

The Impact Team™

The Impact Team is responsible for guiding the transition from a nonprofit charity to a nonprofit / social enterprise. Functionally, the team makes recommendations to the Executive Director and Board. The Team is recruited by the Executive Director, with help from the Board Chair and/or an Internal Champion. In most cases, the Internal Champion organizes and facilitates the Enterprise Team meetings, with assistance from the Senior Associate.

Composition

Typical Impact Teams should consist of 12-15 members, including:

- € The Internal Champion
- € The Executive Director
- € Select members of management staff (two to three)
- € Members from Board of Directors (two to three)
- € "Wild cards" -- people somewhat unfamiliar with agency but experienced in areas that may be increasingly important in the community. Ask them to bring a fresh perspective to your organization (no more than two).
- € Serial entrepreneurs -- individuals who have successfully built more than one small or medium-sized businesses.

Team Role and Responsibilities

- € Offer advice and guidance based on experience in entrepreneurial business, marketing and/or strategic planning.
- € Challenge assumptions and ask questions, acting as skeptics when necessary in order to keep plans firmly grounded in reality.
- € Serve as a sounding board for the project management team as information and research findings are presented.
- € Assist in the opportunity research or feasibility study phase by offering ideas on resources for information and community connections.
- € Take an active and vocal role in providing the organization with a fresh perspective.
- € Assist in analyzing the results of the planning process and formulating recommendations to the Board of Directors regarding next action steps.
- € Share business expertise in various aspects of organizational management — human resource development, marketing, financial systems, cost/benefit analysis, and the like.
- € Help the organization develop market positioning and strategies for key products and services or develop business plan outline for new high potential ideas.
- € Serve as a guide to action plan implementation and provide feedback from general community stakeholders.

Asset Identification Worksheet (Part 1)

Instructions: Use this form to list your organization’s assets. Be creative and think beyond your mission and what you currently do. Keep in mind that you do not have to conceive of a viable commercial opportunity for any of your assets at this point. Get all of your assets “on the table” first. Use additional sheets of paper as necessary.

People/Reputation

Key questions: What people do you have that are particularly valuable to your organization? (e.g., name recognition, skill sets, and the like). What does your name mean in the community? To whom is it valuable?

Core Competencies

Underlying capabilities that enable you to provide products and services to your clients that are as good - or better - than your clients' alternatives. They are what your stakeholders would list if you asked them what you are known for, or what value you deliver to them. They are a difficult-to-duplicate collection of capabilities that work together to create a competitive advantage. Programs are not core competencies (see examples below).

Key questions: What makes us unique? What do our customers, clients, partners say about us? What are the key benefits do we provide? What kinds of skills and expertise do our staff members have?

Physical Assets

Things that you have such as facilities with excess capacity, land, vehicles, computers, software, intellectual property (copyrights, trademarks, patents), and the like. This can include physical property that you might not currently view as an “asset” (leftover building materials, obsolete equipment, etc.)

Key questions: What do we have or have access (ideally exclusive access) to? To whom might this be of value? Why?

Asset Identification Worksheet (Part 2)

Technical/Knowledge Assets

Intangible assets such as; your knowledge and expertise in particular areas, access to desired resources, process expertise, market expertise, and the like.

Key questions: What processes have we perfected that provide value to our clients/customers? What processes have we perfected that enable us to operate more efficiently/smoothly? What kinds of skills and expertise do your staff members have? Internal or external processes? What about your advisory board? Your volunteers?

Relationships

People you know, organizations you know and/or have close relations with, your reputation (locally, regionally, nationally), members, suppliers, and the like.

Key questions: Who/what organization(s) play the following roles? A) the user of our product/service? B) the decision-maker(s) C) the buyer/payer? D) the influencer/influentials, E) supplier of raw materials necessary to deliver/produce our products and services. What are the key strengths of your target audience? (e.g., size, demographics, psychographics, loyalty, etc.) What other key relationships do you have with charismatic or well-known leaders?

Refer to your answers in all of the above categories, and list your top 10 most valuable assets.

1	6
2	7
3	8
4	9
5	10

Examples of Core Competencies:

Core Competency: *Closely related set of skills or areas of expertise that, combined, enable you to deliver exceptional value¹ to customers. There are three types:*

1. Superior Technological Know-how

Honda			
Core Competency	Engines and Powertrains		
Product Lines	Cars	Motorcycles	Lawnmowers
End Products	Accord	Gold Wing	etc.
	Civic	etc.	etc.

2. Reliable Processes

UPS		
Core Competency	Logistics	
Product Lines	Package Delivery	Consulting
End Products	Overnight Weekend	etc.
	Overnight Weekday	etc.

3. Close External Relationships

American Red Cross, GC - Transportation		
Core Competency	Connecting seniors to the community	
Product Lines	Transportation	Partnerships
End Products	Medical	
	ADL – activities of daily living	
	Entertainment	

¹ as good as or better than alternatives

Brainstorming

Brainstorming is used to draw out ideas from all participants, and to make those ideas accessible to the rest of the team. This is most effective in a forum that is free of criticism, critique, or judgment, and that encourages creative and unrestricted exploration of options or solutions.

Effective brainstorming can help the group to break free from long-held assumptions and “conventional wisdom”. This open-ended, rapid-fire technique often produces ideas that seem foolish or impossible to implement, but those “bad” ideas often help other team members to see the issue in a new light, and may lead to new and original solutions to problems.

Brainstorming is useful when you want to generate a large number of ideas about issues to tackle, possible causes of problems, approaches to use, or actions to take.

Brainstorming Ground Rules

- € All team members are active participants. Everyone expresses his or her ideas, even if they seem silly or off-topic.
- € No discussion—criticisms, compliments, or other comments—during the brainstorm. The facilitator may ask for clarification, but this should be kept to a minimum.
- € No interruptions. Allow each speaker to finish his or her thought before moving on to the next.
- € Build on ideas generated by other team members.
- € All ideas written exactly as presented and displayed where everyone can see them. Two recorders with blank flip-charts or whiteboards can take turns writing down ideas, so that none are overlooked or lost.
- € Set a time limit. Fifteen to twenty minutes is the maximum we recommend.
- € Clarify ideas. After the brainstorm, go over the list to make sure that all participants understand the ideas, and that the descriptions accurately reflect the originators’ intent. Keep in mind that you are only clarifying at this point, not making any judgments about the ideas themselves.
- € Combine ideas, where appropriate, to arrive at a list of unique concepts. Two or more closely related ideas can often be combined into a single item on the list.

Tips

- € State the issue clearly, in the form of a question, at the beginning of the session. Allow a few minutes for the participants to consider the issue before you start taking ideas.
- € Have participants take turns. This assures that you get everybody’s input.
- € Collect as large a list as possible. Set a high goal (ie “50 ideas in ten minutes”), in order to encourage idea flow and build momentum. Brainstorming sessions often start slowly, but can accelerate very rapidly.

Concept QuickScreen™

1. Fits with our vision, mission and core values		_____
Yes	4	
Somewhat	2	
No	0	
2. We have the necessary relationships		_____
Yes	4	
Somewhat	2	
No	0	
3. There is evidence this concept is viable		_____
Yes	4	
Somewhat	2	
No	0	
4. This concept will help us realize our money objective		_____
Yes	4	
Partially/Significantly	2	
No	0	
5. The investment required is		_____
Less than our maximum	4	
Equal to our maximum	2	
Beyond our maximum	0	
6. There is a champion who will refine the concept and own project		_____
Yes	4	
No	0	
Total Score		_____

Concept Refinement Questionnaire

Answer the following questions to the best of your ability. Please try to speculate if you don't know using the team's collective judgment.

1. What is the product/service we propose to provide?
2. What features are included and what benefits do they offer?
3. What needs does it meet?
4. How does your organization (expect to) produce it and (expect to) deliver it?
5. Who are the intended customers?
6. Why would they buy it?
7. What is our competitive advantage?
8. What are the target markets for this product/service?

9. Describe the buyer/decision-maker(s).

10. How, and from where (individuals, companies, or third-party payers such as schools) would be get paid to delivery this product/service?

11. Who are the competitors providing this product/service?

12. What is involved in conducting this business after it is up and running?

13. Is there evidence that this is a successful offering? I.e., are other providers making money offering this product/service? Please describe.

Debunking the Failure Fallacy

Author: James Aley

Source: Fortune-. Sep 6, 1993; v128n5, p. 21

Summary:

Refuting previous research stating that 4 out of 5 businesses fail within the first 5 years, a recent study places the business failure rate at 18%. (This article appeared in volume 128, issue 4, on page 19 in the Asian and European edition.)

Text:

* It's been around so long it's taken as gospel: Four out of five firms fail in their first five years of existence. Then there's the statistic, from a 1992 Small Business Administration report, that 62% die within six years. The only people who don't seem to pay attention are the ten million Americans who, according to Dun & Bradstreet chief economist Joseph Duncan, will start businesses at some point in their lives. Do these entrepreneurs know something the experts don't?

Economist Bruce Kirchhoff at the New Jersey Institute of Technology asked himself that question last year. One of the authors of the 1989 paper the SBA cites, Kirchhoff concluded that he'd better take a closer look. His new study of some 814,000 businesses, examining their prospects over the first eight years, refutes the original one: The failure rate turns out to be just 18%.

The earlier work stumbled over the definition of "business failure," he says. The data came from a D&B market research database, which includes as "business death" such nonfatal events as changes of ownership or a switch from partnership to corporation (26%). Correcting for these raises the survival rate to 54%. The balance includes "voluntary terminations," such as retirement of the proprietor.

What about the old four-out-of-five fallacy? Economic consultant David Birch of Cambridge, Massachusetts, whose own work corroborates Kirchhoff's, traces its genealogy to a misinterpretation of D&B studies showing that almost all businesses that fail are small. That unexceptionable finding somehow mutated into the current fiction. "It's like being on the end of a whisper chain," Birch says. "It's a myth everyone agrees to."

D&B's Duncan, never a fan of the conventional wisdom, adds a new wrinkle. "Data on individual companies in our files suggest that most fail in year seven," he says. "Why? I don't know." What he does know is that business failures through mid-July were down 11% from the same period in 1992.