

Use a Matrix Map to Boost Program Impact & Balance Your Budget

John Monroe – National Park Service

By 11:30, Let's Leave With:

- An introduction to the Matrix Map by creating one based on a case study;
- An analysis of the case study Matrix Map;
- Confidence to try it at home (after buying the book!)

In this session you will learn how to set up and interpret a Matrix Map by creating one. By plotting the relative impact and cash flow of programs, events and activities, you will highlight key questions that are often obscured in board meeting reports. The Matrix Map brings staff, volunteers and board members face-to-face with strategic choices, such as *Should we cut, maintain or increase personnel and money invested in each of our major programs?*

10:20 Welcome

- Preview
- Definitions: impact, business lines, profit,

10:25 Let's Meet the Rhodessville Conservation Trust (see page 3)

- Mission & Brief History
- Snapshot of Financial Status
- Accomplishments and Reputation
- Programs & Activities
- Cash Flow Statement

10:35 Fill in the Matrix Map on the Magic Wall

1. Identify RCT business lines. Make a label for each one.
2. Calculate the net surplus or loss of each business line.
3. Place each label **horizontally** according to its negative, neutral or positive balance.
4. Slide each label **vertically** according to your quick consensus about impact of each business line.
5. What does the Matrix Map reveal about RCT today? Any *AHA!* moments?

10:50 Analyze the Matrix & Make Strategic Recommendations

- Analyze the Matrix Map to consider tactical and strategic questions and imperatives.
- Produce recommendations for the next three years

11:10 Taking it Home

- Consider your favorite nonprofit:
 - What might the Matrix Map reveal?
 - Do you think you might try it?
- More rigorous uses of the Matrix Map:
 - Use a spreadsheet.
 - Do a detailed financial analysis of your business lines.
 - Size the labels according to financial impact.
 - Select criteria to measure program impact and vote formally.
 - Move from the *AHA!* of your analysis to a **Business Model Statement** of current reality.
 - If the statement matches your aspirations, then have a party!
 - If not, then draft your *desired Business Model Statement*. At your monthly board meetings, begin to make decisions to that end and learn from your experience.

11:25 Plus/Delta Review

- Plus: *What worked well about today's session?*
- Delta: *Next time John runs a session like this, it will be better if.....what?*
- Evaluations

11:30 Adjourn for Session #2

Handouts

1. Rhodessville Conservation Trust Case Study
2. Matrix Map template, with potential criteria for measuring impact
3. Business Model Statement template

Nonprofit Sustainability: Making Strategic Decisions for Financial Viability

By Jeanne Bell, Jan Masaoka and Steve Zimmerman

This new book offers nonprofit executives and board members a simple yet powerful framework for analyzing and adjusting their business models for greater organizational sustainability. It introduces the Matrix Map, a practical tool for determining the current impact and financial performance of core programs and fundraising activities. And the book's guide to income strategies will be useful to nonprofits working to diversify their funding for financial viability. Published by Jossey-Bass, an imprint of Wiley in 2010. 191 pages. List price \$35.00. More info: <http://www.josseybass.com/WileyCDA/WileyTitle/productCd-0470598298.html>

Rhodesville Conservation Trust Case Study

Mission & Brief History

Started by brother and sister Ambrosia and Rupert Phillips in 1948, the RCT provides families of Rhodesville with camping and outdoor experiences on land owned by the Trust to instill a love of nature.

The Phillips first hosted Scout camp-outs on their extensive estate after World War II. In the 1950's, they formed a nonprofit and transferred their property to the corporation. From the 60s through the 90s, the Trust acquired 2,000 acres of additional conservation lands (laced with trails and campsites) and significant frontage on the Kerrmeg River (where RCT maintained a water trail). In late 2011, Mr. and Mrs. Phillips passed away.

Financial Snapshot

The Phillips traditionally managed RCT finances with little involvement by the board. As board members, you have just learned from the Executor that the Phillips had exhausted their savings and the endowment by covering recurring annual budget shortfalls. Time is of the essence to make adjustments in 2012.

Accomplishments and Reputation

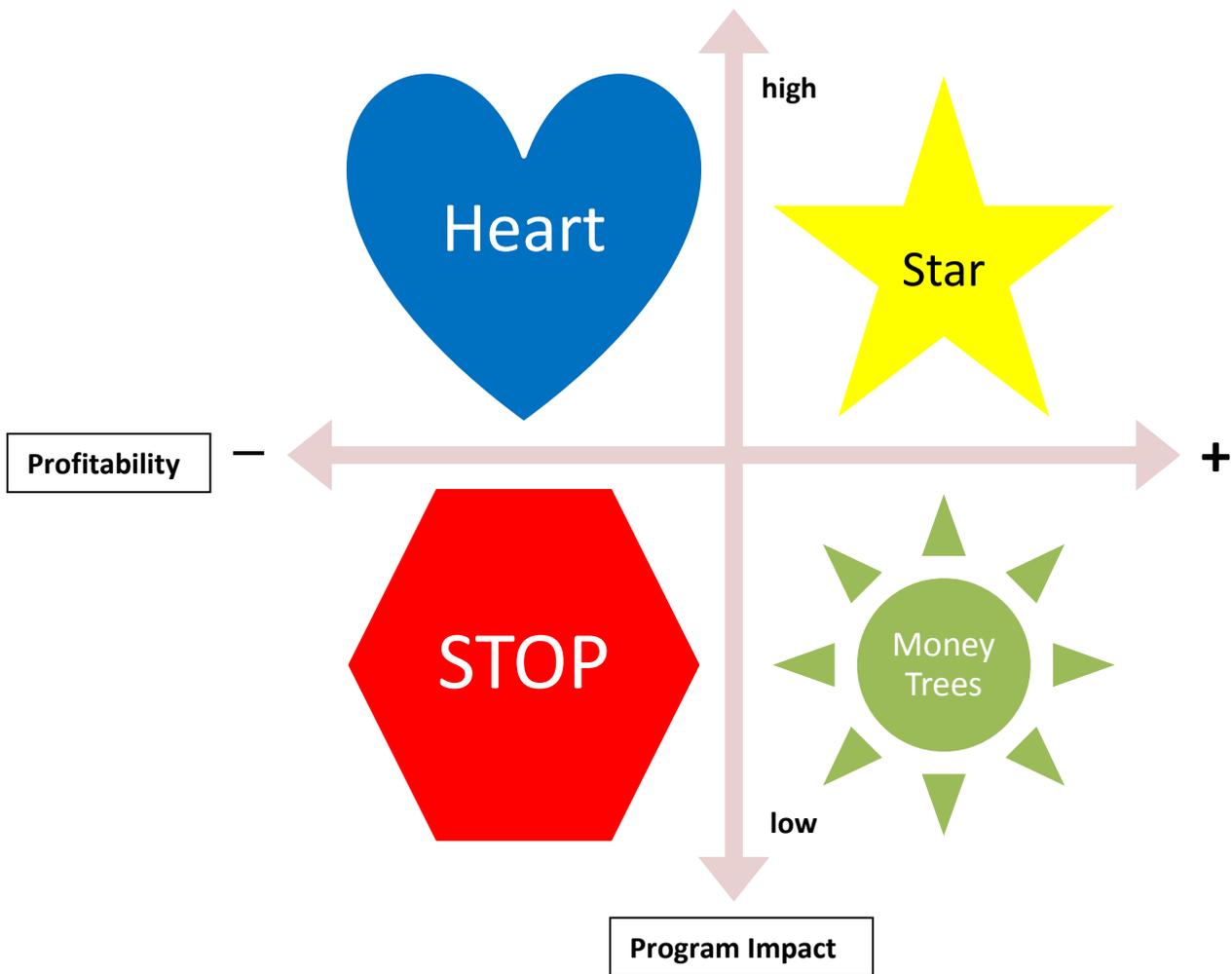
RCT camping and programs have become a formative experience for generations of Rhodesville residents. Rooted in tradition, the camp programs have changed little over the years. Attendance has dwindled dramatically for summer residential camps; day and school programs are growing in popularity. The house on the property has been used exclusively as a residence for the Phillips. There are no dues-paying members. Note: Rupert was an antique car buff.

RCT Programs & Activities

- Sixth grade class overnight camp in May
- Newsletter (mailed to every resident)
- Maple Sugaring Weekend
- Phillips House maintenance
- Winter Owl Prowls
- Two four-week summer residential camp sessions
- Summer Full Moon Paddle
- Antique Car Show
- Fall Outdoor Festival

Cash Flow Statement

	<u>Revenue</u>	<u>Expenses</u>	<u>Net</u> .
Kid's Overnight Camps			
Sixth grade class in May	4,000	10,000	- 6,000
Two four-week summer sessions	14,000	34,000	<u>- 20,000</u>
Subtotal			- 26,000
Newsletter (mailed to every resident)	300	1,800	- 1,500
Seasonal Nature Programs			
Maple Sugaring Weekend	3,500	500	+ 3,000
Owl Prowls	2,100	100	+ 2,000
Full Moon Paddle	2,500	500	+ 2,000
Fall Outdoor Festival	21,000	2,000	<u>+ 19,000</u>
Subtotal			+ 26,000
Summer Classic Car Show	49,000	2,000	+ 47,000
Phillips House Maintenance	2,000	47,000	<u>- 45,000</u>
Year-end Total			+ 500



Actions to Consider by Quadrant

Financial Loss + Low Impact = STOP!
 Financial Loss + High Impact = HEART
 Financial Gain + Low Impact = MONEY TREE
 Financial Gain + High Impact = STAR

Close it, or give it away.
Keep it, but contain costs.
Water, harvest and increase impact.
Invest and grow.

Potential Tests to Determine Relative Program Impact

- Alignment with core mission?
- Excellence in execution?
- Scale, or volume, of audience and recipients?
- Depth, or game-changing nature, of results?
- Fills an important gap?
- Community building?
- Leverages access to funding, audiences, opportunities, or has marquee value?
- Addresses root causes?
- Builds the movement?
- Strengthens partnerships?
- Produces valuable data useful to others?

AHA! What do we see?

From AHA! to Business Model Statement

Your mission includes your intentions, not adjusted for reality.

Your Business Model Statement identifies:

Your economic drivers

Your strategy for financial sustainability and

How it is linked to impact.

Business Model Statement

We are a _____

supported by _____

and supplemented by _____

and _____

including _____ and _____.

These and smaller activities are subsidized by the generosity of individuals through our

_____ campaign.

We serve _____ through _____ supported by

_____.

For follow-up assistance or to discuss a potential project, please contact me.

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