# Strategy Counts Pilot Site Profile

The Strategy Counts initiative is a multi-year pilot project of the Alliance for Children and Families to elevate the role of strategy in nonprofit human service organizations. Strategy Counts is supported by a $5.375 million grant by The Kresge Foundation.

Twenty pilot sites were awarded grants to implement a strategic transformational project or appoint a chief strategy officer. These sites will identify and evaluate tools that have the greatest potential to strengthen organizational capacity and sustainability, anticipate and adapt to emerging market forces, improve the lives of children and families, and achieve greater social impact on the communities served. The first pilot sites launched in January 2012.

Strategy Counts includes a cohort learning group, webinars, case studies, blogs, video interviews, and other opportunities to expand the knowledge-base to the wider Alliance membership and the nonprofit human services sector.

To learn more, contact Michael Mortell, director of Strategy Counts at mmortell@alliance1.org, or visit alliance1.org/strategycounts.

20 Strategy Counts Pilot Sites

the Opportunity ○○○Alliance
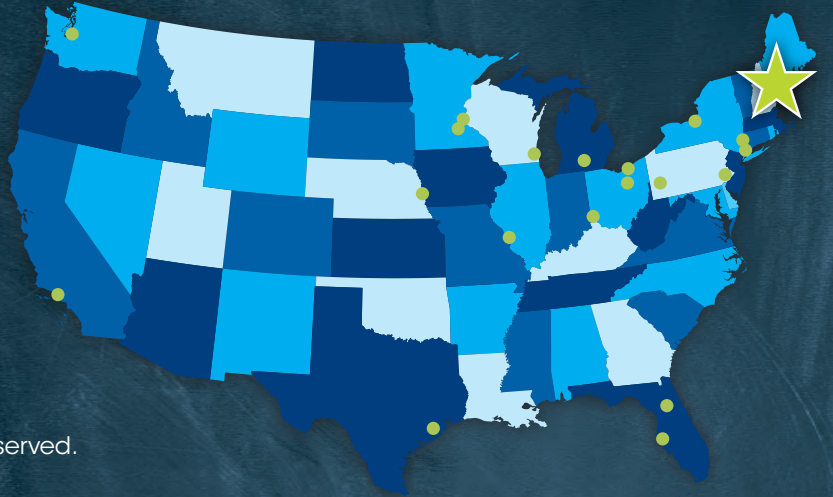
The Opportunity Alliance

Portland, Maine
Michael J. Tarpinian, CEO
Elizabeth Banwell, chief strategy officer

Strategy Counts grant received:
Chief Strategy Officer project

Building for strategic transformation

The Opportunity Alliance is at a critical juncture in its organizational history. Two strategic mergers in four years transformed the agency from child welfare and out-of-home placement to a community-based family focus in 2007 and, in 2011, to a community action and human services agency fighting poverty.

"We've gone through a transformation not just in size, but in mission, program focus and governance," says Mike Tarpinian, president and CEO of The Opportunity Alliance. "We now have a unique opportunity to bring together neighborhood-based social and mental health services with effective advocacy that reflects our grassroots, social change base."

The Opportunity Alliance identified risk factors for poverty such as lack of access to education and health care, mental illness, substance abuse, and unstable housing. The board and staff realized that early intervention was predicated on working directly in targeted neighborhoods, in collaboration with residents, other service providers, and community groups.

"Addressing large-scale issues requires the coordinated effort of the entire community," says Tarpinian. "So at the end of the day, what we really want to do is build relationships to build community."

With the agency's first chief strategy officer

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—Mike Tarpinian, president and CEO

Young people share the energy and fun of drumming as a group during a recent program hosted by The Opportunity Alliance.

(CSO) providing the lead, strategic initiatives and detailed implementation plans are being formulated. The first strategic initiative to be implemented is the establishment of four neighborhood hubs that will respond to each community's specific needs. The agency's services will be integrated with those of other community partners. Collective impact will be measured by outcomes such as school and vocational readiness, economic self-sufficiency, and self-advocacy.

Another strategic initiative is to partner with a primary care provider to create co-located, person-centered health homes that will provide primary and behavioral health care, integrated care management, and linkages to other needed resources.

"We clearly are an organization that intends to work in and amongst the people we serve, and we want to bring partners to the table to problem solve, including the people we serve," explains Tarpinian. "Great

strategic planning will ensure we invest in and sustain programs and services that provide the best care, service, and advocacy for the people of Maine."

Working through merger to a unified vision

With the late 2011 merger, The Opportunity Alliance is still immersed in intensive integration. Close communication and full engagement helped everyone in the new organization quickly understand the concept and vision of The Opportunity Alliance. One telling measure of success: within about six months, Tarpinian no longer heard, "That's how we used to do it."

"Every merger will have stumbles," Tarpinian acknowledges. "The conversion to one payroll system was too rapid, for example, resulting in errors in payments and benefit tracking—and a significant morale problem. That became the lightning rod for all that is not good about change. The agency put the payroll conversion on hold and worked out other operational issues before circling back in a slower, more thoughtful approach."

Early on, the integration focused almost exclusively on staff. But the new board was comprised of 13 members from one predecessor organization and 11 from the other. Tarpinian reported about Head Start challenges at a board meeting. Half the room looked at him blankly. Next he talked about impending Medicaid mental health issues. "The other half had this blank stare," he recalls.

Tarpinian and the board chair realized they didn't have the luxury of time. They implemented an intensive two-month immersion to educate the board about the

The Opportunity Alliance

One of the largest and most complex providers in Maine, The Opportunity Alliance serves more than 20,000 people in 25 locations statewide. Its more than 50 clinical and community-based programs include a local neighborhood center, housing programs, Head Start and Women, Infants & Children program, psychiatric care, residential services, a 24-7 crisis line, and homeless youth services. In 2012, the agency had revenue of $35 million and employed 450 people.

The result of two strategic mergers in the past six years, The Opportunity Alliance has tripled in size since 2007. With its 2011 merger, it's the only organization in Maine that is a community action agency with mental health and social services. Learn more at opportunityalliance.org.

agency's 50 programs.

Strategy is now front and center at board meetings. The strategic planning committee was made a standing committee, with both the board president and CEO as members. The finance report was replaced with a sustainability report, and the board agenda closely reflects the agency's strategic imperatives.

But having led an earlier merger, Tarpinian emphasizes that culture eats strategy for lunch. "Culture is the most critical factor in success. It's also the most difficult," he says.

The Opportunity Alliance created a culture committee comprised of staff from both organizations. They are closely involved in working through the issues of integration and helping guide a unified strategy throughout the agency. Rather than try to squelch each agency's unique traditions and philosophies, the new organization is working instead to honor them. "It's those cherished rituals that keep an organization moving forward," Tarpinian observes.

Defining strategic imperatives

The new complexity of the organization and differing philosophies and cultures present a challenge in identifying strategic imperatives. Elizabeth Banwell, CSO at The Opportunity Alliance, spent her first months involving the entire organization in identifying key initiatives and creating program goals. She describes it as a top down, bottom up process.

A vice president was put in charge of each initiative, and a committee meets regularly to build out the initiative and work on implementation plans. The director of the culture committee sits on each committee.

The five vice presidents overseeing each initiative have worked together for the past year to make strategic decisions about the agency's 50 programs. The Opportunity Alliance uses a dual bottom line matrix to guide programming decisions. Programs and services are defined as being in growth, value, or transition categories.

With the implementation of neighborhood hubs, the agency is looking at programs and service delivery horizontally rather than vertically. That entails breaking siloes, moving programs where they make the most sense, and in some cases giving up programs. That's been an enormous shift for staff.

"The geese have always lived together," says Tarpinian, a life-long Maine resident. "Now they're being broken up and moved out to neighborhood sites, shedding some programs and responsibilities and taking on others."

Previously, for example, an adult mental

Role of chief strategy officer

As a direct result of the Strategy Counts initiative, The Opportunity Alliance appointed Elizabeth Banwell as its first chief strategy officer (CSO) in January 2012. The CSO position ensures that strategy is elevated from the inception of the newly merged agency.

An executive senior management position, the CSO reports directly to the CEO. Among Banwell's responsibilities are developing the organization's first strategic plan with measurable outcomes, identification and assessment of strategic initiatives and alliances, aligning operational and program benchmarks with strategic imperatives, building emerging business, and driving strategy throughout the organizational culture. The position is supported by a half-time planning assistant and the vice president of advocacy and strategic initiatives. The Strategy Counts investment enables the CSO position to be folded into The Opportunity Alliance's budgeting process for years two and three, with the position fully funded by year four.

"Having a CSO allows everyone, from board, staff, and volunteers to clients and community partners, to quickly coalesce around joint imperatives," says Mike Tarpinian, president and CEO of The Opportunity Alliance. "I call Elizabeth the little pebble in our shoe. She is constantly reminding us where we need to go to move the dial."

health caseworker would have referred a client who needed fuel assistance to the agency's Light/Heat program. Under the new approach, the mental health caseworker will help the client complete the Light/Heat application. The agency is exploring whether there are opportunities for shared responsibility between adult and children's mental health caseworkers and is evaluating other cross training and program integration.

"That shifts the culture from my program to the agency's program. It only happens when you bring these programs together as opposed to isolating each one in a different silo," Tarpinian explains. "It's a hard process, but we got there. Emotionally, every change has its challenges. But I think the staff has really been embracing this."

The CSO is leading the agency in development of its first strategic plan with clear, actionable, measurable outcomes tied directly to strategic imperatives.

Tarpinian says the agency's predecessor organizations were strategy driven and entrepreneurial, but like many organizations both their strategic imperatives and tactical goals were primarily process goals. Outcomes still are being clarified, but will include such measures as moving beyond poverty, attaining economic self-sufficiency, thriving in school, effective parenting,

About the Alliance for Children and Families

The Alliance for Children and Families is a national organization dedicated to achieving a vision of a healthy society and strong communities for all children, adults, and families. The Alliance works for transformational change by representing and supporting its network of hundreds of nonprofit human-serving organizations located in North America to translate knowledge into best practices that improve their communities. Working with and through its member network, the Alliance strives to achieve high impact by reducing the number of people living in poverty; increasing the number of people with opportunities to live healthy lives; and increasing the number of people with access to educational and employment success. Go to alliance1.org for more information.

and community cohesion. Ultimately, The Opportunity Alliance hopes its outcomes measures will be driven less by contractual requirements and more by its role in meeting the needs of its communities.

Moving to data-driven decision making

The outcomes initiative committees identified 26 data collection systems within the organization, none of which speak to one another. Only two people manage data for the agency, one a newcomer to The Opportunity Alliance and the other responsible for almost half of the 50 programs. The agency intends to invest heavily in technological capacity. In addition to driving performance, better data collection and evaluation will enable The Opportunity Alliance to more effectively advocate for its neighbors as other community resources shrink or go out of business.

New strategic funding decisions

Funding is one challenge in breaking silos and achieving impact, particularly in Maine where, Tarpinian says flatly, "there isn't

any money." More than 60 percent of the agency's clients qualify for Medicaid. State budget cutbacks and greatly restricted Medicaid eligibility have hit the agency hard. In addition, Tarpinian explains funding is highly categorical, with no easy flow between one set of funding mechanisms to another.

The agency is evaluating whether to move its Medicaid reimbursable programs from fee-for-service to a capitated rate. "That's not necessarily more beneficial to the organization, but it might be for our families," says Tarpinian. "It would aid us in embedding data-driven decisions that the current structure sometimes prevents. We'd have more flexibility in tweaking a service or responding to a family or a neighborhood's needs."

Collaborating for long-term community impact

The Opportunity Alliance isn't focused just on breaking down silos internally. Its overriding strategic intent is to partner and create community collaborations.

"The new Opportunity Alliance is much more attuned to collective impact than necessarily worrying about our market share or branding," Tarpinian says. "We realize that even with 50 programs, we can't do it alone."

The agency recognizes that effective collaborations are difficult to achieve. In this era of funding cutbacks and increasingly constrained budgets, many providers are concerned that by coming together their own programs may be in jeopardy. Funders still tend to measure success at the organizational level, not the broader, long-term community level. Still, Tarpinian and his organization remain undaunted.

"We can and must agree to a collective vision and goals in these very challenged yet asset-rich communities," he says. "Together we can have a lasting, collective impact on the neighborhoods where we live, work, and raise our children." ■

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