Our Strategic Plan
First, some context:

The Problem
People need water and toilets to be healthy and productive.

Depending on how you define access and safe, from 1 to 4 billion people lack access to safe water and a toilet.

The lack of these basic resources impacts nearly every aspect of a poor person's life:

• Children’s health
  5 million people, mostly children, die annually from water-related illnesses. Children weakened by frequent diarrheal illnesses are malnourished and vulnerable to other infections.

• Women’s time
  In addition to chronic back pain and skin sores, the burden of hauling heavy containers of water leaves women with little or no time to manage their households or participate in income-generating work. Girls are unable to attend school.

• Poverty
  Poor people spend a high percentage of their household income – estimated at $30 billion annually - on medical treatment to combat frequent water-related illnesses. Additionally, without safe water sources nearby, women are often unable to engage in paid work or agriculture.
Aid is wasted on projects that fail.

Although $10-$20 billion is spent annually on water and sanitation projects in poor countries, 35-50% of these projects fail within two to five years of the ribbon-cutting, a statistic that hasn’t changed in 30 years. A project failure is not only a waste of resources, but it also means that the people these systems served must return to the drudgery of carrying water from distant, contaminated sources.

Project success rates are not improving.

The water and sanitation sector has been quoting these same statistics and challenges for the past 30 years. Intellectually, organizations understand the need for better follow-up, but other activities – like fundraising – take priority.
Projects fail because most organizations that implement water and toilet projects do not visit them after the ribbon-cutting ceremonies.

Less than 5% of projects are visited at least once post-construction, and less than 1% of projects receive any ongoing, post-construction monitoring.

Therefore, organizations are not investing in their own learning: improving the execution of future projects, taking corrective actions to improve existing projects, and building a knowledge base of experience.

Yet the majority of donors rely on information reported by the organizations they are supporting.
Projects will continue to fail because it is difficult for donors to differentiate between organizations that are providing good services and those that are not.

There are no universally-accepted definitions of the terms “sustainable” (successful/long-lasting) project, “access to water,” “safe water,” or “access to a toilet.”

In Water 1st’s experience, a high level of service that includes reasonable standards for water quality, quantity and convenience, is associated with project success. However, without standard definitions in our sector, “access to safe water” does not have an apples-to-apples comparison across organizations.

In addition, the majority of donors rely on information reported by the organizations they are supporting.

An example of why we need standards:

The upper limit of the number of people a hand-pump can reasonably serve is probably 500, not 3,500.
How We Are Solving It
**Why did we start Water1st?**

With these problems in mind, our purpose was simple:

build an organization from the ground up with the ability to consistently implement successful water and sanitation projects that provide permanent solutions for the world’s poorest communities.
Water 1st projects will reach the milestone of 250,000 people served in 2021!

Our projects are successful. We know this because we carefully select our in-country partners, and make routine post-construction follow-up visits.
In 15 years, we have raised $25 million from over 8,000 donors.

In order to provide the best solutions to address the needs and priorities of our project participants, we have made a conscious decision to focus on grassroots fundraising.

Our grassroots funding model has provided us with a consistent and increasing (and flexible) funding stream.
VISION
A world free of extreme poverty where everyone has access to a clean, permanent water supply and a toilet.

MISSION
• To enable the world's poorest people to implement and sustain community-managed projects integrating clean water supply, toilets and hygiene education.

• Water 1st unites people to fight the global water and sanitation crisis. We believe this worldwide, silent catastrophe will be solved when people come together as a concerned community and take effective, simple actions.
CORE VALUES AND BELIEFS

- **We respect the people we serve.** We strive to support solutions based on their priorities and perspectives and to provide the poorest people in the world with an opportunity accomplish something they see as critical to their own well-being.
- Access to clean water is a **basic human right**.
- Providing permanent, clean water systems, toilets, and hygiene education is the **first step to ending the cycle of poverty**, illness and inequality.
- **Women and girls bear the burden** of water collection and suffer disproportionately from a lack of accessible clean water.
- Building a **community of supporters** who are motivated to take action is crucial to achieving our mission.
- We strive to have a culture of **learning, gratitude, respect and continuous improvement**.
- We believe that successful, enduring projects share these **essential attributes**:
  - Long-term relationships with active, committed and established **local partners**.
  - Deep **involvement by the communities served** – and strong leadership by their women – in all stages of project planning, implementation and ongoing operation and maintenance.
  - Full **community responsibility** for financial and operational management after implementation.
  - The **integration** of hygiene education, adequate sanitation, and access to nearby clean water.
  - Post-implementation monitoring, follow-up and insistence on **accountability**.
Our efforts are focused on 3 areas:

- **Build capacity of our international partners**
  
  **Activity A:** Support new water and sanitation projects with our current partners. Continue to build our partner capacity through collaborative post-construction evaluation.

- **Raise funds to ensure consistent support of our international programs**
  
  **Activity B:** Continue to cultivate and empower our community of supporters to reach a fundraising goal of $5 million annually by 2025.

- **Establish a gold standard in our sector**
  
  **Activity C:** Continue our leadership role in developing universal definitions for the terms access, safe and sustainable, and promote an environment where funding decisions are made based on independent evaluations of program outcomes.
Assumptions and approaches:

- Donations from consistent, unrestricted sources are the most efficient and effective form of support for our international partners.
- Despite changes in technology over the years, peer-to-peer fundraising remains the most effective form of fundraising, and is where we focus the majority of our effort.
- Donors like to know where their money is going, and understand the significance of their giving. We provide a variety of opportunities for this level of personal engagement: fundraising events, video, photos, maps, travel, personalized reports and meetings.
- The economic forecast for most of our donors is positive.
- To meet our fundraising goals, our board needs to evolve from the past model of recruiting based on specific skills to recruiting based on ability to give and ability to participate in peer-to-peer fundraising.
- We are able to grow revenue without a proportionate growth in staff size because we use our board, advisory council and major supports to be our fundraisers, using a peer-to-peer model.
- Focus effort on growing Seattle GWGL to $1 million annually and Seattle CARRY5 to $150k annually.
- Focus attention on donors of $500 and above, where we receive 90% of our income.

### Objectives:

<table>
<thead>
<tr>
<th></th>
<th>2013 (current plan)</th>
<th>2014 (1 year)</th>
<th>2016 (3 year)</th>
<th>5-10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual income</td>
<td>$1.6 million</td>
<td>$1.8 million</td>
<td>$2.5 million</td>
<td>$5 million plus</td>
</tr>
<tr>
<td>Number of donors at</td>
<td>500</td>
<td>465</td>
<td>590</td>
<td>700+</td>
</tr>
<tr>
<td>$500+ level</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retention of donors</td>
<td>70%</td>
<td>70%</td>
<td>70%</td>
<td>70%</td>
</tr>
<tr>
<td>at $500+ level</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Board Giving</td>
<td>New metric for 2014</td>
<td>$180,000</td>
<td>$250,000</td>
<td>$500,000+</td>
</tr>
</tbody>
</table>
**Activity D:** Prepare for expansion of grassroots fundraising in locations outside Seattle.

### Objectives:

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<th>2016 (3 year)</th>
<th>5-10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fundraising/outreach</td>
<td>New metric in 2014</td>
<td>Seattle</td>
<td>Seattle</td>
<td>Seattle plus one more</td>
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<tr>
<td>offices</td>
<td></td>
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### Assumptions and approaches:

- Our fundraising efforts to date in San Francisco and Chicago tell us that it is possible to expand into those communities eventually, opening up permanent offices.
- Donors outside Seattle are no different – Peer-to-peer fundraising is the most cost-effective approach to raise consistent funds from unrestricted sources.
- Having experienced, fulltime staff who can articulate our work and have personal connections to our projects, is important to establish and strengthen donor relationships to Water 1st's work.
- In 2014-2016, we will work to build on existing major donor relationships to create the conditions we believe are minimums to supporting opening an office in another location. Based on our past experience, we believe these conditions include:
  - Support for fundraising staff for two years – an office and two people – estimated to be $150k annually
  - Existing major donor support of at least $100k from 3 donors
  - Mailing list of at least 100 people
  - After 3 years, the new office should be raising at least $250k/year.

### 2013 Situation in Potential Expansion Cities:

<table>
<thead>
<tr>
<th></th>
<th>Chicago</th>
<th>Portland</th>
<th>San Francisco</th>
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<tbody>
<tr>
<td>Existing major donor support ($10,000 and above)</td>
<td>$50,000</td>
<td>$25,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Number of major donors</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Mailing list size</td>
<td>237</td>
<td>144</td>
<td>158</td>
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</tbody>
</table>
Golden Egg Scenario:
If someone handed you $1 million (or $10 million) tomorrow – what would you do?

- Build capacity of our international partners
  - Fund unmet capacity in location where we currently work
  - Fund search for additional partners in new locations
- Raise funds to ensure consistent support of our international programs
  - Help us grow fundraising efforts in Seattle with matching funds support
  - Support new office expansion in other locations (once other conditions are met)
- Establish a gold standard in our sector
  Create Incentive Fund ($5 million over 3 years) for organizations to have independent rating.
A large donor or donors could help us reach more people with clean water and toilets sooner. There are many people and projects on our partners’ waiting list for water, and we do not expect to reach their capacity to absorb funding for many years.
APPENDIX
Elevator Speech and how Water 1st is different

The Problem: As we are sitting here, hundreds of millions of women and children are hauling heavy containers of water home for their families to drink. The result is devastating: 5,000 children die each and every day and women and children have no time to go to school, to earn an income, or to take care of their families.

Our solution: Water 1st helps people build their own water systems which has an immediate and transforming impact. Children’s lives are saved and girls have time to go to school. And our projects last because communities are able to maintain them and value the time savings and enormous benefits for their families.

How we are different:
• Water 1st has established high standards for water and sanitation systems that are based on meeting the priorities of the people we serve and are correlated to long-term functionality and improved public health. Before we fund a project, it must meet our standards for water quality, quantity, and convenience and toilet quality and convenience.
• We conduct thorough follow-up to ensure our projects meet our standards and take corrective actions if they do not.
• We provide consistent, ongoing support to each partner to ensure they are able to build a knowledge base of experience and are equipped and motivated to constantly improve their work.
• Our fundraising approach is based on providing consistent, long-term funding to each of our partner organizations.
Our evolution:
Our vision and approach have remained razor sharp over the years since our founding. Here is how we have evolved in our focus areas over the years.

<table>
<thead>
<tr>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ê Build capacity of our international partners</strong></td>
<td>Establish strong partnerships with organizations in 4 countries/3 continents</td>
<td>Improve programs by creating multi-year contracts to expand partner’s planning horizons</td>
<td>Engage partners in Independent Rating process to add a level of feedback/monitoring</td>
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<tr>
<td><strong>Ê Raise funds to ensure consistent support of our international programs</strong></td>
<td>• Establish a professional organization  • Build a grassroots network</td>
<td>Demonstrate an ability to raise at least $1 million per year over an extended period of time and in difficult financial context</td>
<td>Expand grassroots activities to other cities</td>
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</tr>
<tr>
<td><strong>Ì Establish a gold standard in our sector</strong></td>
<td>Educate public about the importance of insuring long-term results in the field</td>
<td>Promote the concept of third-party evaluation of project outcomes</td>
<td>Coordinate “Water for Life” rating (independent evaluation) activities and test approach on one of our partners</td>
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## SWOT

### Strengths
1. A critical cause with serious consequences and an effective solution
2. Successful track record implementing sustainable water projects with an effective, scalable model
3. Successful, engaging fundraising events
4. Consistent funding from / connection with individual donors
5. We make our projects tangible for donors - we can tell donors where their money is going and what it’s doing, and donors can visit projects firsthand.
6. Our marketing/fundraising is authentic because our staff believes whole-heartedly in the mission of the organization.
7. Executive Director with high level of subject matter expertise and an unusual range of skills that support effort
8. Dedicated and talented staff in important skill positions
9. Cadre of enthusiastic volunteers
10. Consistent ability to raise ~ $1M
11. Great archive of videos and photos to illustrate the water and sanitation crisis and Water 1st response.
12. Systems already in place to allow us to scale up in fundraising and project implementation

### Weaknesses
1. Issue is not something that our audience suffers directly or has friends/relatives who suffer directly
2. Supporters can’t get engaged through delivering the service themselves (like tutoring or building a house)
3. Relatively new organization without a “household brand” presence in the marketplace (individuals & foundations)
4. Word of mouth growth strategy places primary marketing voice in the hands of volunteers. Tradeoff of control versus efficacy.
5. Water 1st’s programmatic approach reduces opportunities to apply for foundation funding
6. Primary avenue of donor involvement is inviting friends to donate/attend events, which is not comfortable to everyone and leaves some people out
7. Possible lack of alignment between board and staff on some key fundraising principles

### Opportunities
1. Expand supporter reach by serving as a model of effective water & sanitation projects for other organizations
2. Expand fundraising/outreach to other communities in the U.S and other countries.
3. Expand program within existing geographies
4. Use web-based tools to connect with supporters regardless of location to accomplish more with less staff
5. Position Water 1st as the experts and leaders in ‘water project sustainability’
6. Use leadership role in Accountability Forum efforts to expand supporter reach and reputation within water & sanitation community

### Threats
1. General economic concerns by donors.
2. Inability of public to clearly differentiate Water 1st from other groups doing water & sanitation projects
3. Competitive organizations employ strong marketing campaigns and have more public voice
4. As we get bigger, we could become like other organizations, and donors may feel like they don’t know where their money is going.
5. Given the small staff size, we depend on the skills & institutional knowledge of a few key people. The organization has not reached independence – the ability to carry on regardless of the specific people in the various positions.
6. It may be challenging to add staff with the same level of commitment to the organization as the current staff, impacting our commitment to excellence in international programs and authenticity in marketing/fundraising.
7. Appeal of technology-based “quick fixes” and “innovative ideas” to donors
Paths of transmission of diarrheal disease

- Feces of infected person
- Fluids
- Fields
- Flies
- Fingers
- Foods
- New host
Disease transmission barriers

- Feces of infected person
- Fluids
- Fields
- Flies
- Fingers
- Foods
- New host

Safe water barrier
Disease transmission barriers

- Toilets barrier
- Safe water barrier
- Hygiene barriers

- Feces of infected person
- Fluids
- Fields
- Flies
- Fingers
- Foods
- New host
Problem
The lack of access to clean water and toilets impacts health, household income and opportunity for education in poor communities.

Desired Outcomes
End the walk for water—provide convenient water supplies used for all domestic needs for drinking, bathing, cooking, laundry, etc.

Maximize public health benefit—water project integrated with toilets and hygiene education/hand-washing

Facilities are independently owned and operated by users/local government

Starting point for Water 1st programs—define the best solution to the problem and seek funding for that.

Acquiring external financial support
Communication to donors about impact of project
Fundraising for new projects

Influential factor: creating an environment of constant program improvement
Clearly defined standards for program outcomes.
Retention of experienced local staff
Field visits and reporting: Do actual outcomes match desired outcomes?
Stakeholders discuss and agree on program improvements

Strategy:
• Personal connections
• Demonstrate impact
• Transparency in communications
• Environment of gratitude

Strategy:
Flexible & consistent funding
How Water 1st is different

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The lack of access to clean water and toilets impacts health, household income and opportunity for education in poor communities.

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Facilities are independently owned and operated by users/local government

Starting point for many programs—seek financial support and design solution to fund within funding constraints

Acquiring external financial support

Communication to donors about impact of project

Fundraising for new projects

Influential factor: creating an environment of constant program improvement

Clearly defined standards for program outcomes.
Retention of experienced local staff
Field visits and reporting: Do actual outcomes match desired outcomes?
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Strategy: Flexible & consistent funding

Strategy:
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Communication to donors about impact of project
Water 1st is influencing change

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**Fundraising for new projects**

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**Strategy:** Flexible & consistent funding

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**Water 1st influence:**
Donors have independent information about successful programs

**Water 1st influence:**
Organizations know that independent evaluations will impact revenue and will seek out the revenue sources that allow them to implement projects according to best practices

**Water 1st influence:**
Project success rates increase, implementers know the status of their own programs according to accepted standard definitions.