

*Commentary on Strategic Planning at the
Center on Urban Poverty and Community Development
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The Center on Urban Poverty and Community Development at Case Western Reserve University has commissioned two consultations related to business plans over the past few years. In 2009, at the request of a local foundation we received consultation from a Washington, D.C.-based firm. The firm specializes in identifying opportunities for earned income streams that yield sufficient "profit" to support non-funded work, such as maintaining a community indicators system. After surveying our users and other key informants, they figured out what would not work (i.e. subscriptions, memberships, selling data, and so forth), and provided some useful information on the limited resources that local organizations earmarked for data related work. But this did not result in a revenue strategy that we could implement.

More recently, we hired a local firm with expertise in fund development and business plans for non-profits. They took a broader approach, not just looking for earned income but a total approach to development. They examined selected internal processes, such as whether we could set up internal charges for our funded projects that utilized NEO CANDO data in order to recoup sunk costs. Although we thought this was reasonable, the University grants accounting system, as well as the guidelines of some of the government agencies from whom we get grants and contracts, made this difficult in practice. They also provided guidance regarding allocating costs across projects and how to manage an expansion of our fee-for-service operation.

Both of these consultations were small (about \$25,000), and a lot of their effort went into understanding what we do as a data intermediary, which is not like your typical service or advocacy non-profit. And the consultants' scope of work did not include examination of our administrative structure, budgeting, work flow, or personnel.

In the meantime, we found some technological solutions that lowered our costs. We also got into new types of work (e.g. Integrated Data Systems). Finally, we stopped supporting certain work that no one would provide general purpose funding for, such as training, providing maps and consulting with groups about data interpretation. Now, we provide those services as special projects, and get a contract to cover costs.

My conclusions from our experiences are: 1. It is important to get consultants (probably a team) that understand NNIP-type work; 2. A narrow focus on revenue sources is not very useful, but the entire operation needs to be examined from a business point of view; 3. Neighborhood indicators work is part of a rapidly changing field and new business models are needed.