Case Study:
Program Planning for a Human Services Organization

After a leader's exit, the program needed to make cuts to survive. The Bayer Center helped them make tough decisions – allowing them to rebuild even stronger.

Bayer Center for
Nonprofit Management
at Robert Morris University

Heinz 57 Center
339 Sixth Avenue, Suite 750
Pittsburgh, PA 15222

412-397-6000
www.bcnm-rmu.org

The Client
The client, the local affiliate of a national nonprofit organization, came to the Bayer Center under significant stress. Their long-term director had left the organization to attend to a family emergency, leaving unresolved financial issues. In addition, the organization had recently merged with another organization, and the abrupt leadership change had impacted the successful progression of the merger – indeed, many board members had resigned, carrying with them their subject expertise and institutional history. The organization needed help managing the present and preparing for the future and it needed it now!

Bayer Center staff sat down with senior staff and the interim director to consider what would stabilize the situation. The conversations surfaced an immediate need for program planning. Each of the merged organization's 14 existing programs served a cherished population, but the short-term financial picture dictated cuts. How could the organization make decisions about reducing services in a way that honored their values, client needs and their staff investments, and also maximized their potential to rebuild?

Our Work
Bayer Center consultants facilitated a board meeting that identified principles to help justify change (including investing adequate resources in a sustainable future and retaining as many staff as possible) Together, the organization and the Bayer Center also prepared the story of each program's financial sustainability.

The Bayer Center gathered key decision makers to classify programs by their match with core values and needs as well as their financial performance. Some programs had enough strength to anchor the organization through the transition, and others needed a decision to either build or get out. Programs that were financially weak but mission-central would be retained so growing programs could subsidize them. The complete picture provided a concrete basis to justify investment of staff time and resources in some programs, and decisions to de-fund others.

Extensive and thoughtful communication is an integral part of any change initiative. Bayer Center consultants helped prepare communications and facilitate meetings with staff that gave space for their concerns and questions.

The Result
One critical early win from this process was to provide a common shared data pool and space for decision-making. The turmoil in upper management had masked the severity of the financial situation. Once the board realized the importance of short-term decisions to the long-term viability of the organization, they were able to focus their energy and unite behind necessary critical actions.

The program planning exercise provided a way to look at a number of factors simultaneously and find the correct balance between them. Ultimately, it provided justification for giving away two programs to partners who were more able to support them and making other cuts.   The program handoff minimized impacts for clients by providing continuity of service, and the trimming gave the organization the financial space it needed to regroup. It also provided the basis for a longer-range strategic plan that laid out goals for rebuilding and eventual program growth.

At the time of the intervention, there was a significant operating deficit. The organization was able to make and justify the difficult decisions that kept it viable. A year afterwards, it was operating with a healthy surplus, more unity in their programs, and a staff that was unified behind them.

Bayer Center for
Nonprofit Management
at Robert Morris University

Heinz 57 Center
339 Sixth Avenue, Suite 750
Pittsburgh, PA 15222

412-397-6000
www.bcnm-rmu.org