aggressively built skills within the schools—and schools, in turn, become tougher demanders.

This paper reviews some lessons learned from the experience, which can be applied to the kind of system-building that foundations take on. It can also be informative to organizations looking to partner more closely with a funder or peer organizations.