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Identifying Factors Related to Nonprofit Success Through the Use of a Multidimensional Approach

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by

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Abstract

Nonprofit success is a complex and inconclusive term. Rather than attempting to define nonprofit success, this thesis seeks to identify factors attributed to organizational effectiveness. Support for the credibility of these factors is derived from a review of literature and an interview with the CEO of an acclaimed successful nonprofit. The balanced scorecard is referenced as a multidimensional approach to structuring and evaluating organizational effectiveness. Factors within these perspectives and those mentioned in an interview with the CEO have been analyzed and identified for the use of nonprofit personnel or entrepreneurs.

Key Words: nonprofit success, multidimensional approach, balanced scorecard, organizational effectiveness, performance measurement

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Introduction

Scholars have been inconclusive in their research on a comprehensive definition for nonprofit success (Sawhill & Williamson, 2001; Willems, Jegers, & Faulk, 2014; Sowa, Selden, & Sandfort, 2004). Pinpointing nonprofit success is seemingly impossible because of the pursuit of a mission rather than bottom line profit attainment (Sawhill & Williamson, 2001). In addition, nonprofits are so diverse in their missions that their missional achievements are not comparable, which makes it even difficult to find a solitary definition of success (Herman & Renz, 1998). Another obstacle to defining success is that there is a myriad of factors involved in developing an effective nonprofit. Among many other determinants, nonprofits must handle finances, satisfy stakeholders, and analyze program activities. Because of this complexity, some scholars have averted their attention from a single measure of missional success towards performance measurement models as a means to evaluate multiple important aspects of a nonprofit that attribute to its effectiveness.

In the 1980s and 1990s, managers became fixated on measuring an organization's performance. However, it was never clear which performance measures should be used, or how to apply them. The most common practice was to use financial information as the basis for evaluating success, but researchers since have pointed out deficiencies in relying solely on financial standards. These deficiencies include, but are not limited to, the inability for financial data to express customer satisfaction, address organizational strategy, or invoke innovative business practices (Neely, 1999). For nonprofits, whose main objectives involve social justice efforts, financial measures alone cannot comprehensively determine whether an organization has experienced success (Sawhill & Williamson, 2001). Traditional performance measurements, such as the financial measure, can also be too conservative (Henri, 2004) as most emphasize short-term achievements and do not consider the benefit of long-term objectives.

Understanding these shortcomings, performance measurement models began to evolve from using financial measures to considering nonfinancial aspects both internal and external to an organization (Venkatraman & Vasudevan, 1986). Some of these models emphasized organizational input, varying between the consideration of internal versus external factors (Sowa, Selden, & Sandfort, 2004), while other models evaluated performance outcomes. Sawhill and Williamson (2001) agree that mission-related and specifically measurable goals for performance are more likely to lead an organization towards success. However, there is argument of whether outcome data even provides enough understanding to evaluate the entirety of an organization (Heinrich, 2002).

Furthermore, the heterogeneity of nonprofits has made it seemingly impossible for nonprofits to implement a single performance measurement (Eckerd & Moulton, 2011). Here again the problem lies in determining the overall missional success which differs for every nonprofit. Therefore, instead of searching for one evaluation method that fits all, a nonprofit should consider multiple factors that address its specific needs (Eckerd & Moulton, 2011). A multidimensional approach is best suited for the complex nature of nonprofit organizational effectiveness (Sowa, Selden, & Sandfort, 2004).

To find a balance in evaluating factors that affect nonprofit success, a single model that adapts to the needs of any nonprofit would be ideal. Kaplan and Norton

(2001a, 1996, 2005) have attempted to achieve this in their creation of the balanced scorecard. The balanced scorecard is the most dominant framework in the study of business performance measurement (Marr & Schluma, 2003). Originally designed for for-profit businesses, the scorecard had advantages that would benefit nonprofits and was adapted accordingly for nonprofit accommodation. These advantages lie in its multidimensional approach to frame working success. The balanced scorecard considers four distinct, yet integrated, perspectives of an organization including finances, customers, internal business practices, and innovation and learning. At the center of this model, due to its paramountcy, is the strategy and mission of an organization. One of the biggest testaments to success in a nonprofit is its formation and implementation of strategy. The model aims to integrate all of the aspects of an organization with the mission of what the organization wishes to attain and the strategy of how the organization plans to actualize that mission. It reduces confusion by succinctly proposing the fewest number of measures that still provide the necessary evaluation of performance (Kaplan & Norton, 2005).

Within the four different perspectives are sub factors that impact the organization. The financial perspective accounts for stakeholders who are both resources and clients of the organization. The customer perspective includes anyone who is a direct influence to or beneficiary of the organizations efforts. The internal business perspective addresses processes and systems that are in place that affect how the organization functions. Such processes include stakeholders such as the board of directors. The innovation and learning perspective includes worker training and the collaboration between different constituencies associated with the organization (Kaplan & Norton, 2005).

This thesis will use the balanced scorecard as a reference for attempting to understand the factors that attribute to an effective nonprofit organization. The research questions addressed by this thesis include:

- What factors should an entrepreneur consider that contribute to developing a successful nonprofit?
- How does the balanced scorecard, presented by Kaplan and Norton, compare to the success factors discussed by an effective nonprofit CEO?

Due to the complex nature of nonprofit success, the perspectives of the balanced scorecard give a more comprehensive view of what affects an organization and its functioning (Kaplan & Norton, 2005). This thesis does not promote the balanced scorecard as the perfect solution for understanding nonprofit success, but instead utilizes it as a guide for developing a sense of how a nonprofit can become effective no matter their intended mission.

After reviewing existing literature on the factors that impact nonprofit success, the most prevalent factors will be discussed. An interview with the CEO of a nationally known non-profit will discuss what factors were important to its success. Those factors will be compared to the ones found to be most prevalent in the review of literature.

Literature Review

This literature review will give an overview of the balanced scorecard presented by Kaplan and Norton in an effort to identify the factors which contribute towards developing a successful nonprofit. The success factors are meant to be a means to achieving nonprofit success on an individualized basis regardless of distinct missions (Sawhill & Williamson, 2001; Willems, Jegers, & Faulk, 2014; Sowa, Selden, & Sandfort, 2004). Success itself will never be singularly defined due to the diversity between nonprofits goals and missions. However, success is commonly referred to as organizational effectiveness which at the most basic level is defined as “the extent to which that organization’s mission is being achieved” (Herman & Renz, 1998, p.24).

The Balanced Scorecard

The balanced scorecard developed by Kaplan and Norton (2001a, 1996, 2005) is a multidimensional approach to evaluating the success of non-profit organizations. Realizing that organizations needed a balanced view of the many factors affecting their organization, these researchers proposed using both financial and operational measures (Kaplan & Norton, 2005). As a result, they developed the balanced scorecard as a performance measurement system that utilizes strategic management practices to align short-term and long-term goals (“Balanced scorecard basics,” 2016; Kaplan & Norton, 1996). Whereas measurement of the past solely involved financial accounts of tangible assets, the balanced scorecard addressed both tangible and intangible assets within the context of organizational strategy (Kaplan & Norton, 2001a). This enhanced perspective transforms an organization from being results-focused to developing a “performance-based culture” (p. 102) that links strategy among all organizational functions and decisions. Revolving around strategy, the framework considers four perspectives by which an organization should be evaluated: customer, financial, internal business, and innovation and learning (Kaplan & Norton, 2005). Figure 1 illustrates the outline of the balanced scorecard, specifying the the breakdown of each perspective and the links between them. The next sections are dedicated to expounding upon the framework including the significance of strategy and the four mentioned perspectives.

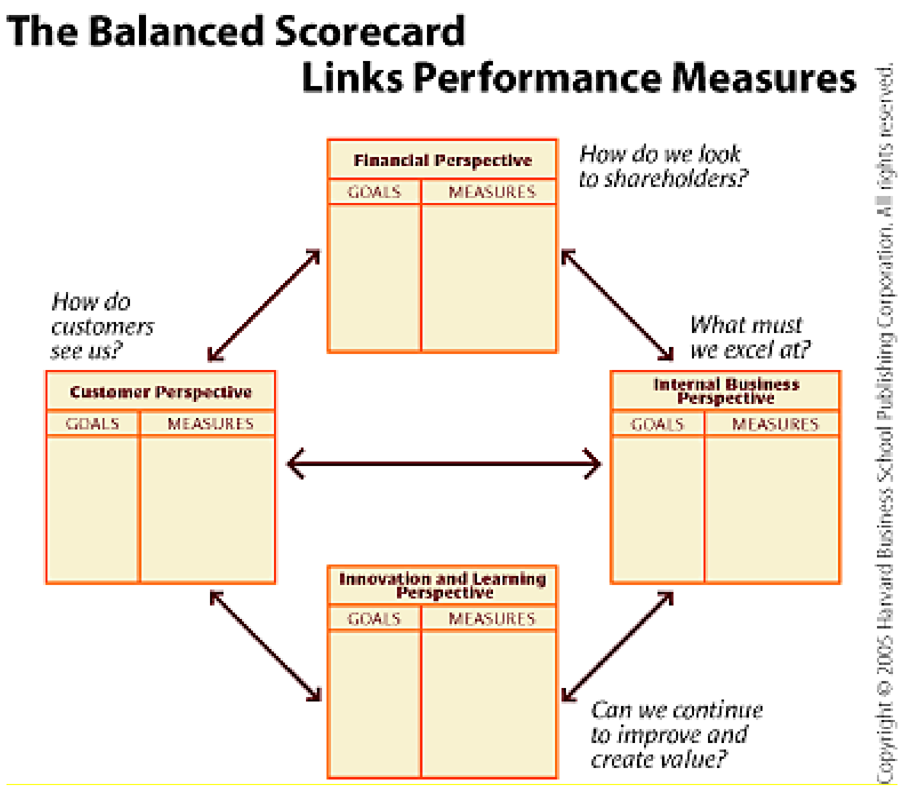

Figure 1. The Balanced Scorecard: Links Performance Measures. This figures illustrates the framework of the balanced scorecard and the relationships between the its perspectives. Reprinted from "The Balanced Scorecard: Measures that Drive Performance," by R. S. Kaplan and D. P. Norton, 2005, *Harvard Business Review*, p. 3. Copyright 2005 by the Harvard Business School Publishing Corporation.

Strategy. The foundation of any organization is its values, mission and goals. These are what guide an organization in carrying out a specified purpose. Strategy needs to be succinct so that all members of the organization can understand how each role contributes towards collectively fulfilling the mission (Kaplan, 2001). An organizational strategy is established based off the organizations intended purpose and describes how to attain the mission. Mission Driven Strategy, proposed by Dr. Mark L. Frigo (2003), an expert in nonprofit strategy design, is a commitment to aligning business practices with an organization's mission. Having this approach to strategy guides an organization in all that it does to remain focused on its mission. Strategy itself is what the balanced scorecard centers around while the planning out of the strategy is what helps integrate the perspectives of the framework. Within the perspectives, the goal is always to further the strategy and mission of the organization. Organizational value is found in an adherence to the mission and goals laid out in the strategy (Kaplan & Norton, 2005).

The strategy-making process. To develop a strategy, an organization must go through the process of strategy-making. Unfortunately, there is a lack of scholarly writings on the formulation of strategy. Sources tend to bypass strategy-making and refer immediately to the execution of an already existing strategy. Some sources mention the goals or mission of an organization, yet never explain how those come to be. The limited literature that has addressed strategy-making will be discussed to contribute to the understanding of creating a mission-based strategy.

Mintzberg (1994) defines the strategy-making process as "capturing what the manager learns from all sources (both the soft insights from his or her personal experiences and the experiences of others throughout the organization and the hard data from market research and the like) and then synthesizing that learning into a vision of the direction that the business should pursue" (p. 107). Within the process, both strategic thinking and strategic planning are vital.

Strategic thinking is the effort to understand and link formal and informal operations of an organization. It encourages intuitive and creative ways of achieving goals, as well as fuses the values and mission throughout an organization (Fairholm, 2009). “The outcome of strategic thinking is an integrated perspective of the enterprise, a not-too-precisely articulated vision of direction” (Mintzberg, 1994, p.108). It is an ongoing process that allows flexibility for organizational adaptation if situations change (Fairholm, 2009).

On the other hand, strategic planning is “the articulation and elaboration of strategies, or visions, that already exist” (Mintzberg, 1994, p.107) and the “disciplined effort to produce fundamental decisions and actions shaping the nature and direction of an organization’s (or other entity’s) activities within legal bounds” (Bryson, 1988, p.74). Rather than being an element of the strategy-making process, this stage is the programming and implementing of the resulting values and mission birthed from strategic thinking. The outcome of planning is a practical strategy consisting of detailed programs that are continuously monitored for their effectiveness (Fairholm, 2009). While strategic thinking involves synthesis, the bringing together of elements into a common vision, strategic planning involves analysis, the breaking down of an idea into its elements (Mintzberg, 1994).

Although the balanced scorecard does not specifically account for the creation of strategy, this process is fundamental to the enactment of a successful framework. To begin the pursuit of strategy, an organization should evaluate its why, what, and how (Fairholm, 2009). This approach first addresses the “why” behind an organization’s functioning. “Human motivations, formal and informal organizational values, culture, and inter-and intra-organizational relationships” are sought to be understood amid the context of the organization’s intended cause (p.6). Knowing an organization’s intentions assists in pinpointing its values and mission. After recognizing the interactions of an organization, the “what” can be considered. This is the programs and initiatives of the organization that are rooted in balanced and complementary business practices. The last step is to plan out the “how.” How the organization implements these programs and fulfills its mission is the actual functioning of the organization. It is the “hows” that are the performance measures which determine organizational effectiveness. The why-what-how approach expands the lens of an organization to holistically consider all elements internal and external that affect its functioning. Organizations that follow this pattern of strategic thinking can form a successful mission-based strategy.

Strategic planning. After developing a strategy consisting of organizational mission, values and goals, an organization can begin formulating its balanced scorecard. This process begins with strategic planning. The balanced scorecard integrates into its framework an organization’s strategy as a guide for performance measures (Harden & Upton, 2016). In fact, strategy is at the core of the framework. Strategic planning is a crucial process for aligning an organization’s function to its mission. This strategy involves bringing together leaders of an organization to discuss and decide what is important for the organization (Bryson, 1988).

Strategy maps. To facilitate strategy within an organization, strategy maps are used to integrate the four perspectives by identifying cause-and-effect relationships among them (Harden & Upton, 2016). Well-made strategy maps identify the functions that are necessary among tangible and intangible assets for quality organizational effectiveness

(Kaplan & Norton, 2004). Kaplan and Norton (2004) identify five principles that a strategy map should address:

- Finding a balance between short-term efficiency and long-term objectives,
- Maintaining excellent customer value proposition,
- Recognizing that excellent internal business processes are what create value,
- Understanding that multiple internal processes occur simultaneously but produce results at different times,
- Aligning all elements of an organization to result in the highest value.

To begin the creation of a strategy map, an organization must have previously worked through the strategy- making process and predetermined its strategy. From this envisioned strategy, leaders work backwards to plan the necessary actions it would take to achieve their goals (Kaplan & Norton, 2001a). These actions, or strategic objectives, are used to discover the interactions that may occur between factors of the four perspectives. Knowing these potentials help in evaluating what decisions will be most effective for all aspects of the organization. A strategy map gives everyone in an organization a "common and understandable point of reference" (p.4) for decision-making.

Kaplan and Norton (2001b) found a set of five common principles used in strategy-focused organizations:

- "Translate the strategy to operational terms" (p.147). This involves translating objectives into a strategy map that can be implemented during decision-making.
- "Align the organization to the strategy" (p.147). It is imperative that the mission and strategy of an organization remain the central focus. To create this synergy within an organization, linkages have to be made between the slightly differing

strategies of the various organizational departments (strategic objectives will differ based on a department's function). By linking departmental strategies, the organization as a whole can function in pursuit of an integrated set of objectives.

- "Make strategy everyone's everyday job" (p.151). Successful organizations communicate their strategy holistically so that employees can personally adapt their behaviors to best heed and support the strategy. Integrating the strategy into every aspect of employee's role at any level allows them to take ownership of the intended mission.
- "Make strategy a continual process" (p.152). Organizations benefit from frequently referring back to their strategy by linking it to the budget, holding discussion meetings, and reevaluating their objectives. A constant reference back to the mission helps increase employee buy-in.
- "Mobilize leadership for change" (p.155) indicates the process of changing a company to be strategy-focused from the top down. In implementing new strategy, "ownership and active involvement of the executive team is the single most important condition for success" (p.155). Management has to invoke a desire for change within the company then set up guidelines for the changes to occur.

Financial perspective. Although financial measures are not the sole focus of measuring performance of a nonprofit, they are still an aspect that affects success; an organization has to have the finances to sustain its functioning. "Financial performance measures indicate whether the company's strategy, implementation, and execution are contributing to bottom-line improvement" (Kaplan & Norton, 2005, p.8). Learning how to use money effectively and link finances to operational performance will generate success within this perspective. Businesses' view on this perspective is to lower costs and increase revenue ("Balanced scorecard basics", 2016). Nonprofits can follow the same guidelines by linking improved internal processes to financial measures. Improving operational performance can reduce operational expenses and the amount of capital needed to perform efficiently and effectively (Kaplan & Norton, 2005). This reduction in costs allows for financial allocation to other programs or initiatives that will further the organization's mission.

This perspective also asks, "How do we look to shareholders?" (Kaplan & Norton, 2005, p. 2). Since shareholders have a direct influence on the funding of a nonprofit, they therefore have an influence on the activities of a nonprofit. Shareholders and stakeholders, "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman, 1984, p.46), are able to assess the financial reports of an organization and form their personal opinion of the organization's effectiveness. They have financial reins on a nonprofit to force its funding to be used in a certain way or for a certain activity (Keating & Frumkin, 2003). A nonprofit can help stakeholders understand its performance by providing financial and missional impact outcomes of its programs rather than financial reports of overhead expenses. Finances associated with a nonprofit's programs allow shareholders to see where their money is being used and how effectively it aids the mission of the organization (Glassman & Spahn, 2012). The use of financial data is less about the actual reports containing past short-term data and more importantly about where money is being used and how effectively it assists in achieving strategic objectives.

Customer perspective. This perspective asks, “How do customers see us?” (Kaplan & Norton, 2005, p. 2). Individual customers formulate an organization’s effectiveness reputation which impacts the behavior of stakeholders towards the nonprofit (Willems, Jegers, & Faulk, 2016). However, to understand a customer’s views and behaviors, an organization has to first identify its customers. “The failure of organizations to precisely define the populations they serve often leads to difficulties in evaluating program outcomes” (Ospina, Diaz, & O’Sullivan, 2002, p.26). Profit-seeking businesses usually have one type of customer who both pays for and receives the product or service. However, in a nonprofit setting, customers are differentiated by those who fund the organization and those who receive the product or service (Kaplan & Norton, 2001a). The scope of nonprofit customers expands beyond the traditional role of a customer to include all stakeholders. Keating and Frumkin (2003) identify nonprofit stakeholders as three distinct groups: clients, donors, and the community. All three groups can potentially provide resources, such as revenue, to a nonprofit, but have distinct impacts on the functions of an organization. Clients are the targeted customers whom an organization is seeking to provide for. If this audience is unresponsive or dissatisfied with the services offered, an organization will need to re-evaluate how its strategy is being implemented. Donors, like those mentioned in the financial perspective, have influence on the activities of an organization due to financial controls. Lastly, the community can be affected directly by the services of an organization or indirectly by the outcomes and changes that occur due to the organization’s services or products.

Identifying customers and stakeholders is paramount in defining a target audience for an organization (Ospina, Diaz, & O'Sullivan, 2002). For example, a drug rehabilitation center will target addicts but not cancer patients. Although categories of customers may overlap and interact, such as a drug addict who also has cancer, the intended focus is on drug rehabilitation not cancer treatment. Once the target audience is identified, an organization must find out what the customers want and expect. Knowing these two things contribute to the formulation of the services or products that will be most effective for customers and help refine strategic objectives (Kaplan & Norton, 2005).

Important to this portion of the balanced scorecard is the customer-value proposition, or "the unique mix of product, price, service, relationship, and image that a company offers" (Kaplan & Norton, 2001a, p. 93). The value proposition of an organization is the extent to which it meets or exceeds a customer's expectations in hopes of being perceived more valuable than another organization. Treacy and Wiersema (1997), suggest three different disciplines of focus for providing value to customers: operational excellence, product leadership, and customer intimacy. The discipline of operational excellence aims for efficiency and the best combination of price, quality, and delivery. Product leadership promotes innovation in developing an unrivaled service or product unique from other organizations. Customer intimacy encourages holistically caring for a customer by building a relationship, problem-solving, and giving attention to each individual customer's needs (Treacy & Wiersema, 1997). To succeed in providing the best customer-value proposition, most organizations focus on one discipline, intently but still integrate the other two into its objectives (Niven, 2008). Kaplan and Norton (2001a) identified operational excellence to be the most common discipline of focus for most nonprofits. Developing strong customer relationships that offer value-proposition based on these three disciplines gives an organization a better reputation among its stakeholders.

Internal business perspective. This perspective deals with what the organization actually does. It involves anything from the complete processes and functions of an organization to the individual employee's day-to-day actions. The question asked in this portion of the balanced scorecard is, "What must we excel at?" (Kaplan & Norton, 2005, p. 6). After understanding what customers value, an organization has to plan how it will achieve that intended value and how to become cost-effective in its activities.

Kaplan and Norton (2001b) lay out four processes that lead to successful internal business.

- Develop a highly regarded reputation for the organization. For a nonprofit this requires innovating new ways to reach its customers and unique, effective ways of initiating the social justice of its mission. Niven (2008) agrees that an organization should maintain a high quality reputation through practicing continual innovation as well as elevating itself through marketing and branding.
- "Increase customer value" (Kaplan & Norton). This process associates action with the goals established within the customer perspective. Truly understanding the customer leads to delivering quality products or services that satisfies those customer's needs and desires (Niven).
- "Achieve operational excellence" (Kaplan & Norton, p. 93) which involves reducing operational expenses, improving management of assets, and instituting the most effective and efficient internal processes, all of which should remain

strategy-centered. Niven urges organizations to consider the effectiveness and efficiency of their work and fundraising, and to account for potential risks. Being proactive in preparing for potential downfalls, an organization can enhance its current functioning to be at an even greater level of operation.

- "Become a good corporate citizen by establishing effective relationships with external stakeholders" (Kaplan & Norton, p. 93). Relationships with stakeholders can take on different forms, one of them including partnerships. Niven suggests that organizations seek to collaborate with others that have like-minded missions and can synergize their efforts. Being in good standings with other organizations can be advantageous if the nonprofit needs resources or credibility.

Similar to the inconclusive definition of nonprofit success, there are no universally accepted best practices. Every nonprofit will have business practices unique to their missions and goals but all nonprofits can benefit from having specifically stated and regulated business practices.

Internal business practices should be broken down and over-communicated at all levels of an organization so that every member is aware of the expected objectives. In order for effectiveness to be established, specific performance measurements should be associated with the practices (Kaplan & Norton, 2005). Having these measurements allows for issues to be identified, analyzed, and improved. Although the type of measures will differ depending on the process, all should diagnose the level of commitment to the intended strategy. Again, keeping strategy at the center of all that an organization does is what leads to fulfilled values and mission.

Innovation and learning perspective. This next perspective, also referred to as organizational capacity (“Balanced scorecard basics”, 2016; Eisinger, 2002), revolves around improvement and the longevity of value. At this point in the framework, an organization should have a set mission, a plan for efficiency, a clear depiction of who its customers and stakeholders are, and have an understanding of how it will achieve the mission. The only part missing from the balanced scorecard is a strategy to sustain and improve. Growth and change have to be addressed in a world where competitive advantage is key to sustaining business. Even nonprofits have to innovate and adapt their internal processes to meet consumer demands.

Organizational capacity is the “set of attributes that help or enable an organization to fulfill its missions” (Eisinger, 2002, p. 117). Eisinger also proposes that successful organizations embody many attributes and use them specifically for furthering their organizational mission. Increasing the capacity of an organization can include employee training of knowledge and skills (Kaplan & Norton, 2001a; Harden & Upton, 2016), acquisition of and updates to technologies (Kaplan & Norton, 2001a; Hackler & Saxton, 2007), and creation of a supportive cultural climate (Kaplan & Norton, 2001a). Amid these efforts, organizations must balance their focus on growing both their people and their systems to ensure holistic improvement and sustainability of organizational effectiveness (Wing, 2004).

According to Kaplan and Norton (2001a), an organization should define what employee capabilities are needed to enhance its strategy. Increasing employee’s capabilities through training programs and empowerment can even further improve the long-term success of an employee (Harden & Upton, 2016). Bartel (1994) performed a study on businesses in the manufacturing sector and found that there is a positive relationship between formal employee training programs and labor productivity.

Besides enriching human capital, organizations that institute the full potential of information technology (IT) are more likely to increase organizational effectiveness (Hackler & Saxton, 2007). ITs impact is essential in areas such as developing better organizational partnerships or generating financial stability or utilizing electronic network communication (Hackler & Saxton, 2007; Burt & Taylor, 2000). However, to experience these innovations, organizations have to approach IT strategically with a plan. If not, IT will lack the ability to further the organizational mission because its systems will not focus on the acquisition of intended goals. Other obstacles to developing such success with IT are fiscal restraints that do not allow the provision of equipment or knowledgeable staff, as well as time restraints that do not allow for adequate training of employees to strategically use IT (Hackler & Saxton, 2007).

Factors Affecting the Use of the Balanced Scorecard

Now that the balanced scorecard has been broken down into its respective parts, this thesis will further discuss a few important factors that affect the success of an organization’s use of the framework. Several of these factors have been mentioned already. However, due to their importance, they will be reviewed in even greater detail. These factors include stakeholder relationships, worker training and involvement, effective management policies, and board of director involvement.

Stakeholder relationships. An organization is not maintained on its own. There are numerous sources that can impact or pose as risks to an organization’s functioning. Freeman and McVea’s (1984) definition of a stakeholder as "any group or individual who can affect or is affected by the achievement of the firm's objectives" (p. 25) portrays the broad scope of those who can affect an organization. The importance of relationships with stakeholders lies in the perspective that nonprofit success is a social construct and that organizations are affected by multiple constituencies (Herman & Renz, 1998; Herman & Renz, 2008; Schmid, 2002). “Social constructionism considers reality or some parts of reality to be created by the beliefs, knowledge, and actions of people” (Herman & Renz, 1998, p. 26). According to social constructionism, an organization is only effective if those involved perceive it as being so. While for-profit businesses can rely on financial reports to compare their success among other businesses, a nonprofit’s mission of social justice is difficult to measure (Sawhill & Williamson, 2001). In order to measure missional success, nonprofits can rely on expressed judgments of effectiveness by stakeholders who determine whether or not the organization is delivering on its goals and values (Herman & Renz, 2008). To secure good standings with stakeholders an organization has to gain their trust and satisfaction (Willems et al., 2016).

Another important part of stakeholder relationships is recognizing that there are multiple diverse stakeholders who judge an organization based on differing criteria, such as the multiple constituency model recognizes (Herman & Renz, 1998; Herman & Renz, 2008; Willems et al., 2016). The multiple constituency approach claims that nonprofits are dependent on stakeholders and their resources to survive. Therefore, success in this manner is measured by how well an organization “minimally satisfies the interests of multiple constituencies associated with it” (Schmid, 2002, p. 378).

Organizations should be aware that they will come into contact with multiple stakeholders, all of whom are a part of a significant network. Stakeholders’ ideas and behaviors are influenced by the relationships with which they are involved. The interconnectedness of stakeholders allows for the development of group opinions of an organization and expands the dyadic relationship of organization to stakeholder (Balser & McClusky, 2005). The social network analysis approach examines the interconnected behaviors of stakeholders as a network structure rather than analyzing each individual's behavior (Rowley, 1997). Rowley furthers this approach by analyzing the effect of stakeholder network density and centrality. Density "measures the relative number of ties in the network that link actors together and is calculated as a ratio of the number of relationships that exist in the network (stakeholder environment), compared with the total number of possible ties if each network member were tied to every other member" (p. 896). Centrality "measures an actor's number of direct ties to other actors, independent access to others, and control over other actors, respectively" (p. 898). Rowley proposes that as network density increases, stakeholders have more control over an organization's actions; as organizational centrality increases, the better the organization is able to resist stakeholder's persuasions and execute their own agendas.

Managing effective stakeholder relationships involves the correct method of communication. Some organizations tend to relay information to stakeholders in order to persuade them of a pre-determined idea or perspective. Other organizations, after relaying messages to stakeholders, will ask for feedback but only with the intent to adjust their message so that is has greater appeal for stakeholders. This does not address a possible need for change in goods or service but merely masks these needs with marketing appeal. These styles of communicating more so resemble informing than actual communication. Correct communication involves two-way dialogue with each party's interests being expressed and considered (Foster & Jonker, 2005). It also should evoke dialogue that ultimately warrants understandable and goal-oriented action. Even though multiple interests have to be considered, communication cannot come at the expense of straying from the organization's stated mission, goals and values (Foster & Jonker, 2005).

Once understanding the complexity of a stakeholder's interests and behaviors, organizations must respond effectively. Stakeholders have positively correlated the responsiveness of an organization with its overall effectiveness (Herman & Renz, 2008). Rowley (1997) defines four types of organizational response stances based on the density of the stakeholder's relationships and the centrality of the organization. When both density and centrality are high, an organization would best respond as a compromiser. A compromiser role seeks to negotiate with stakeholders' interests so that they are not overtaken by the desired actions of the dense network. When density of a network is low yet centrality is high, organizations tend to adopt a commander role which attempts to control stakeholders' behaviors and expectations. This style of controlling stakeholders does not portray effective communication. If density is high and the organization has low centrality, it can become a subordinate of stakeholders. In this position the organization is subject to the demands of stakeholders. Lastly, under the circumstance of low density and low centrality, an organization assumes a solitarian role. Solitarians attempt to avoid stakeholder influence by isolating their functions from others. The issue with this role is that without many relationships it is difficult to obtain resources.

Worker involvement and training. Finding the right people who are motivated and dedicated to the goals of an organization is an important part of generating an effective source of human capital. Involving committed employees can lead to an increase in organizational performance. Educating workers on the importance of implementing strategic objectives in day-to-day behaviors opens opportunities for more innovation and participation in achieving organizational success (Kaplan & Norton, 2001b). A study of Korean government agencies found that organizations whose employees express job satisfaction, organizational commitment, public service motivation, and organizational citizenship behavior, experience increased organizational performance (Kim, 2005).

Bartel's 1994 study found that there is indeed a relationship between employee training and organizational effectiveness within the aspect of labor productivity. Results indicated that organizations that implemented training programs saw increased labor productivity. Benefits of training programs for employees can include better organizational communication, increased job responsibility, improved teamwork, time efficiency, and higher quality production (Vuta & Farcas, 2015).

Effective management practices. Just as the balanced scorecard is centered around organizational mission and strategy, so must management be centered around mission and strategy. To be relevant and productive, and to contribute towards the achievement of strategic objectives, the policies of management must filter through the organization's strategy. The balanced scorecard has evolved from just a framework of performance measurement to a basis for strategic management ("Balanced scorecard basics", 2016). This type of management demands responsibility for aligning organizational functions with the mission and strategy (Kaplan & Norton, 2001b; Sawhill & Williamson, 2001). Organizations can also benefit from knowledge management which seeks to optimize and improve organizational performance. Knowledge management collects and analyzes data and information from an organization and applies it to future strategic decision-making and operational practices (Adapted from Hume & Hume, 2008).

Balser and McClusky (2005) analyzed how effective versus less effective nonprofit organization executives handled managing stakeholder relationships. The effective organizations held a specific and focused approach towards all associated stakeholders. For example, one organization focused on furthering their mission among all stakeholders. Another focused on cultivating strong bonds with all stakeholders. On the other hand, the less effective organizations had misconceptions between the expectations of stakeholders versus the organization’s missional reality.

Among other factors, stakeholders’ interests must be considered in developing management models. Ospina, Diaz, and O’Sullivan (2002) points out that managers are accountable for satisfying the needs and desires of multiple stakeholders and, therefore, should develop negotiating skills. Two-way communication allows for collaborative decisions that address the interests of all parties. This type of communication calls managers to be aware of their community’s interests and needs while also recognizing how their organization can “educate the community and engage in discussion” (p.20). Two-way communication is also effective internally as leaders should educate workers at all levels of command on the organization’s objectives and encourage the development of personal objectives (Kaplan & Norton, 2001b). With all members of an organization informed, lower level workers can provide innovative ideas and feedback that leadership can use to improve organizational performance.

Kaplan and Norton (2001b) suggest that it is management's responsibility to "make strategy a continual process" (p.152). Kaplan and Norton configured a three-step process for integrating tactical and strategic management. First, management should balance long-term strategic objectives and short-term performance within an organization's finances. Second, management should implement frequent meetings to discuss strategy and to evaluate progress. Open communication for feedback purposes should be allowed, Lastly, management has to be willing to adapt strategy when analysis and feedback reveal potential improvements in the current strategy. Another effective management policy is using incentive compensation. This technique rewards employees for how well they perform, encouraging more efficient labor within an organization.

Involvement of board of directors. The boards of directors for nonprofits have varying responsibilities. Responsibilities that seem consistent across all nonprofits are decisions surrounding missional objectives, strategic planning, program implementation, finances, and their own performance (Green & Griesinger, 1996; Herman & Renz, 2000). In the past, nonprofits' boards of directors have not been known for executing their responsibilities well. Taylor, Chait, and Holland (1996) have proposed "new work" practices for boards to use to become more effective. This approach to board governance relies on four characteristics: a focus on central issues, time-driven results, succinct performance measures, and good stakeholder relationship. "New work" practices encourage a board to collaborate with management to decide on missional and strategic objectives as well as policies. Boards utilizing this approach work as teams to achieve organizational goals.

The effectiveness of a board of directors is imperative to an organization since it has an impact on decision-making. Several studies have positively linked board effectiveness to organizational effectiveness (Brown, 2005; Bradshaw, Murray, & Wolpin, 1992; Jackson & Holland, 1998; Herman & Renz, 2000). According to Cornforth's (2001) surveys of charities in England and Wales, board effectiveness is correlated with a board's role comprehension, its skills and experience, the amount of time its members commit to board practices, its focus on a common mission, and its self-evaluation of performance. The better adherence to these variables, the more likely for success in an organization.

Having a board that enables strategic objectives is especially important. Executives who aligned their board of director's structure and processes with organizational strategy found the board to be more effective (Taylor, Chait, & Holland, 1996; Brown & Iverson, 2004; Cornforth, 2001) This finding reveals that boards should be involved in strategic planning so they can be informed and influential in acting out strategy (Cornforth, 2001; Bradshaw, Murray, & Wolpin, 1992; Brown, 2005). Forming a board to be more concerned with goals rather than set processes enables involved action towards the mission (Taylor, Chait, & Holland, 1996).

The board of directors can also be a direct influence on innovation through variables such as human and social capital, cohesiveness, culture, director relationships, size and diversity (Jaskyte, 2012). These variables impact the decisions of an organization which can lead to its pursuit of strategic objectives or negatively affect performance. Creating a stellar board of directors whose members work well together, support innovative elements, and focus on strategic objectives puts an organization on a quicker road to success.

"All organizations' boards are expected to mediate between the organization and its environment" (Ospina et al., 2002, p.25). However, in some cases the board of directors may not be a true representation of stakeholders (Ospina et al., 2002) and, therefore, does not make the best decisions for the mission or accountability of an organization.

Issues with the Balanced Scorecard

Although having been instituted by many nonprofits, there are still some downfalls to the balanced scorecard. One problem is the possible difficulty of employee compliance to implementing a new framework. Introducing multiple measures can be confusing at first and create more work for employees. If employees are familiar with the use of only one measurement perspective they can be resistant to considering multiple new measures and their consequential interactions (Harden & Upton, 2016).

In addition, Norreklit (2000) points out that the relationships between the balanced scorecard perspectives may not necessarily be causal. For example, increased customer-value proposition may not be the causation of increased finances. This can lead to false assumptions and sub-optimization of performance. To substantiate the framework, more empirical research should be done on its effectiveness (Marr & Schluma, 2003). A drawback is that there are no specific measurements attached to the perspectives of the balanced scorecard. Assumptions of the balanced scorecard could be validated through the support of tests for causal relationship between perspectives.

Methodology

To collect practical information on the success factors of nonprofits, an interview with the CEO of a successful nonprofit was conducted (see Appendix A for an edited interview transcription). This interview was willingly completed by the CEO who was contacted through email then questioned face-to-face. The CEO was provided the questions beforehand so-the answers could be prepared in advance. Furthering questions were asked when necessary for clarification. Some questions asked were general in topic with the intention of discovering applicable information about the organization's functioning and strategy. Other questions were more specific, derived from the balanced scorecard's perspectives discussed in the literature review.

An analysis of the interview resulted in the identification of several frequently mentioned factors that seemed to be important to the success of the nonprofit of the interviewed CEO. The interview was thematically coded into the following sections derived from the balanced scorecard: strategy, financial perspective, customer perspective, internal business perspective, innovation and learning perspective, success, board of directors, and management practices. These factors will be compared to the five perspectives of the balanced scorecard in the analytical discussion that follows. The purpose of these comparisons is to evaluate whether the balanced scorecard's perspectives are realistically influential in creating a successful nonprofit. Supportive evidence from the interview of the CEO is used to qualify these factors.

Analytical Discussion

Quotes not cited were directly taken from the interview conducted with the CEO located in the appendix.

Findings from the Interview

The CEO interviewed is the head of a nationally recognized human service nonprofit organization that specializes in mentoring children. The answers given are first compared to the facets of the balanced scorecard. These comparisons between literature and an empirical case are used to infer which factors are important for a nonprofit's success

Strategy. When asked about the key factors that attribute to nonprofit success, the response was that "we always stay true to our mission." On multiple occasions, the CEO referred back to whether or not his organization was meeting its intended goals. This effort of keeping strategic objectives at the center is consistent with the idea presented in the balanced scorecard of organizational functioning being strategy-centered (Kaplan & Norton, 2005).

For this specific nonprofit, "the national organization establishes a national strategic plan, and they also establish standards, that they want all [the] agencies to adhere to in order to carry the brand [of the organization]." As a local agency of the national organization, the CEO's organization takes the "national standards and fully implement[s] them. Those really dictate a lot of things as far as how we operate." The national standards, such as uniform volunteer interview questions, are instituted in all of the agencies which establish an overarching mission. However, an individual agency's board of directors can establish local standards that dovetail the national standards. This promotes consistency across the entire organization yet allows local agencies to target and address specific areas of need. For example, in the agency of the interviewed CEO, one county had the opportunity to work with children of incarcerated prisoners, so the organization set goals that were specific to the needs of that program.

Aside from discussion of the strategy-making process, research did not address the importance of specific goal setting. However, goal setting in itself seemed to be an important part of remaining strategy-centered for this organization. The CEO was inclusive in goal setting, involving all agencies under his management in organizational goal setting meetings. The board of directors was also identified as a main source for establishing strategic goals. Scholars support board involvement so that members are aware of and can be a positive influence on the strategy (Cornforth, 2001; Bradshaw, Murray, & Wolpin, 1992; Brown, 2005). Volunteers within the organization are also required to set personal goals for their relationship with their mentee child. After agreeing to the match, "we help you set up your goals…goals for the match, so the [child and volunteer] would mutually agree on those goals~~.~~". Beyond just setting goals, the CEO talked about reviewing and adjusting goals. Several times the CEO propsed questions that asked if goals were being met under multiple areas of the organization, especially in reference to finances. Specifically, in the volunteer-child relationship, tests are administered after fifteen months to evaluate if goals are being met.

Financial perspective. When asked about finances, the CEO said that "finances are of critical importance to our agency." In making decisions for the organization, "it has to be done in a way so that it makes economic sense and that we're going to be able to not just establish it but sustain it for the long term." Similar to Kaplan and Norton's

(2005) views that finances should be an indication of the implementation and execution of strategy, the CEO said that~~,~~ “when we approach finances, and we approach doing our budget every year, we really look at what’s our capability in all these key areas and will it be sufficient to meet our expenses of what we want to accomplish with our strategic goals?” Striving for bottom-line improvement through lowering costs and increasing revenue is a critical aspect for a nonprofit’s long-term success (Kaplan & Norton, 2005; “Balanced scorecard basics”, 2016). “You don’t want to end the year with a deficit, you always want to end the year with a small increase to your net assets or else it’s going to hurt your funding.”

Finances are detailed in monthly reports that are made available to the public to view so that the organization is kept in check and can receive feedback. Glassman and Spahn (2012) support this transparency for nonprofits because it gives stakeholders the chance to review where their money is being spent. Providing these reports contributes towards a positive response to the question asked in the financial perspective of the balance scorecard, “How do we look to shareholders?” (Kaplan & Norton, 2005, p. 2).

An aspect brought up by the CEO but not mentioned within the literature review was addressing the types of funding. He mentioned how nonprofit revenue is fickle with funding coming and going. For this particular nonprofit it was mentioned that they received a portion of funding from the government. However, it was issued specifically to be used in working with children of incarcerated prisoners. This situation is also a prime example of what Keating and Frumkin (2003) found in how a stakeholder, in this case the government, can hold some control over the goals and programs of the organization. Another example is how this organization had to have a hiring decision approved by its funder. The goals of this organization, and the audience targeted, changed due to the fact that the funding was granted for the use in particular efforts. Funding was also received from board members who are required “every year [to] raise a minimum of ten thousand dollars for the agency and a portion of that has to be from their personal wealth in an amount that is significant to them.” In general, when it comes to funding the organization looks “for diversity in our funding so that we are not too dependent on any one source of revenue in the event it goes away.”

Customer perspective. Customers for this nonprofit were identified as the children, their parents and legal guardians, volunteers who are mentors and volunteers who are board members, and donors. “Sometimes there’s crossover but those are all distinct groups that support us.” These distinct groups coincide with Keating and Frumkin’s (2003) identification of stakeholders being clients, donors and the community. In the case of this nonprofit the children and, sometimes, the guardians make up the clients, the donors and volunteer board members make up the donors, and ~~then~~ the volunteers and guardians make up the community. In accordance with Kaplan and Norton’s (2001a) discussion of who a customer is, this nonprofit has also made the distinction between customers who fund them and customers who receive their services.

Part of the customer perspective deals with creating value for customers through intimacy (Treacy & Wiersema, 1997). Customer intimacy involves building relationships, solving problems, and being intentional in addressing customer needs (Treacy & Wiersema, 1997). The CEO talked about practices resembling those of forming intimate stakeholder relationships. “With our volunteers and our kids we have one of our staff specifically assigned to manage that match and relationship and then steward it and provide them good service and…extra attention.” With the parents the organization looks “for opportunities where we can help support them in what they’re doing with their child.” With the board of directors, the CEO has “always had a really good relationship with my board and a healthy relationship.” “We try to provide good stewardship to each of those classes of people but in different ways.” This special attention to each stakeholder can foster the intimate relationship desired for positive customer-value proposition. **“**I think one of the reasons we’ve been successful is because we’ve been able to bring on huge supporters in the different markets to be our vocal advocates for what we were trying to do.”

Internal business perspective. In general, the organization tries to “focus on best practices and, when possible, evidence-based best practices.” Specifically, the CEO referenced several key internal business practices including tracking finances, maintaining ethical human resource policies and developing volunteers. When dealing with finances there should be “separation of roles, and checks and balances so that no one, including the CEO, can steal money from the agency.” It is important to this CEO for his organization to “account properly for every dollar and then have that all reviewed by an outsider.” Handling the finances “needs to be a collective effort with the right people who know what they’re doing and can look at it from all different perspectives.” Therefore, seated on the board of directors are many people in the accounting field such as “corporate treasurers and chief financial officer types who are used to dealing with much bigger budgets.” Also, financial reports are reviewed monthly by a finance committee which includes the CFO and CEO as well as other stakeholders. Assiduously tracking funds, like mentioned for this nonprofit, is a means to fulfilling at least three out of the four of Kaplan and Norton's (2001b) suggested processes of successful internal business. Ethical financial practices contribute to the processes of developing a highly regarded reputation, operational excellence, and good corporate citizenship (Kaplan & Norton, 2001b).

HR policies are important for the ethical functioning of an organization so it is important to "make sure everybody understands the laws of what you can do and not do with hiring and firing." An organization should be proactive in preparing for potential issues, "you have to know that's coming and so forth. So we've got procedures set up." One way to prepare is to make sure that internal business practices are effectively communicated from management down to every employee (Kaplan & Norton, 2005). This nonprofit ensures effective communication through mandatory orientation and trainings.

The CEO frequently described a supportive culture, especially among volunteers or employees of the organization. It seemed important for there to be the practice of mentoring, whether it be through the volunteer-child relationship or the volunteer-supervisor relationship. The volunteer is paired with "one of [the] professional staff, who would be their [*sic*] go-to person and their coach, [and] every month they will check in with each other, usually individually." The goal of this relationship is to find out any issues within volunteer-child matches and then to "provide support and suggestions and feedback." If a volunteer is having difficulty in a specific area, the nonprofit seeks to provide even more training and support. Fostering these relationships empowers the volunteer for a better chance of meeting customer expectations, which is the main goal of internal business practices (Kaplan & Norton, 2005). The CEO gave the advice that "good business practices just make sense…whatever role you're in in life, you have to have good business practices if you're going to run a business."

Innovation and learning perspective. This organization does a lot to enhance its capacity by-increasing the knowledge and skills of volunteers and employees (Kaplan & Norton, 2001a; Harden & Upton, 2016). To begin involvement, a volunteer has to complete a mandatory ninety-minute orientation that introduces the volunteer to the program and qualifies him or her to participate. "When we hire new staff they're required to get certified within so many days by our national organization in a lot of areas in all of our program areas. So they have to take online training and so forth. They're also provided training by a peer as well by their manager in specific roles." There are additional trainings that are offered online or in national offices that can be individual or group trainings which cover topics that empower volunteers to help their child with specific difficulties. "We also provide guy focus groups and girl focus groups for our volunteers to get together and talk and share common experiences that they're experiencing, which I think is all very important for our staff." These trainings "are valuable because you have exposure to the national office as well as people from all over the nation and peer interaction and sharing best practices." Harden and Upton (2016) agree that training and empowerment contribute to the long-term success of an employee.

Innovation has occurred in this nonprofit through their collaboration with other agencies that have overcome challenges. "We have a lot more infrastructure now because of coming together and because of that we're operating more and more efficiently." One specific example is when the CEO's local agency was having difficulty in progressing a volunteer from applying to actually completing training and becoming a certified volunteer. The agency reached out to another agency and implemented a new orientation and training process that the other agency had been using and their retention rate increased from twenty percent to sixty to seventy percent of applied volunteers. “With [a] focus on the mission, we always try to stay collaborative with our partners and our different markets. We stay collaborative and respectful.” Collaborative innovation was not mentioned in research yet it is an important aspect for this nonprofit in improving their functioning. However, the collaboration also occurred between agencies of the same organization which could be more effective than between differing organizations.

Developing a supportive and inclusive culture was another emphasized factor by the CEO. A supportive cultural climate was identified by Kaplan and Norton (2001a) as a way to increase innovation and learning. According to the CEO, after including each agency in goal setting meetings, “they started feeling acclimated, a part of us.” To foster a supportive culture when merging two agencies, the organization “included [the other agency] in everything so they were no different than anybody else and that’s always been my attitude. If we take on a county, they’re part of us then. There’s no second class citizens in our agency.”

Other Factors. In recognizing the success of the nonprofit, the CEO identified key outcomes that were unique to his specific organization. These outcomes are what he termed to be “quality metrics” which include the duration of service, the number of customers served, the financial standings, the quality of staff, the evaluation of organizational culture and the progress towards the mission and goal attainment. “We look at a whole swat of different things and then say [if it was] successful or not. So again kind of approach things holistically but at certain chances we do look at black and white data and they're able to tell us how we're doing." He described a multidimensional approach to evaluating his organization by making sure that all parts are supportive of the others in working towards a common goal. This description of evaluating success is equitable to the idea behind the balanced scorecard which allows a manager to review multiple measures at once (Kaplan & Norton, 2005).

As the CEO, he has the "overall responsibility for [the] agency being successful in fulfilling [its] mission and in operating within [the] budget and meeting all of [the] strategic goals." It was pointed out that leading a nonprofit requires one to be a key implementer of the developed strategic objectives and to holistically understand the functioning of the organization. This description of management's role is similar to the idea of knowledge management suggested by Hume and Hume (2008). In addition, Kaplan and Norton (2001a) also describe the role of a corporate executive to be that of one who forges a path for others to follow and will lead to achieving the intended strategic goals.

Conclusion

This thesis has addressed factors that would be beneficial for any nonprofit to be aware of in its pursuit of success. However, only specific factors identified as impactful by both research and the interview will be concluded due to the dual support of their influence. Specifically, a focus on these factors could be valuable for an entrepreneur starting a nonprofit. Although this thesis does not promote the balanced scorecard as being the best method for planning nonprofit success, the perspectives presented within the framework have had an influence in the case of one successful nonprofit.

To begin with, this thesis found that the perspectives of the scorecard – finances, customers, internal business practices, and innovation and learning – were all agreed to be of high importance to the CEO in developing success for his organization. Another important finding from both the interview and the study of literature is the adherence to and integration of mission, as well as the centering of an organization around strategy (Kaplan & Norton, 2001, 2004). Having a mission-based strategy and staying true to that mission was emphasized as being a determinant of success (Frigo, 2003). Other agreed upon factors were having an excellent board of directors, knowledgeable management, and evaluating effectiveness from a multidimensional approach.

Agreed upon factors pertaining to the four perspectives of the balanced scorecard include:

- Financial factors: A focus on bottom-line attainment and improvement, linking the use of finances to furthering the mission, and understanding the control that stakeholders who donate have over the focus of a nonprofit’s efforts.

- Customer factors: Identifying customers according to clients, donors, and the community and developing intimate stakeholder relationships that result in a high customer-value proposition.
- Internal business factors: Comprehensive communication to all organizational members, ethical practices that lead to a highly regarded reputation, operational excellence, good corporate citizenship, and supporting stakeholders, especially those involved in enacting the organization's services.
- Innovation and learning factors: Training and involvement of employees and volunteers as well as the creation of a supportive cultural climate.

Alternatively, factors deemed important to success by the CEO but not directly addressed in research were a collaboration in sharing business practices between agencies of the same organization and the importance of inclusive goal setting.

Limitations and Recommendations for Future Research

This thesis only addressed one framework for nonprofit organizational effectiveness, the balanced scorecard. Due to this limited perspective, the influential success factors discussed are biased towards those mentioned in this specific model. Future research would benefit from analyzing the dimensions of other nonprofit measurement models that may concentrate on different factors. Including several models gives a wider scope of what organizational aspects may have an impact on nonprofit success.

Due to the CEO being a member of a local agency of a national nonprofit, there is not much information on how the local organization's strategy was formed. This is a limitation on the analyzation of the strategy-making process. Although the creation of strategy was not the focus of this thesis, it would be beneficial to understand the formation of strategy as it is a centerpiece for the success of a nonprofit as mentioned by Kaplan and Norton (2005).

In future research it would be beneficial to study multiple diverse organizations. This thesis is limited by the perspective of the CEO of a single human service nonprofit. To expand the generalizability of this research, nonprofits with different missions should be analyzed. This will validate influential factors that have universal impact on nonprofit success. Expanding the study to include multiple stakeholders in an organization aside from just the CEO could also assist in understanding what factors are deemed important by other individuals who have a different view of nonprofit success and organizational functioning.

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Appendix

Interview Transcription

This transcription has been modified by removing or re-wording any descriptions that could identify the organization. The modifications in no way alter the contextual information provided by the respondent.

Question 1: What is your role in the organization?

Response(R): I'm the president and chief executive officer. And in that role I have overall responsibility for our agency being successful in fulfilling our mission and in operating within our budget and meeting all of our strategic goals.

Question 2: How does your role impact the organization and its success?

(R): The role of the CEO or executive director for any not-for profit is of primary importance because you are the leader of the organization. You are the one that has to implement what the board has established as the strategic goals of the agency. You have to be familiar with all of the aspects of running the organization. So it is of primary importance.

Question 3: Personally for your organization, how would you define success?

(R): So I think [that] we define success as our ability to create successful one-to-one mentoring relationships between our volunteer mentors, male and female, and the at-risk children that we serve. We look at the number of children we serve and we also look at quality metrics such as duration of the match and hitting certain objectives. I think another way we define success is how are we doing financially? Are we able to not just pay our bills every month, but have we established a budget that we're adhering to, are we meeting all the revenue goals, are we watching our expenses- staying within those? Are [we] trying to build up our cash reserves, so that in the event of an emergency we would have at least three months of operating reserves?

Interviewer's Response (I): So it's more of a multidimensional approach?

(R): Think about it like when you take care of your health. You're not going to just worry about your head. You have to worry about your whole body and if you can't walk because you haven't taken care of your feet then that's going to impact the quality of everything else. So really you need to look at your organization in a holistic way and look at it in all aspects which gets into what kind of staff are you hiring, and what kind of culture are you developing at your agency? Is it a place where people have passion for what you're doing, they want to come into work, they feel good about what they're doing and are they sticking around? If you have people constantly coming and going, boy is that a cost. Ultimately that can affect job safety and quality of program and all kinds of things. What's the environment that people work in and do you give them good laptops and cellphones, and are you providing them ongoing training and support? It's very much a multidimensional outlook.

Question 4: What is your organization's strategy and do you know how it was developed and how it is specifically implemented?

(R): And let's talk about organizational strategy. How do you define that in just your own words?

(I): It would be the vision and the way that your organization has planned to get there.

(R): Oh okay. We're very lucky in that we're a part of a national organization. It's headed up by our former mayor. The national organization establishes a national strategic plan and they also establish standards that they want all [of our] agencies to adhere to in order to carry the brand [of our organization]. So, what we do as one of the 300 local agencies across the United States is we look at those national standards we fully implement them. Those really dictate a lot of things as far as how we operate, the best practices for promoting child safety, and doing one-to-one mentoring, as well as, keeping the books and finances and all those things- your board of director stuff. Our local board works with our senior staff to say, "okay, here's the national strategic plan, how do we want to dovetail under that and what are the goals we want to set? So the board of directors with our senior leadership establishes our local strategic plan that, as I said, dovetails the national strategic plan and they also establish the mission and the vision of the organization. Which as you might imagine we track the national organization on that as well. So that's how we establish all that.

(I): How would you say, as far as taking the national standards versus the local standards, how do you guys integrate those and make it known to everyone throughout the company so that they're adhering to both?

(R): When it comes to the standards we pretty much follow those. The national organization provides a lot of training- online and in-person training for different staff in the different areas that teaches how to adhere to the standards and other best practices, especially in the area of child safety. All of our staff have supervisors and so forth that have been with the agency for long periods of time that will help reinforce that. We also have staff who do quality control checks, especially our program, so you will be maintaining your file but then someone will be coming in, and it's all online, and just taking a peek and looking at your notes and saying "okay, is [the volunteer] doing this right? Yep, check that off. Is she doing this right?" And, they just do spot checks of four and five files periodically and then we know that everybody's doing what they're supposed to do. Sometimes people slip and that's when you say "okay let's provide [this volunteer] a little more training and support because they seem to be having difficulty with this aspect of the job. So that's one of the things we do. Another thing that we do like in the area of volunteer recruitment, we had found that over the last couple years, percentage of people who completed an application to become a volunteer and actually become a volunteer was surprisingly small. It was under 20 percent. We were having huge fall offs and we really studied that and they called up other agencies our size across the United States and said, "Are you experiencing this?" And some were and some said, "We used to, but then we changed our procedure for doing orientation and training to this and now we're getting 60 to 70 percent of people who fill out an application become a volunteer." Through this process we have changed our procedures and now are getting a much higher percentage, a much higher yield rate from application to volunteer. So that's just an example where we reached out to our peers across the United States and found a really good solution. For free!

(I): So just to reiterate, say I become a volunteer. To understand the different standards and the strategy of the organization I go through an online training and then I also have a supervisor who reinforces that and checks me?

(R): Oh, to be a volunteer? See what I was describing is if you were a staff member.

(I): Okay

(R): A program staff person. That's where that came in. To be a volunteer, we today invite you to come in to a ninety-minute orientation and training program that we have pre-scheduled in all of our counties throughout the month and all you have to do is show up to one of them and by sitting through this ninety-minute session you'll kind of get a good picture of what this is and if it's right for you. And for a lot of people, it's not right for them. They're like, "Oh, this isn't what I wanted at all." For a lot of people, they say, "Oh this is easy. I can easily do that." And so they can then go ahead and schedule their in-person interview at the end of that session. We can take their fingerprints, we start their criminal record background check, we get their references and basically what we say is, at the end of that ninety-minute session you're going to be ninety percent of the way to becoming a big brother or big sister. ninety-minutes for ninety percent, that's pretty good. That was our big "Aha!" moment that has resulted in the good results. Now I can get into a little bit more about what happens to the volunteer. [After] you've scheduled your interview you'll come in and meet one of our professional staff [who will] interview you. We have a standard set of interview questions from our national organization that we've embellished in a couple of areas but it's all geared towards focusing on making sure that you are an appropriate person to work with a child and are committed [a] person that we believe will follow the rules if we accept them into our program. Assuming that all goes well, we've also done that with hundreds and hundreds of children in our seven county area so then we'll go through the process of doing a pre-match. We have this big pile of volunteers and this big pile of kids and we're going to figure out who would be the best child to match with you. And if we don't feel like we have the right child, we're going to go look for some more kids. But usually we have the right child. We then schedule a match meeting, and in our community based program that would be in a child's home, and then you get to meet them and then both sides get to decide if they want to go through with the match or not. You can say no, and the child can say no, and the child's parent can say no. Everybody has to agree. Typically, everybody does agree at that point. That's kind of a happy occasion when they all meet. And then we help you set up your goals at that meeting and then help you plan your first outing. And you may say your child likes to go bike riding but needs help reading. So you can say, "well first day lets go out bike riding for an hour or so and then let's go to the library. We'll spend an hour and a half looking at books and reading together." That could be your first outing. It's goals for the match, so the [child and volunteer] would mutually agree on those goals. Then they plan their first outing and then we will assign them to that match. One of our professional staff, who would be their go-to person and their coach, every month they will check in with each other, usually individually. Our staff would say, "Hey, how was your first outing with your child? How did it go?" And, "What did you guys get to talk about?" And, "Is this what you expected?" And, "Are you comfortable with everything?" Usually the first few conversations, they're going to be kind of, "Oh everything's fine, everything's perfect la-di-da." But then after a while, once trust is established among everybody and you start feeling comfortable, you can say, "something's bothering me and I really am concerned about the food situation in my child's home or I really think she's not really where she needs to be with reading and I'm not sure that I'm going to be able to help her that much", or sometimes our [volunteers] say, "I don't think I'm doing any good. We're getting together and my [child] just doesn't really talk to me that much and I'm not sure I got matched up with the right kid." We're able then to say, "Well we talked to the [child's] parent, we talked to the [child], and when she gets home she can't stop talking about you, she just thinks you're the best thing since sliced bread and, and she just hasn't reached the point yet where she's feeling comfortable talking to you but she's loving what you're doing. So whatever it is you're doing, keep doing it because she's digging it a lot." Then we provide support and suggestions and feedback. So the goal is to have that match meet its first anniversary goal which is actually fifteen months. And then if everyone is growing, then we'll continue it on for a second year. But at the anniversary time we'll do some tests on the [child] that'll be able to show progress or lack of progress in the number of areas. Personal development like building self-esteem, educational goals, interactions with other kids their age, interactions with adults, all those kind of things.

Question 5: [Is] the organization's strategy consistent across all branches? You mentioned the national strategy but how you also implemented some of your own local goals.

(R): Within our agency we're in seven counties and we're consistent in all seven of our counties. But we're not the same size in all seven of our counties, we're still developing our presence [in some] but it's the same program. So if you're a [volunteer], you're going to have the same experience up there that you do down here, just on a smaller scale.

Question 6: What does your organization base its decisions off of? And what I mean by that question is what is the organization's central focus? As far as if you were to change things, what were the factors that would affect it.

(R): In all things we try to focus on best practices and when possible, evidence-based best practices. Once you have established those as kind of foundation criteria for what you're going to do, you also want to make sure that what you're doing makes business sense. We may hear about a new program that [another agency] is doing that we just think rocks and they're getting great results and its evidence-based and man, are they selling and so forth. But if we implement that around here, it has to be done in a way so that it makes economic sense and that we're going to be able to not just establish it but sustain it for the long term. That means getting buy-in from our board and our key staff and other constituents. A lot of times our programs involve working with the school districts so we'll have to make sure we have buy-in with the school district and so forth.

Question 7: Specifically, in what I've talked to [a former employee of yours] about is that you took over a couple different counties that weren't doing so well and you helped turn those around. How did you do that? What were the specific things that happened for them to change and become successful?

(R): So [that employee's] thinking about [this] county as being one of those examples. And this goes back though a long ways, you know. I think it was in the mid 90s maybe that I was on the board of directors for the agency, I wasn't a staff person yet. Our agency was approached by the national office that said, "Hey, our county's program agency is having financial difficulty. Would you be able to help them out and bring them in under your umbrella?" I think that they were serving just under a hundred kids a year, typically, and they had a lot of active support, but for some reason, and I never went back and looked at the history of the financials here, they seemed to always have cash flow problems. They had their offices in a house that had been donated to the agency years before and then someone had made the decision to sell the house and that made a lot of people mad because they didn't think they should have sold the house so there was disagreement going on. When we came over to meet with them and say, "Well the national organization contacted us," they were not happy. There was a lot of local pride and they were like, "We don't need [your agency] coming over telling us how to do things."
Basically we said, "You know if you don't want us, that's fine, but we were asked if we could come over and help and we're glad to do it but if we help and make you part of our organization, we have to be one organization. We can't be separate organizations because it just doesn't work that way." And I remember coming over and sitting in some meetings with the local board and kind of talking about what's going to happen. Ultimately, the board decided to merge with our agency. I remember one of the first things I had to do was replace the person that headed up our office over here because she refused to report up to the right staff people. She was still operating like they were a separate agency here. So we came over and we talked to her and it didn't do any good, she just continued that behavior. So I fired her. I said, "I'm sorry this isn't working out, good luck to you." And so she cleaned out her office and we kind of reorganized it so that all the staff here in [our new] county's agency reported up to the logical person in our team in [the other county]. We scheduled time for them to spend together. We invited the [other county's] staff over to events we did in [our agency]. So they started feeling acclimated, a part of us. We included them in goal setting. We included them in everything so they were no different than anybody else and that's always been my attitude. If we take on a county, they're part of us then. There are no second class citizens in our agency. We then began looking for some funding opportunities and we actually had an opportunity to get some federal funding for a children of prisoner, incarcerated prisoners program here in [our county]

and it was a lot of money and it had huge goals- the history has faded my mind a little bit, it was either three hundred matches a year or five hundred matches a year just for [our county]. I can't remember now what it was, it seems like we had to make five hundred a year. So we hired a woman who a local bishop recommended that we hire. She had been in prison for drug charges and she had lost custody of her kids and she was now out and working for the church. We were like, "Ah man!" she's got a felony record. We have to get it approved by our funder and our funder was likely the department of juvenile justice. I said I know this is going to be really hard but a couple of my staff members came over and interviewed her and came back and they said, "We think we need to take a chance on this woman because she made some mistakes, she was a drug user herself and she started dealing in certain drugs and she has turned her life around and she knows she hit rock bottom." I mean the lady had her kids taken from her, that's pretty severe. They said, "We think she's worth fighting for and we think that if you can get approval, she will work her butt off to make that goal and to help us with this program." So I said, "Alright let's give this a try." So I met with the bishop. We worked together on getting approval. We got approval to hire her. We hired her. She was ecstatic. And it was a three-year grant, and thanks to her, and a lot of other people, we made our goal every year. And exceeded our goal. And there were different counties across the state of Florida served through our state association and I was so confident in the quality of our program here that when our state association executive director called me to say, "Hey, they're going to do an audit on our state association on this program, would you be willing to participate in that audit?" I volunteered to participate in a federal audit and one of my staff was ready to lynch me. They said, "You voluntarily agreed to a federal audit?" I said, "Yea!" I said, "We've got nothing to hide." I said, "I know we've got great records." I said, "Let's use it as an opportunity to really shine because who knows, maybe it'll attract more funding someday." So we did and we got stellar marks. So we took [our] county from serving under a hundred kids a year to, at that time, serving five hundred kids a year. And that's what [my former employee's] talking about because we had to get more space, we had a lot of staff, you know and so forth. Unfortunately, when we lost that funding after three years, that was a lot of money, we couldn't quite replenish it all but we've still been able to maintain a program where we routinely serve between two hundred and three hundred kids a year in the county. So a couple years after that grant ended, some of the former board members invited me out to breakfast one morning at one of the local clubs and there was twenty of them. There was a lot of them I remember. And they hadn't been real friendly to me the first go around but now they were, they had asked me to come to breakfast with them. And they basically said, "We were wrong." They said, "If we had known that you would have been able to triple, quadruple the number of kids we had been serving just by merging, we would have done it a long time ago. Because this isn't about ego, this is about serving kids. So we just wanted to tell you that we're real happy. We're real happy about how things turned out and great job." So I mean it couldn't have made me happier to hear that. So that's what we were able to do in [this county]. And I think you know this but a couple of years ago my counterpart in [another county] announced that she was retiring and so I worked with her, her board chair and my board chair and we had talks with them, and then January one last year [another county] merged with us as well. So we're now a seven county agency serving about three thousand kids a year and we're like number five in the county as far as size, as far as number of children. So we're really, really happy with that. And what we find is that as we have grown, its' like we have more parts to play with now. If we were playing a card game and you get one bad card or something happens or you inadvertently mislay a card, you still have options to make up for it. And so I have more fund development staff now. I have more people in my finance and accounting department and they can back up each other. I'm seeing fewer mistakes made. I used to see a lot of staff that would work routinely longer hours every pay period. They're like, "Oh my god!" you're supposed to be working eighty hours every two weeks and people would be routinely putting in a hundred, sometimes a hundred and twenty hours. I'm like, "People, you can't do that, you're going to burn out, you're going to just die." And so I'm seeing that that has kind of been eliminated. And we have more specialization in areas. We have a full time person dedicated to human resource issues. We have a lot more infrastructure now because of coming together and because of that we're operating more and more efficiently.

Question 8: What would you say were the key factors that developed the success?

(R): We always stay true to our mission. We didn't stray. With that focus on the mission, we always try to stay collaborative with our partners and our different markets. We stay collaborative and respectful. We were always willing to listen and communicate freely. We've always had total transparency with what we were up to in our finances. And I think one of the reasons we've been successful is because we've been able to bring on huge supporters in the different markets to be our vocal advocates for what we were trying to do.

Question 9: So the next couple questions are more specific as far as different factors that play into a nonprofit or really any organization. Of what importance are finances to your organization and is there a specific way that your organization approaches finances as far as how you handle them?

(R): So finances are of critical importance to our agency. It takes money to do what we do. We always determine at the end of each year what our average cost of a [volunteer] and [child] match is, and it's fifteen hundred dollars right now. Our new fiscal year just started September 1 and our budget this year is five point two million dollars. It takes a lot of work to maintain that budget. When we look at our budget forty percent this year will be from government sources, local, state, and federal, and then sixty percent are private. In both of those buckets, the government bucket and the private bucket, we look for diversity in our funding so that we are not too dependent on any one source of revenue in the event it goes away. And of course not-for-profit revenue is going to come and go. So when we approach finances, and we approach doing our budget every year, we really look at what's our capability in all these key areas and will it be sufficient to meet our expenses of what we want to accomplish with our strategic goals? We have recruited onto our board of directors a lot of corporate treasurers and chief financial officer types who are used to dealing with much bigger budgets. I mean I've got a lot of accounting types on my board. I can't get away without them. I'm not going to get away with anything! So everybody's going to look at our budgets very carefully. And then what we do is we produce detailed monthly financials so people can check our status and see how we're doing. And then many of those folks are on our finance committee which meets monthly with our chief financial officer and often times with me and they can ask us any questions they want. They can make observations and so forth. People used to tease me that I always looked to the world in rose colored glasses. I'm an optimist. I am always going to look for how we're going to succeed, how we're going to grow [and] charge forward with that. But you do need also that balance with the people who are looking at the numbers and saying, "Well, yea you're going to probably be successful doing that" or they're going to say, "Why don't we just hold back on this one a little bit so we can do that." We have really good give and takes and we have them in our board meetings too. So why is that important? Well, it provides you balance. They don't want to second guess me as far as how I'm running the agency, but they want to help me to be successful. And if they think I'm going a little too far in one case that's fine. When we just approved the budget for our new fiscal year here which started September one they were concerned that I was being too tight on my expenses. They said, "Why don't we put in more salary increases and put in some more for this because we think you're going to need it." That's very unusual, you know. And I've been conservative because we had just lost a half a million dollars of funding from [our state] and I was still licking my wounds from that. They'd say, "But with that I think that's a good place, that's a good thing to do, that's a good place to invest our revenue. We'll just cut back our spending in these areas to compensate for that." So the finances are very important and needs to be a collective effort with the right people who know what they're doing and can look at it from all different perspectives. Then you just track it like crazy. You don't want to end the year with a deficit, you always want to end the year with a small increase to your net assets or else it's going to hurt your funding.

Question 10: Of what importance are customer/stakeholder relationships to your organization and how do you handle those relationships?

(R): They're very important in all aspects. Customer stakeholders include several groups of people. We have our children. We have their parents and legal guardians. We have our volunteers who are [mentors] and then our volunteers who are board members. And then we have our donors. Sometimes there's crossover but those are all distinct groups that support us. We try to provide good stewardship to each of those classes of people but in different ways. With our donors for example, we have a whole system set up of how many times a person gets contacted based on how much they donate to us. Some people are going to get a letter. Some people are also going to get a phone call. Some people we're going to take out to lunch if they want that. Some people just want to be left alone and say, "I'm going to send you a check but don't bother me." I say, "Okay, we can do that!" With our volunteers and our kids we have one of our staff specifically assigned to manage that match and relationship and then steward it and provide them good service and if they need some extra attention they'll escalate that and say, "This [volunteer] really needs some love. Can you give him a call because this happened and this happened and he's not feeling the love?" We're like okay, let's see what we can do to help remedy that situation whatever comes of it." They also were responsible for checking in with the parent or legal guardian and being respectful. Our whole attitude is that we're not here to replace the parent by our services, we’re here to support them and support the family. We wouldn’t be providing this service for their child but for that parent calling us in and formally approving us going in. We really applaud them for doing that and we look for opportunities where we can help support them in what they’re doing with their child.

Question 11: How about in the aspect of board of directors as far as how you handle those relationships?

(R): So the board of directors, I used to be on the board of directors of this agency back in the nineties. I was even the board chair. I think in two thousand I was the board chair. Starting out the new century. I’ve always had a really good relationship with my board and a healthy relationship. I think it’s important that you have a board that understands roles, the role of the CEO and then the role of the board. If you don’t, you’re going to start stepping on each other’s toes. But the board is there to establish the strategic objectives, they’re there to provide oversight and to make sure that I’m doing my job and doing it within the objectives they’ve established. And then they need to let me run the agency according to that plan and to support me in every way they can. We have each of our board members actually sign an agreement with our agency that establishes their obligations and our obligations. One of the things that they must do every year is raise a minimum of ten thousand dollars for the agency and a portion of that has to be from their personal wealth in an amount that is significant to them. So that’s going to vary. Then we track what they do for us with a quarterly report that goes out that shows meetings they’ve attended, volunteers they’ve recruited, dollars they’ve brought, dollars they’ve donated themselves and then dollars they have brought in through their influence. And so for example we have our big gala this coming Saturday night so a lot of our board members have sponsored tables at five thousand dollars and they have a total of ten seats at that table. So whatever their guests spend that night, they get credit for. So if their ten guests contributed twenty-five, thirty thousand dollars that night, they’ll get credit for that. So their ten thousand dollar give and get, just got met like that. That’s our biggest opportunity to do that, we give them lots of opportunities to make that happen. You have to have a good working relationship, mutual respect for the roles. With people in today’s society, everybody’s super busy. Despite technology to make things easier, everyone’s busier because of that and its kind of an interesting dichotomy. And so we try to have fewer meetings, not more meetings, and we try to make those meetings very efficient with agendas sent out beforehand, docents sent out beforehand. So our board meetings will typically last no more than ninety-minutes and we accomplish a lot in our ninety-minutes and then we get up and go.

Question 12: Of what importance are internal business practices, and then how do you approach those practices?

(R): Good business practices are very important. And the first thing that came to mind were our standards that apply in our finance area. It’s the checks and balances for how you handle cash and finances with separation of roles and checks and balances so that no one, including the CEO, can steal money from the agency basically and that we account properly for every dollar and then have that all reviewed by an outsider. It includes expenditures. I have to approve almost every expenditure; I have to sign every check. If I don't understand what something is, five hundred dollars or whatever that we're sending out to someone, I'll call the person and request for their check and say, "What is this? What's this for?" And so you have those. We also then track and make sure that if we budget it make sure that we aren't spending more than we had budgeted overall. Now I may decide that instead of spending five thousand dollars in this bucket, I'm going to spend them in this bucket. That's okay as long as everything evens out. Or if I got a new grant in that we didn't expect and it requires us to spend new money, that's okay because we got new money in to do expenses because you have to make sure that you handle those. Other good business practices, I mean with HR policies, make sure everybody understands the laws of what you can do and not do with hiring and firing. There are new regulations coming into effect this December one that deal with overtime laws and who can be exempt and non-exempt. Unbelievable impact on our operations. And you have to know that's coming and so forth. So we've got procedures set up. I actually retain an outside consultant who we meet with periodically and who mentors my HR staff. So I have a woman who's in her mid-sixties who's lived and died HR her whole life, mentoring my staff person who's just in her lower thirties so that she can benefit from that knowledge. Good business practices just make sense. I worked in corporate America most of my career. I had a department budget with the law department that I headed up. And whatever role you're in in life, you have to have good business practices if you're going to run a business. I also ran my own law firm for a few years and then you have to really know good business practices because [if] you screw up, it's coming out of your pocket, nobody else's.

Question 13: To what extent does your organization focus on employee or volunteer training and involvement?

(R): So volunteer training is very important. As I get older my respect for the importance of good training has gone up. So with our volunteers, we have that initial ninety-minute orientation training which is required, it's mandatory. We also offer our volunteers additional trainings throughout the year that they can do online in some cases from our national office, as well as in-person training in groups. And that can include all kinds of topics as far as how to help your youth improve their reading skills, how to improve their communication skills, how to improve on behavior and so forth. We also provide guy focus groups and girl focus groups for our volunteers to get together and talk and share common experiences that they're experiencing, which I think is all very important for our staff. When we hire new staff they're required to get certified within so many days by our national organization in a lot of areas in all of our program areas. So they have to take online training and so forth. They're also provided training by a peer as well by their manager in specific roles. And for example, the staff person that is going to be interviewing and assessing children and volunteers for our program, they're going to watch that being done, and then they're going to do it and be watched by others until they are comfortable with what they're doing. We also have trainings provided by our state association and our national organization. And for example, our national organization had their national convention [nearby] and we were like, "Okay, we can drive [there]. We don't have to fly." And in some cases, there's some folks that want to just drive up in the morning, attend the classes, but head back at night because there's just one day of classes that you're interested in. So I think we probably had thirty to forty of our staff that were able to take advantage at some point over the four days with one of the trainings they offered over there. And of course those are valuable because you have exposure to the national office as well as people from all over the nation and peer interaction and sharing best practices. There's nothing better than that.

Question 14: Last question. How do managers in your organization ensure efficiency in their practices which I guess would be maybe supervisors in [your organization's] case over other staff members and volunteers?

(R): I'm not sure we measure efficiency per say. But what we're measuring are performance metrics of a wide variety that our board has determined to be important. And so we're really looking at length of a match at certain intervals. We're looking at outcomes such as what have been the educational improvements of the kids in our program at the end of the school year. We're looking at how many kids have had some contact with the juvenile justice system, did they get arrested, picked up for doing something. We look at a lot of different things like that and we use that to measure our success. So how many kids did we serve? What did it cost us to serve them? What were the outcomes that those kids achieved? And then when it comes to our fund development team did we make our budget goals or did we not? Like the galas on Saturday night. It's supposed to bring in six hundred twenty-five thousand dollars. It's really easy to say, "Did you do it or did you not do it?" Just look [at] the bottom line on that. But let's say they bring in something close to that. Let's say they bring in five hundred eighty-five thousand. Well how many volunteers did we recruit from the groups? How many new relationships did we form? How many invitations did we get to come into other companies to recruit volunteers? We look at a whole swat of different things and then say [if it was] successful or not. So again kind of approach things holistically but at certain chances we do look at black and white data and they're able to tell us how we're doing.