CULTURAL TRANSFORMATION

HEALTH + PERFORMANCE + DIGITAL

presented by

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October 21, 2020

Urban Affairs Coalition
A Home for Nonprofits Since 1969

A JOURNEY OF CULTURAL TRANFORMATION

HEALTH + PERFORMANCE + DIGITAL

Agenda:

1. Overview and Key Takeaways
2. Cultural Transformation roadmap
3. Digital Transformation roadmap
4. Why focus on Organizational Health? How does that lead to organizational performance?
5. First 18 months: Alignment performance.
6. UAC's Business and Operating Models
7. Draft Strategic Implementation Goals and Themes for FY 21
8. Draft Business Unit Objectives
9. Digital Transformation Roadmap
10. FY 21 Quick Wins

A JOURNEY OF CULTURAL TRANFORMATION

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Key Takeaways:

1. Cultural > Strategy
2. People Transformation > Digital Transformation
3. Org Health → Performance→ Execution → Accomplishing the strategy
4. Align = Direction + Leadership + Culture & Climate

CULTURAL TRANFORMATION ROADMAP

HEALTH + PERFORMANCE + DIGITAL

FY 2020 & 2021: ALIGN + DEPLOY

Align the Coalition's strategy, culture, climate and values around our clear, compelling vision for the future

Deploy new tech systems as a part of Digital Transformation

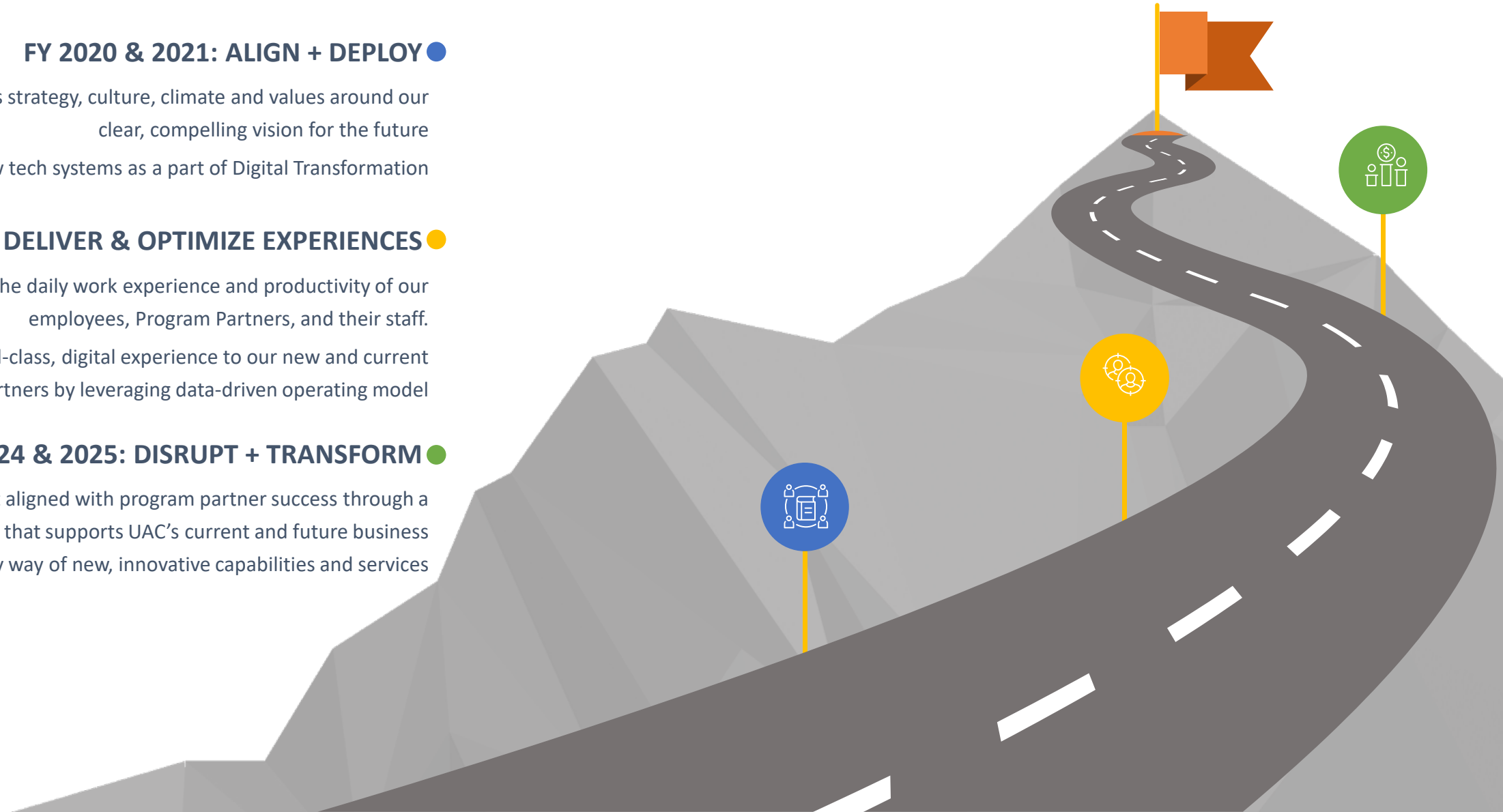
FY 2022 & 2023: DELIVER & OPTIMIZE EXPERIENCES

Improve the daily work experience and productivity of our employees, Program Partners, and their staff.

Deliver world-class, digital experience to our new and current Program Partners by leveraging data-driven operating model

FY 2024 & 2025: DISRUPT + TRANSFORM

Culture and talent aligned with program partner success through a digital strategy that supports UAC's current and future business models by way of new, innovative capabilities and services

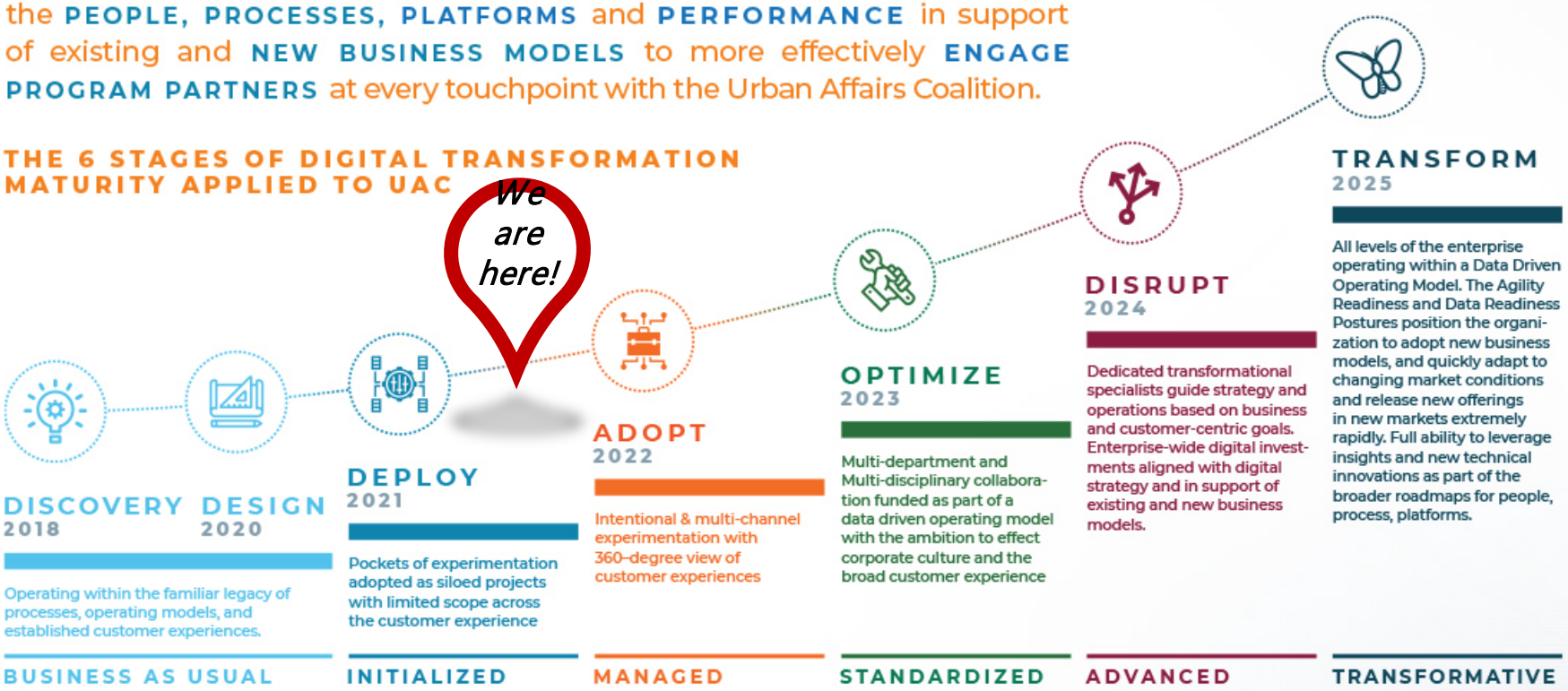


Urban Affairs Coalition
A Home for Nonprofits Since 1969

Introducing the Urban Affairs Coalition's Digital Transformation Initiative

We define Digital Transformation as the re-alignment and investment in the **PEOPLE, PROCESSES, PLATFORMS** and **PERFORMANCE** in support of existing and **NEW BUSINESS MODELS** to more effectively **ENGAGE PROGRAM PARTNERS** at every touchpoint with the Urban Affairs Coalition.

THE 6 STAGES OF DIGITAL TRANSFORMATION MATURITY APPLIED TO UAC



Digital Transformation is more than technology — we are adopting a Data Driven Operating Model, fundamentally changing how we operate and deliver value to our Program Partners. It will allow us to leverage innovations, act quickly on data, exceptions and insights, and to improve our performance on every dimension.

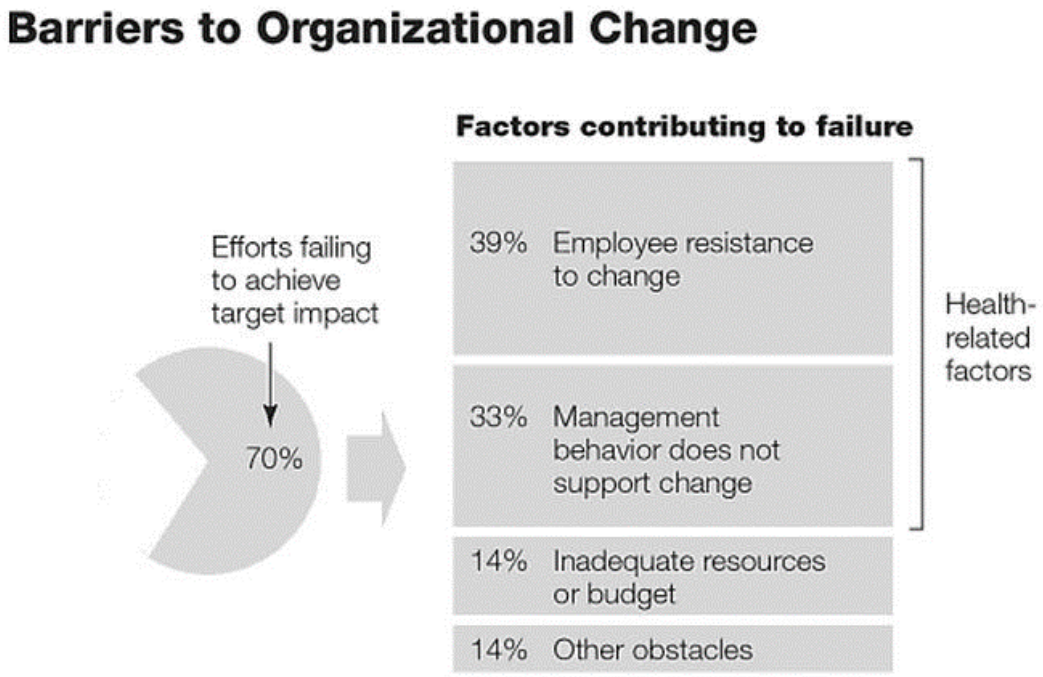
It's also a cultural change that requires organizations to continually challenge the status quo, experiment, and eventually launch new offerings and open up new markets.

The investments are underway, and we are ready to implement our first major deployment.

SOURCE: Internal Briefing with UAC Senior Management. Lima Consulting Group, 2020.

WHY FOCUS ON ORGANIZATIONAL HEALTH?

- The major barrier to organizational change is organizational health.
- Almost all organizations perform better if they improve their health.
- Those with organizational health challenges make the biggest advances.

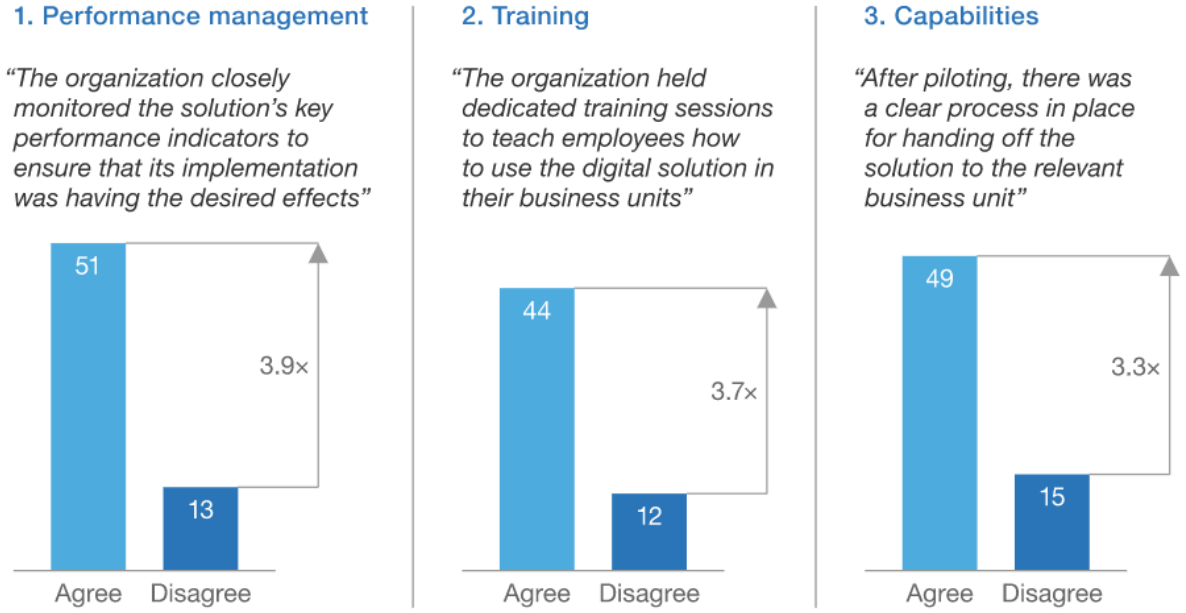


SOURCE: Keller, S. and Schaninger, B. *Beyond Performance 2.0*, John Wiley & Sons, Inc., 2019.

….PERFORMANCE?

When a company monitors key performance indicators during a transformation, its change effort's success is four times likelier.

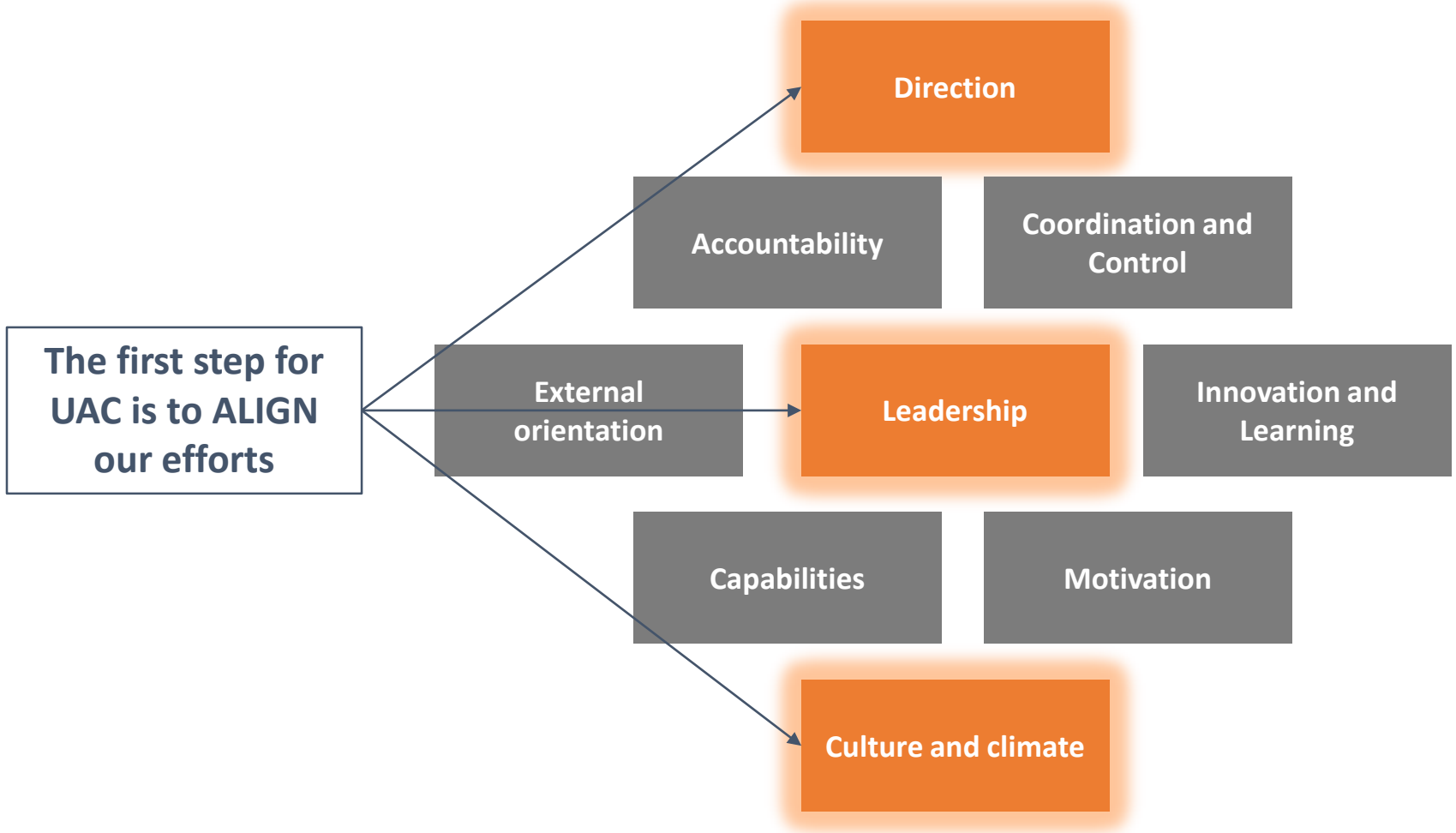
% of respondents reporting successful transformations[1]



[1]Respondents who say their organizations' transformations have been successful at both improving performance and sustaining those improvements over time, n = 509.

SOURCE: Lindsay, B., Smit, E., and Waugh, N. How the Implementation of Organizational Change is Evolving. McKinsey and Co., 2018.

ORGANIZATIONAL HEALTH HAS NINE CHARACTERISTICS



SOURCE: Keller, S. and Schaninger, B. *Beyond Performance 2.0*, John Wiley & Sons, Inc., 2019.

WHAT DOES IT MEAN TO ALIGN?

Direction

UAC is able to craft and communicate a compelling strategy, reinforced by systems and processes. It provides meaning and purpose that engages our people around our mission and vision for the future.

Leadership

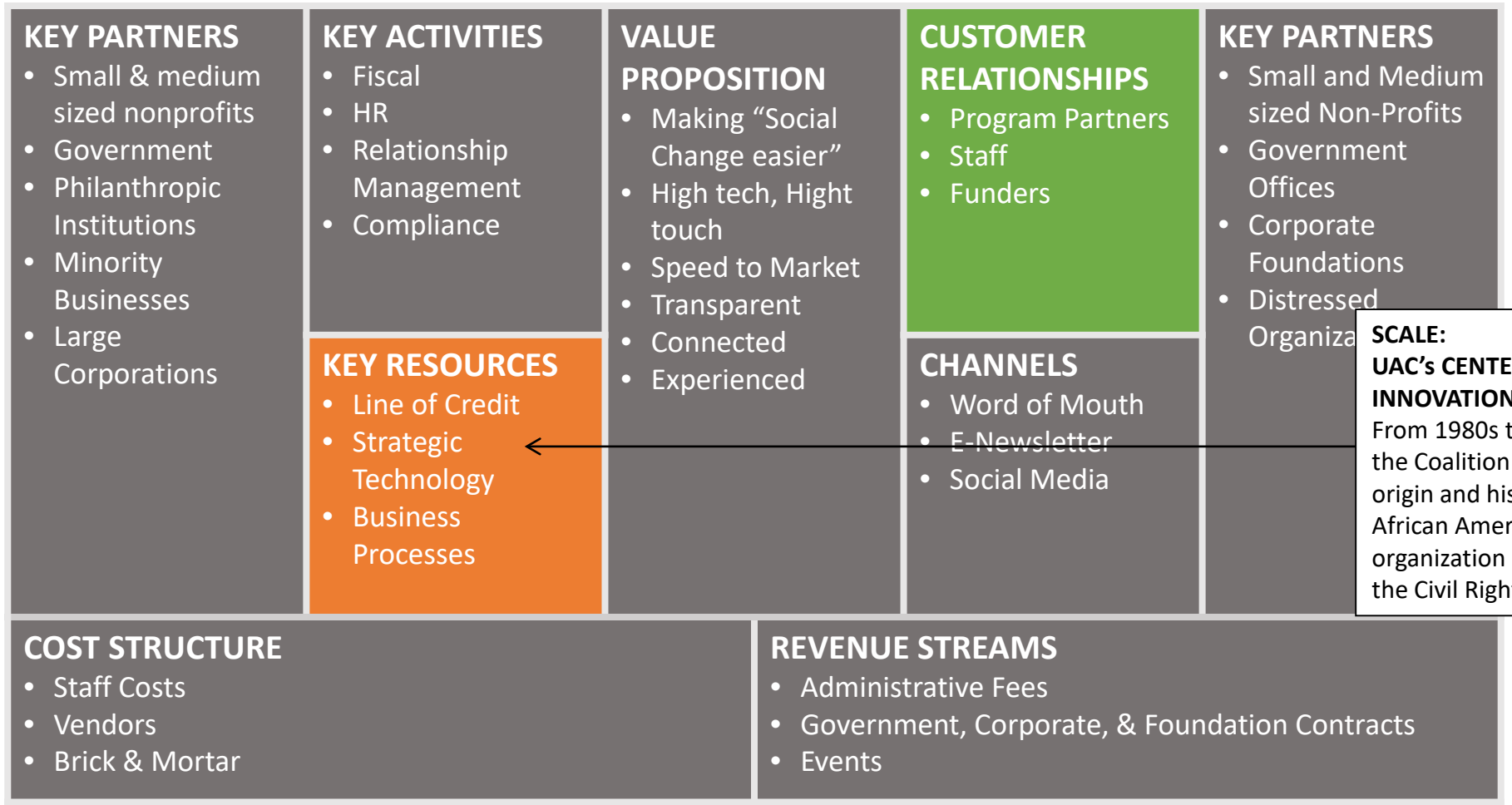
UAC's Leadership shows care towards staff and their needs; Leaders set stretch goals and inspire staff to achieve their full potential, inside and outside of work.

Culture + climate

UAC has a baseline of trust, mutual understanding and respect within and across the organization, upheld by each employee. The organization creates a healthy, strong, adaptable organization-wide culture that attracts talent and drives performance.

SOURCE: Keller, S. and Schaninger, B. *Beyond Performance 2.0*, John Wiley & Sons, Inc., 2019.

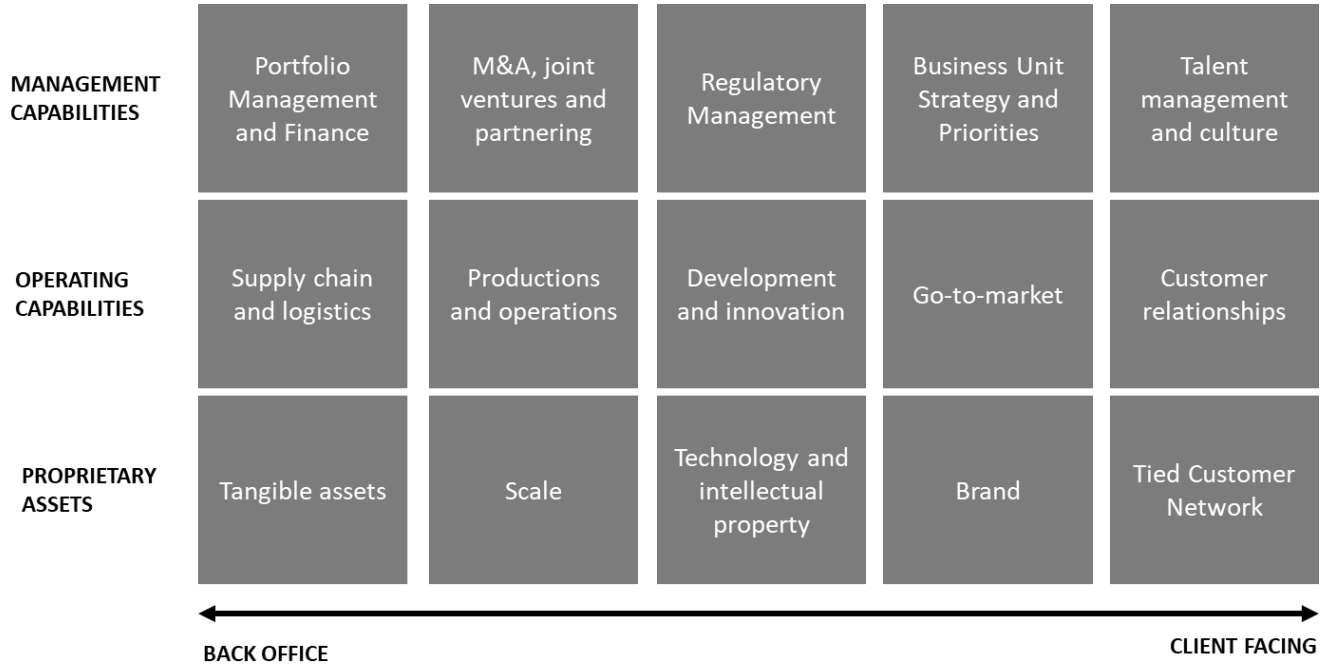
UAC BUSINESS MODEL



SCALE:
UAC's CENTER OF INNOVATION
From 1980s to 2010s, the Coalition leveraged its origin and history as an African American led organization born out of the Civil Rights movement

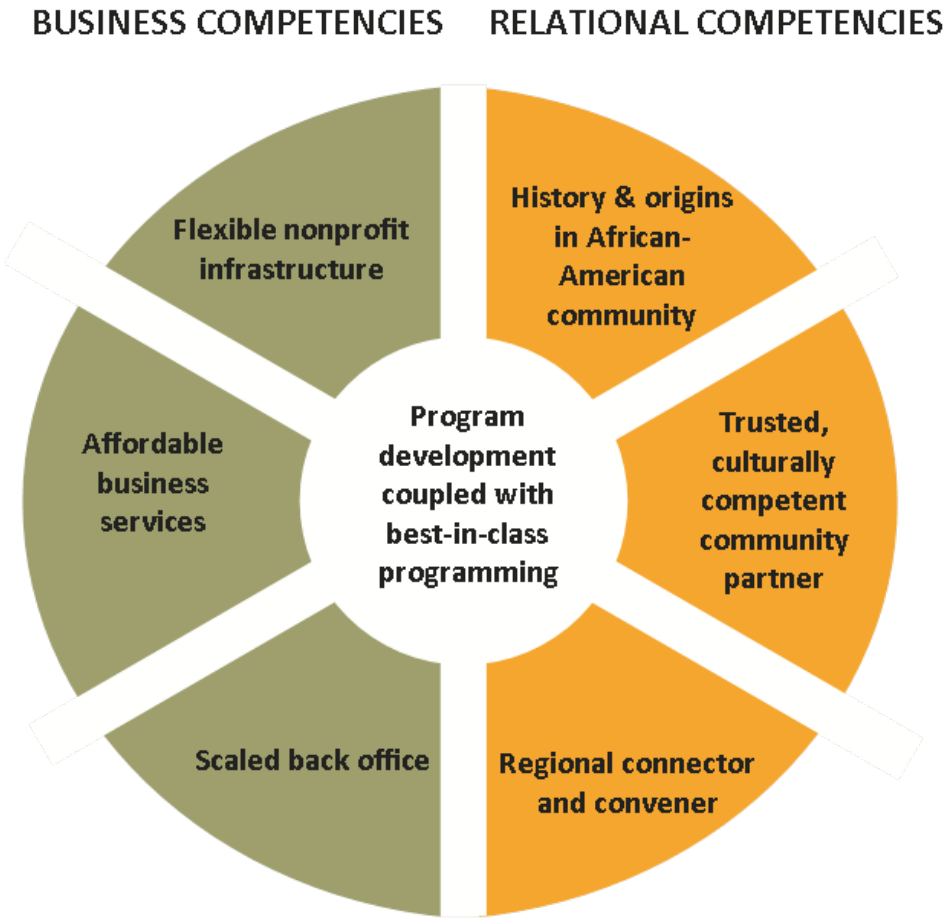
OPERATING MODELS: CAPABILITIES & DIFFERENTIATORS

- Organizations can’t be great at everything
- They need to make smart decisions about where to play and how to win
- It should excel in its areas of focus.
- In other areas, you can be “good enough”
- Once you have “hardened” the infrastructure around a capability, you can consider that as a new baseline from which to build other capabilities
- Focus on the four "P"s -
  - People, Processes, Platforms & Performance

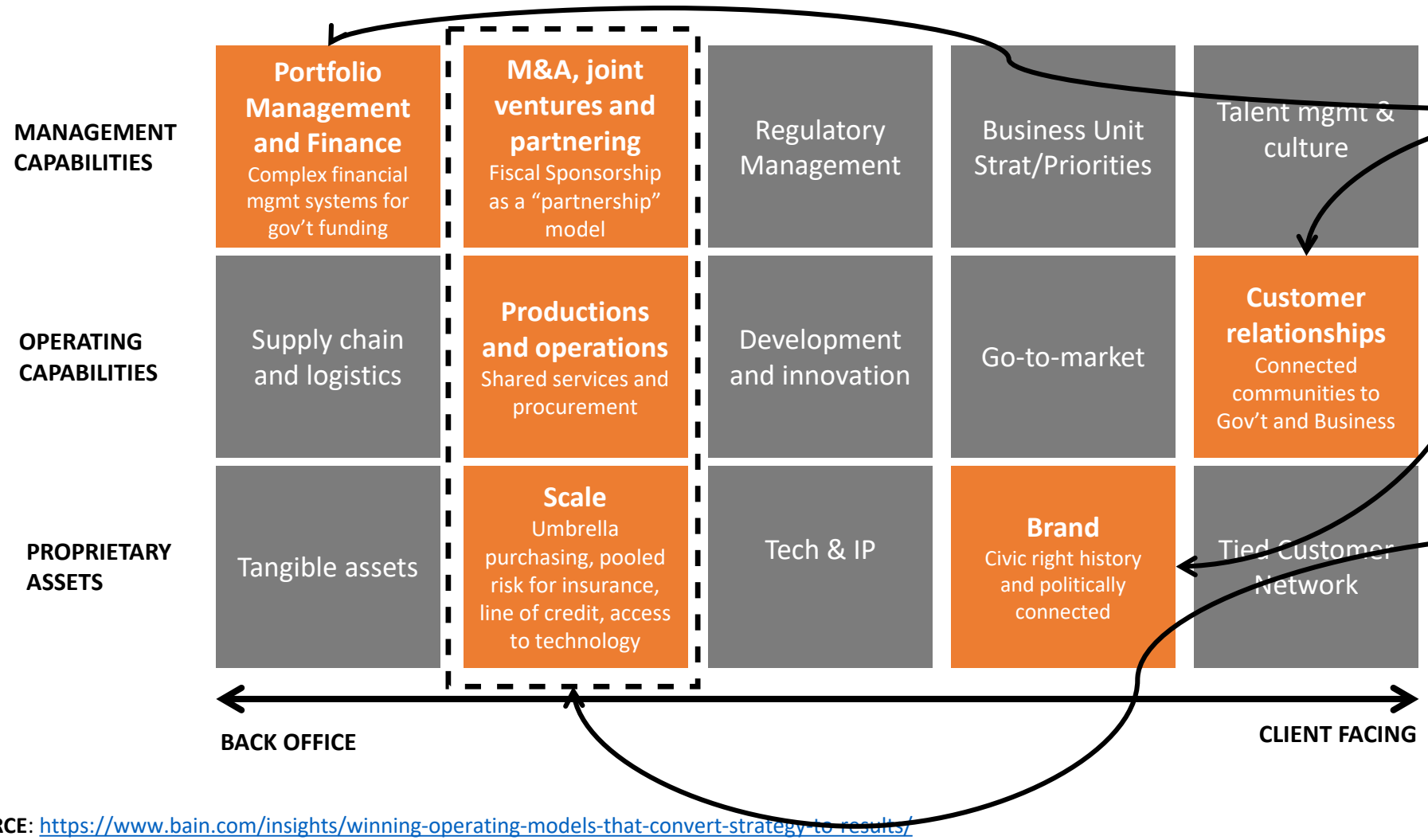


SOURCE: https://www.bain.com/insights/winning-operating-models-that-convert-strategy-to-results/

UAC'S OPERATING MODEL: 1980 TO 2010



UAC'S DIFFERENTIATORS: 1980 - 2010

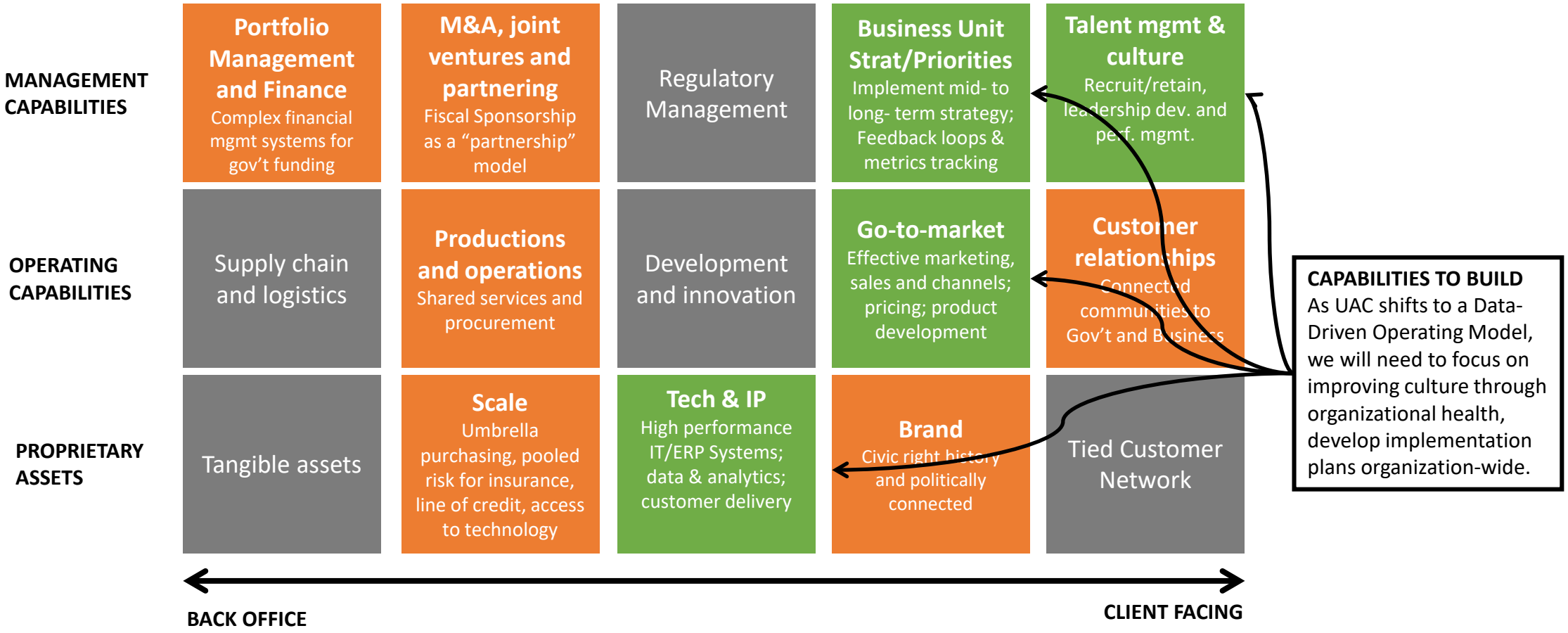


UAC's DIFFERENTIATORS
The Coalition's origins and history as an African American led organization born out of the Civil Rights movement.

TABLE STAKES FOR FISCAL SPONSORSHIP
These capabilities are the "Table Stakes," or the entry level capability set, for an organization seeking to be a professional Fiscal Sponsor. UAC had these capabilities, therefore it could and did enter this line of business.

SOURCE: https://www.bain.com/insights/winning-operating-models-that-convert-strategy-to-results/

UAC'S SHIFT: DATA DRIVEN OPERATING MODEL



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DRAFT STRATEGIC IMPLEMENTATION GOALS: 2021

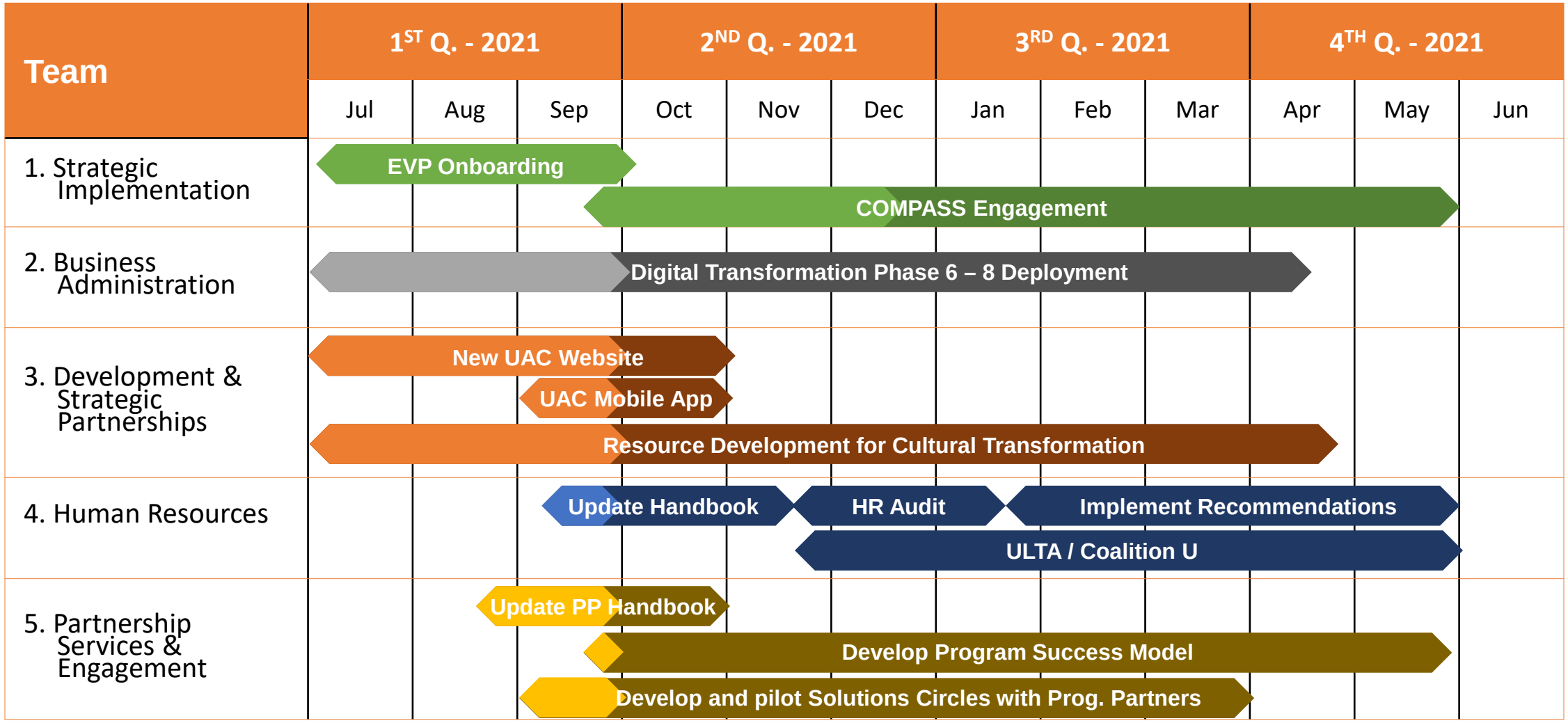
THEME	BE THE BEST FOR EACH OTHER & THE COMMUNITY	DEFINE & BE THE FUTURE	LEARN FROM OUR PAST TO DRIVE SUCCESS & GROWTH
DRAFT GOAL	Energize UAC's talent and culture for the agility and organizational health needed to be the "***best Home for Nonprofits anywhere***" in a world changed by the pandemic where racial, social, and economic justice are heightened and viewed as generational imperatives.	Develop next-gen "**Infrastructure for Community Empowerment**" by accelerating enterprise-wide efforts toward **digital transformation** and adopting a **data-driven operating model**.	Combine our four Ps (people, processes, platforms, and performance) to drive the growth and financial health of the Coalition business model through **financial stewardship, new business growth,** and ultimately, **program partner success**.
CAPACITY TO BUILD	**TALENT MANAGEMENT & CULTURE**	**TECHNOLOGY & IP**	**BUSINESS UNIT & GO TO MARKET STRATEGIES**

DRAFT STRATEGIC IMPLEMENTATION GOALS: 2021

THEME	BE THE BEST FOR EACH OTHER & THE COMMUNITY	DEFINE & BE THE FUTURE	LEARN FROM OUR PAST TO DRIVE SUCCESS & GROWTH
PROJECT	UBUNTU	WAKANDA	SANKOFA
SYMBOL			

DIVISION & BUSINESS UNIT OBJECTIVES

BUSINESS ADMINISTRATION	Facilities Management as a Brand & Culture	Lead Tech portion of DX	Maintain excellence in Fiscal Stewardship; Co-create Program Success Model
CEO	Define the aspirations and culture of the Coalition; champion the effort	Evangelize about need for Next Gen leadership & "Infrastructure for Comm. Empowerment"	Cultivate relationships, locally and nationally, to grow business, open markets, and inspire Next Gen leaders
DEVELOPMENT & STRATEGIC PARTNERSHIPS	Achieve $1m capitalization of the Fund for the Future to support staff-led and prog. partner inspired initiatives, connecting vision to purpose, strengthening engagement, and recommit as individuals & org-wide to shared mission.	Raise $700k through current and new partnerships to support Digital and Cultural Transformation within UAC.	Develop go-to market strategy & communicate externally re: UAC's approach
TRANSFORMATION ACCELERATION	Lead people, cultural, and communication side of DX	Lead on vision for DX	Lead on vision for Program Success Model
HR TEAM	Co-create Ubuntu Leadership Transformation Academy (ULTA) within Coalition U for internal staff, Prog. Partners	Assessment and rebuild HR for the future	Co-create Program Success Model
PARTNERSHIP SERVICES & ENGAGEMENT	Co-create Ubuntu Leadership Transformation Academy (ULTA) within Coalition U for staff, Program Partners	Develop Solutions Circle to gather ideas, insights, and feedback to solve problems.	Co-create Program Success Model

FY21 QUICK WINS

ACCELERATING CHANGE