

T-TAP

Training and Technical Assistance for Providers

Virginia Commonwealth University & The Institute
for Community Inclusion University of Massachusetts
Boston

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Q & A on Customized Employment:

Developing a Business Plan for Organizational Change

Developing a solid business plan is a critical step for Community Rehabilitation Programs (CRPs) who want to expand their agency's competitive, integrated employment outcomes. A business plan is not just a program plan and must focus on a number of key areas. This includes the agency's mission and intended program outcomes, the realignment of staff and funding, diversification of funding, marketing and linkages to employers, and collaboration and partnerships.

This fact sheet describes strategies that CRPs can use to develop a business plan for organizational change and is based on the experiences of Tri County TEC in Stuart, Florida. Tri County TEC is a member of the CRP Leadership Network that was formed by the Training and Technical Assistance for Providers project (T-TAP). The CRP Leadership network is providing training and technical assistance to other programs nationally who want to expand their agency's competitive, integrated employment options.



What are the specific components of a business plan?



The development of a business plan should begin by determining if the intended business is necessary. This can be done through research of community need, competition, and expertise. When planning for organizational change related to community-based employment outcomes, an agency must research the types of employment available in the community, find out who is already contacting businesses and their success rate. Then, look at the organization's reputation in the community, staff expertise, and resources available for increasing integrated competitive employment outcomes.

While there are hundreds of formats for business plans that can be found on the Internet, at the library, or through small business agencies, there are a number of core components that should be considered. Components include identifying the business and then setting goals, responsibilities, and the desired outcomes. The business plan also needs to define the targeted customer group for the organization. At Tri County TEC, the desired business was to expand the agency's focus on organizational change and community-based employment. The targeted customer group included people with disabilities, their families, funding sources, and the business community as their customers.

Planning and discussions with funders, community leaders, business owners and donors must be a part of the business plan and the financial planning process. Funding has become very complex during the past few years. Develop a business plan that includes staffing costs, other expenses, expected revenue, a break-even analysis and future expectations. Be creative, look to new avenues of funding and take this part of planning very seriously. Planning at this stage will determine an agency's ultimate success, and stakeholders at all levels must be involved.



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Q**What is the first step in developing a business plan for organizational change?****A**

The business planning actually begins with a demonstrated commitment by the organization to move its focus to community-based employment at a defined outcome level. Focus first on mission and intended outcomes. With business planning, start with the outcome, then work backwards on how to get there. There are many different models of business plans. It is better to start with a simpler business plan. Again, start with defining the intended outcome, not the processes. Attention to the steps necessary to accomplish planned outcomes comes next.

Clearly define the outcomes expected, for example specify the number of people who will find and keep jobs of their choice through ongoing efforts. Look at how many people a year and what strategies are needed to make sure those outcomes happen. Try to set a goal that is not too small but not so large that it cannot be accomplished.

Q**Who are the critical staff and other stakeholders that should be involved in the development of a business plan?****A**

Deciding who is included in the development of the business plan and the resulting planning process depends somewhat on the culture of the organization. However for a successful outcome, all who will be involved in the implementation of the plan should be involved in its development. The planning process at Tri-County TEC called for management to set goals for outcomes that were shared and developed with the rest of the staff, consumers, funding representatives and board representatives. A plan was developed, financial implications included, and then recommendations were made to the Board of Directors for approval and implementation. Implementation strategies should be developed with reports back to the board and funders on an ongoing basis.

Q**How can staff become involved in the organizational change process?****A**

In order to accomplish organizational change, staff need to own the process. An example of staff ownership can be drawn from the experiences of Tri County TEC. In moving from sheltered work to an organizational focus on community integrated employment, staff had to understand that individuals with disabilities have the same right and responsibility to work in the community as people who do not have disabilities. Tri County TEC used a value clarification process to help staff understand their own beliefs. This system started very broadly and ended up with the staff members having to commit to their place in the organizational changes process.

Staff members were asked to identify the consumers who could work in competitive employment. They were directed to ignore barriers to employment such as parental concerns, behavioral issues, transportation, and so on. They were asked to look at each individual and determine if he or she could work. Management anticipated that staff would say 25% of the organization's 175 clientele would be eligible for competitive employment. When staff returned with their estimate, they said that 95% of the individuals served were ready for employment! Trusting staff and allowing them to be a major part of the process.

Q**Once the organizational direction is in place, what are the next steps in the development of the business plan?****A**

The next step is to align staffing and funding with mission and intended out-comes. The business plan has to be based on consumer choice. Once it is known how many people desire community-based employment, a programmatic plan is needed that describes how many employment specialists are needed and how to fund needed employment supports, including ongoing supports. Identifying fiscal strategies for success are critically important. Look at what funding is available that supports community based employment outcomes. This process might involve a degree of negotiation with funding agencies. Funding should follow the individual and not be locked into program models that do not support consumer directed employment outcomes.

Work with funding agencies to take the funding and turn it into resources for the organizational change plan. Many states and funding agencies are moving to a more flexible "money follows the person" approach to support the most appropriate and preferred community settings for individuals with disabilities, including self-directed employment choices. Aligning funding with intended outcomes involves both negotiation with existing funding agencies to potentially redirect traditional funding arrangements and diversification of funding to bring in new resources.

Q

Is there assistance available to help support the development of a business plan?

A

There are a number of organizations that help with the development of a business plan. One helpful organization is SCORE, a nonprofit association dedicated to entrepreneurial education and the formation, growth and success of small businesses nationwide. SCORE provides entrepreneurs with free, confidential face-to-face and online business counseling. Experienced business volunteers offer counseling and workshops at 389 chapter offices nationwide.

In addition, local Chambers of Commerce, Economic Development Agencies, and the Small Business Administration are potential sources for assistance in developing a business plan. Twenty years ago, these organizations did not fully understand the importance of community rehabilitation programs in our communities. Today, with the focus on community-integrated employment, the perceptions are different.

Tri County TEC has been working with SCORE, the Martin County Business Development Board and the Stuart/Martin Chamber of Commerce in a number of different ways with internal planning. For instance, staff from Tri County TEC talk in terms of diversity, and how the agency can assist business to meet their obligations. This includes offering them qualified employees, creating diversity, and contributing to the overall economic fabric of the community. The intent is to give the agency a "business look" rather than a social service look.

Q

What are the keys to securing the funding needed to support the services necessary for consumers to be successful in competitive employment?

A

Funding is probably the most difficult part of organizational change, and it has to be the major focus in balancing with programmatic outcomes and integrity. In finding the balance for successful funding, the business planning has to be based on movement to community-based employment. It has to be consumer focused; outcome driven; based on relationships with funders; and focused on developing new funding sources and a diversified funding base. Continuing to focus on traditional funding sources with the exact same approach taken in the past will cause the change process to stall and eventually fail.

Diversification in funding is the key to success. Diversification of funding involves developing new funding sources and new populations. Tri County TEC was able to continue and move forward by identifying new funding sources, sometimes serving new populations such as the Welfare to Work initiative for TANF recipients. It is important to note that a number of the individuals in the TANF Welfare to Work initiative are individuals with disabilities. This actually assisted in helping cover some of the agency's overhead.

Develop positive relationships with funding source leaders and staff. Economic cycles and changes in funding policies have created a sometimes chaotic and uncertain relationship for community rehabilitation programs with funding agencies. One of the major keys in working through this period of uncertainty is the development of organizational credibility and positive relationships with key partner agencies. Speak the language of funding agencies and build credibility with them. Offer services that funding sources are willing to purchase based on the consumer driven approach that leads to competitive integrated employment.

Tri County TEC succeeded in expanding its service area from 3 to 11 counties, because funders recognized that the people finding jobs actually keep their jobs and in many cases move on to other jobs. Most important, the agency made sure that each person and each business had the support needed for success. With these results, Tri County TEC builds credibility by offering services that funding agencies are looking for and want to purchase.

Q

How does an organization effectively market its services to the community?

A

The Business Plan must clearly define marketing strategies. Everyone in the organization must become a marketing expert when attempting movement to a focus on community-based employment. Each person has to know what the marketing strategies are, where the organization is trying to go, and why it's the right thing to do. Marketing is not an issue limited to just the board of directors or management issue, to just direct service or support staff. It is an issue that has to be looked at throughout the entire organization. When developing a marketing plan, de-mystify the idea of marketing. Many staff

members are afraid of marketing, because they think that “special” skills are needed to market. Marketing strategies must be clear and tailored to the organization. Remember the dignity of the people served, and have fun. Some ways to get the word out about the change in the organization is attending Chamber of Commerce meetings, making presentations to local government agencies, joining service clubs and business associations. Join! Join! Join! Encourage consumer participation with marketing efforts. Be a part of the community and not apart from it.

Q What are the potential pitfalls in the organizational change process?



The potential pitfalls need to be acknowledged in the business plan. For example, if moving from a facility-based program, the plan has to look at what to do with the building once the sheltered service has been substantially reduced or everybody has moved. Plan what to do if staff that do not want to become involved in the move decides to change jobs. The plan has to deal with those issues as well as how much money it will take to accomplish the planned organizational change.

Assuring that the planning process goes through staff as part of the business plan will help prevent staff from becoming deal killers in this effort. Management overviews the change process; staff makes it happen. Therefore, staff needs to be the drivers of the system. Also, parents first of all want safety, security and happiness for their sons and daughters. Experience and success stories in employment will help encourage parents to become an asset, not a liability, in the change process.

Backfilling must be prevented. Many organizations appear to think that as people move into jobs in the community, the only way they can continue to exist is to bring new people into the workshops. Find strategies that do not allow backfilling. Use strategies that allow for the downsizing of the center-based program and the elimination of the need for the building. Have a philosophy and a business plan that says priority will be given to every new student coming out of the school system that go directly into community-based employment. Move people off the waiting list into community jobs.

Q What are other important considerations in developing an effective business plan?



Develop relationships and collaborations with other organizations. Find the experts and use them. But don't just use the experts within our own field. Look at what business is reading. Go to a local bank president and ask: “What is the last book that you read on business organization and planning?” Buy it and then have staff use it. Go to the major businesses in your community and ask them the same question. Build a library not just with the books and the experts from our field, but also with the business experts. Find how to use the information to make sure that the agency fits into what business does.

Be creative and expand the agency's horizons, don't stick with the same old way of doing things. Talk to people in the field, in business, and to people in the community and find out what they are doing new in their business. Business is not doing things the same way that they did 20 years ago. Again, if organizations keep operating the same way, they will keep getting the same results.

Finally, celebrate success. Celebrate each consumer's success and each organizational success. Study the failures, study what didn't work exactly right. Determine what could have been done better or could have happened in a better way. But then celebrate those successes. Share the success with the family, the folks that you serve, board members, staff, and with the entire community.

Information for this FAQ sheet came from:

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