

Maximum Relevance In Rapidly Changing Times



**Strategic
Planning
Phase I**

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INTRODUCTION

For more than 90 years, United Way of Central Illinois (UWCIL) has worked to strengthen our community by funding programs addressing local needs while maintaining the highest standards of transparency and accountability. Over time, trends in philanthropy and the needs of our community have changed and United Way has adapted to meet those changes. Today, the needs of our community are more complex than ever and creating meaningful solutions requires a deeper understanding of how community needs are evolving and how those needs are interconnected.

In 2014, United Way of Central Illinois' Board of Directors entered into a strategic planning process to increase resource development efforts and increase the impact investor dollars make in our community by better assessing community needs, developing community goals, funding the best programs to address those needs in an effective and efficient manner, and demonstrating results to the public.

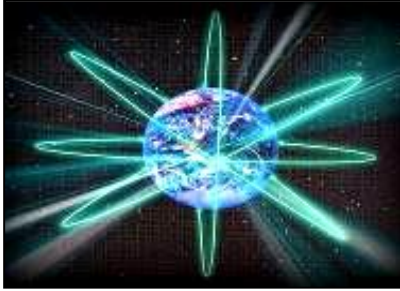
Phase I of this strategic plan provides a clear direction and outline for UWCIL to better understand the issues facing our community and develop the collaborative partnerships needed to address these issues. This initial document provides a roadmap for the work to be completed over the next 18 months; culminating in a plan of action which will identify community priorities, identify how UWCIL will address those needs, and strengthen UWCIL's capacity to carry out its mission.

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PURPOSE OF THE PROCESS

United Way of Central Illinois operates in an era of accelerating change, innovation, competition and disruption that characterize virtually every aspect of society today. Many of the economic, demographic, social and other environments within which it functions are different than they were as recently as five years ago-- in some cases markedly so.



Success depends upon effective innovative leadership, and the recognition that new times may well demand new ways of thinking and doing business. Complacency has no place in this work. Those organizations that prosper will have strong foresight and the agility necessary to respond quickly and correctly to changing circumstances. An understanding that an

on-going examination of what is working and what is not must be a core value.

Accordingly, the goal of UWCIL is to maximize the positive impact it makes for the citizens and communities across Sangamon and Menard Counties, and it does so with full transparency and accountability. UWCIL will achieve this by:

1. targeting resources to a specific set of priority areas;
2. requiring more consistency in outcome measurement; and
3. gradually increase the proportion of funding directed toward community impact projects, i.e., the identified priority areas.

Only by fulfilling this role in an exemplary manner can UWCIL provide the highest return on investment for the dollars entrusted to it. And public service agencies have no higher responsibility than to do precisely that. The current strategic initiative is carefully considering the following key issues:

- Clearly establishing and effectively communicating to current and potential investors the unique value that UWCIL delivers to the Central Illinois region that would not be there if the organization did not exist.
- Collaborating with education, health, income and basic needs service providers by using existing community assessments, surveys, stakeholder meetings and relevant national, state, and local data as an integral part of the UW priority setting process.
- Effectively engaging a broad range of UWCIL individual and corporate investors and other constituents in identifying priority needs UWCIL should address in future funding cycles.
- Positioning UWCIL funds as investments rather than donations, with UWCIL having the attendant responsibility of delivering the maximum return on those investments.
- Ensuring resource development efforts are driven by segmented marketing-- aligning the specific interests of investors with the positive impacts UWCIL makes.
- Examining the challenges UWCIL will face in the years immediately ahead and developing effective ways to overcome them.



VISION, MISSION, AND CORE STRATEGIES

Critical to UWCIL's strategic plan is identifying the right Vision, Mission and Core Strategies. These components distinguish UWCIL from every other entity and provide a meaningful frame of reference for the policy and administrative leadership to make future allocations of its financial and human resources.



All of the organization's strategic directions and specific objectives developed during the course of this process and subsequently should flow logically from the Vision, Mission and Core Strategies.

VISION:

UWCIL's Vision paints a picture of a desired future for the people and communities of Central Illinois in areas where UWCIL can make a significant contribution through its programs, policies and strategies. In effect, the Vision is the statement of what success looks like, and it is one that can also be embraced by other organizations engaged in similar efforts.

- **UWCIL's Vision:** Building Sangamon and Menard Counties into a vibrant region where individuals and families thrive, where people work together to protect its most vulnerable citizens, ensure a safe and healthy community, address its most challenging issues and enhance the quality of life for all citizens.

MISSION:

The Mission defines UWCIL's role in making that future possible by capturing why the organization exists and establishing the unique values that UWCIL brings to the Vision that no other organization does or can.

- **UWCIL's Mission:** To improve lives in Sangamon and Menard Counties by bringing together nonprofit, business and community leaders and individuals to identify, assess and address the community's health and human service needs.

CORE STRATEGIES:

Core Strategies define how UWCIL will carry out its mission and achieve its vision

United Way strengthens the community by:

- Mobilizing human and financial capital to improve community conditions.
- Organizing collaborative solutions and making long-term investments in the areas of Health, Education and Financial Stability.
- Protecting services vital to the immediate needs of the most vulnerable members of the community.
- Promoting volunteerism, philanthropy and advocacy.
- Maintaining the highest standards of ethics, accountability and transparency.

STRATEGIC DIRECTIONS: OVERVIEW

While United Way's two primary strategic directions are defined as separate and distinct areas, it is important to note the critical relationship between them. Weaknesses in one area can have repercussions, sometimes profound ones, elsewhere. Similarly, strengths in the way that one strategic direction achieves success can most definitely build momentum elsewhere in the organization.



Community Impact and Resource Development represent the collaborating forces of United Way. The more success achieved in Resource Development, the more funds that Community Impact has to invest in priority areas. Likewise, the greater the impact realized through those investments, the stronger the case that can be made for requesting increased resources from individuals and companies in the future, and the greater the probability that those revenues will actually materialize.

In a similar fashion, aggressive and measured efforts in Communications, Governance and Operations are vital to the success of Resource Development and Community Impact. People must know and understand the positive difference United Way is making in the community and be given a real opportunity to take part in shaping those results. Governance and Operations are essential to the continued success in terms of relevance, credibility, trust and revenues.

UWCIL will place a primary emphasis on three specific areas in terms of community impact:

1. Increase community impact by targeting resources to a determined set of priority areas.
2. Require more consistency in outcome measurement.
3. Gradually increase the proportion of funding directed toward community identified priority areas.

UWCIL will place a primary emphasis on three specific areas in terms of resource development:

1. Increase resources under management to improve community conditions.
2. Create strategies for new and strengthened relationships with investors through research, personalized communication, inclusion and segmentation.
3. Promote innovation through the inclusion of technological resources and offer year round opportunities to support community identified priorities.

STRATEGIC DIRECTION: COMMUNITY IMPACT

Community impact is the overarching term used by United Way internally to describe the act of bringing together a community’s resources (people, time, talents, and treasure) to identify, address, and improve complex community problems. Increasing the use of a community impact approach means a commitment by local United Ways to strengthen collaborative partnerships and align their resources in order to affect community change.



UWCIL already incorporates several aspects of community impact in its operations. Rather than seeing itself as simply a fund-raiser, it has placed an emphasis on how agency proposals for funding will address priority needs for residents of the region, as well as analyzing what has been achieved during implementation.

Accordingly, whereas seeking to increase community impact would be a major change in mission direction for many, indeed most United Ways, for United Way of Central Illinois the planned changes (described below) are, in fact, a logical extension of the basic decisions made by the organization in 2008, when it defined its funding priorities as Essential Services and Lifelong Learning.

UWCIL has a responsibility to explain the process to its local agencies and to involve them to the extent practical in framing the transition from the current approach to the new one without diminishing the essence of the final result.

A primary change in going to community impact funding allows UWCIL to move from being somewhat reactive to highly proactive when it comes to establishing the allocation agenda. The change in emphasis is recognition of UWCIL’s inherent responsibility to insure the funds it receives from investors make the greatest impact tackling the most pressing local needs as defined by volunteers.

Traditional Model		Community Impact Model
Agencies' Agenda.	➡	Community's Agenda.
UW's Role is a Funder.	➡	UW's Roles are Multi-faceted: Investor, Issue Identifier, Evaluator, Adviser.
Partners are Agencies.	➡	Partners are Individuals, Agencies and Companies that Can Address High Priority Needs.
Strategy is to Fund Direct Services.	➡	Strategy is to Change Community Conditions.
Give = Donate to UW.	➡	Give = Invest in the Community.

Agencies seeking support will base their program applications on community priorities and indicators established by UWCIL.

If UWCIL is taking the lead in setting funding priority areas, the fairness of its decisions in this regard must, to the greatest extent possible, be beyond reproach. The broader the base of input in establishing those priorities, the more transparent, equitable and relevant the UWCIL allocation decisions will be.

UWCIL’s leadership understands the importance of gathering as much information as possible to help establish what the agenda should be, as well as directly involving a wide range of people and organizations. Efforts in the months immediately ahead include collaborating with education, health, income and basic service providers, stakeholder meetings, a widely promoted community survey process and the establishment of volunteer Vision Councils to evaluate programs. Vision Councils will be made up of both volunteers knowledgeable in specific subject areas and volunteers from the community, and will be similar to traditional allocation panels.



It is anticipated that the transition schedule to greater impact will be approved by the UWCIL's Board of Directors as early as May 2015, and the final recommendations on specific priorities, community goals and appropriate indicators for each issue area will be considered by the Board at its August 2015 meeting.

The transition to enhancing UWCIL's impact will occur as follows:

- Consistent with present policy, program allocations in the category of Lifelong Learning, currently in their first year of a two-year cycle, will receive a second year of funding in 2015-16; based on the availability of community funds, reporting requirements, and a review by UWCIL's Community Impact Committee.
- Funding for programs in the category of Essential Services, currently completing the second year of their two-year cycle, will be extended for one additional year at current levels; based on the availability of community funds, reporting requirements, and a review by UWCIL's Community Impact Committee.
- Beginning late spring 2015, Vision Councils will be convened to make recommendations on community priorities for funding to the Community Impact committee and to UWCIL's Board of Directors. These priorities will be the basis for Requests for Proposals (RFPs) to be issued in January 2016. The first year of funding under this new approach will be 2016-17.

Going forward, UWCIL will require more consistency in outcome measurement from prospective service providers. Regardless of the schedule adopted, to be eligible for UWCIL funding, program proposals will have to meet at least one of the criteria listed below:

- Directly address community identified priority areas in a way that positively and measurably "moves the needle" for citizens of Central Illinois as determined by identified indicators.
- Base their design on best practices that have already been proven to make a positive difference locally or in other areas and can reasonably be assumed to make a similar impact on Central Illinois.
- Demonstrate innovation in approach and/or management capacity to effectively confront local challenges in ways that are promising enough to be valuable investments.

At the end of this process, the differentiating factor for the community will be that UWCIL will not just be measured on their effectiveness as a fundraiser, but also in their ability to drive change through effective and strategic investments. Without an intense focus on treating those from who UWCIL seek dollars as investors and utilizing their investments to make a measurable and substantial difference, a United Way will become increasingly irrelevant in an era when relevance is everything.



UWCIL recognizes that fact, and is positioning itself accordingly. The changes being made are aimed at making the most meaningful impact to Central Illinois citizens and communities. And that's precisely where its focus should be.

STRATEGIC DIRECTION: RESOURCE DEVELOPMENT

UWCIL will place a primary emphasis on three specific areas in terms of resource development:

1. Increase resources under management to improve community conditions.
2. Create strategies for new and strengthened relationships with investors through research, personalized communication, inclusion and segmentation.
3. Promote innovation through the inclusion of technological resources and offer year round opportunities to support community identified priorities.



Resource Development efforts are central to the continued growth of UWCIL and its capacity to serve the community. In order to make the greatest impact in the community, it is essential that UWCIL recognizes and adapts to ever changing philanthropic trends and investor interests. Understanding the changing philanthropic landscape will help UWCIL develop capacity to deepen investor relationships, maximize the effective use of donor data, adapt to changing technology, and increase public awareness of its mission.

To carry out its strategic direction, UWCIL will address resource development at all levels of the primary fundraising cycle: Identify (prospecting), Cultivate, Solicit, Acknowledge, Engage, and Steward.

Relationship Development

Central to UWCIL's resource development efforts is the strengthening of personal relationships with its investors. Strengthening existing personal relationships and engaging those investors on a constituent basis presents the greatest opportunity for growth, especially with regards to leadership investors. Engaging UWCIL's existing investors, its natural market, presents the greatest potential source of referrals and advocacy.

According to United Way Worldwide statistics on giving potential, UWCIL currently realizes 13% of its leadership level giving potential and 7% of its major giving potential. Maximizing UWCIL's leadership giving potential requires an organization-wide commitment to deepening investor relationships by developing an actionable plan to track investor engagement, listen to investor interests, and personalize outreach to investors at every level of the organization.

Targeted Investor Messaging

Personal relationship development is necessary for UWCIL to realize its leadership giving potential, but another primary challenge for UWCIL is to develop a plan to give every investor,

regardless of giving level, a “major donor” experience. UWCIL can achieve this by developing an optimum set of diverse messages and supporting materials that will appeal to as many different segments of prospective investors as possible; i.e., large corporations, small companies, different groups of individuals by age, gender, race, ethnicity, geography and occupation. This will require a highly sophisticated and targeted approach to linking specific investor interests to specific UWCIL programmatic values and outcomes.

Targeted messaging is not limited to individual investor experiences with United Way. Employee and group presentations are still United Way’s best opportunity to engage with prospective investors in the workplace and should highlight and demonstrate the value UW offers a particular audience.



As with individual investors, the message at employee meetings does not and should not be identical regardless of the attendees and setting. UWCIL should tailor resource development messages, as much as possible, to the work place and individuals in attendance. Examples of this could include: age and gender if an audience is highly concentrated in one or another and level of employment.

Making presentations unique to each employee group and work setting will require the planning and preparation necessary to increase UWCIL’s likelihood of being successful. From a planning perspective, UWCIL’s presentation can begin with a core message with numerous options and alternatives for the message of United Way’s value to the prospective investor’s specific interests. Done correctly, the prospective investor feels the presentation is about them, not about UWCIL. And the “ask” is about what’s important to them, not just what UWCIL wants out of the deal.

Both ***personal relationship development*** and ***targeted investor messaging*** require a combination of staff education, technology and capacity to process, organize and analyze investor data. National and regional data on philanthropic trends, including generational studies can be readily obtained. Local data on specific investor interests and desires will require an effort at every level of the organization to identify key metrics, collect investor data, and input investor data – systematically and timely. The ability and capacity to process data quickly and efficiently is imperative. The collection and utilization of investor data will increase success rates across every stage of the fundraising cycle.

Market Segmentation

Once processes are established for timely, systematic data collection, processing and utilization, the next step entails determining each target’s hot buttons and developing an appropriate customized marketing approach.

The tailoring of an organization’s tactics to the individual “investor” requires segmentation of United Way’s constituencies based upon demographic data, personal interests and message testing. It concentrates on initially providing an information mix to each target most likely to draw his or her interest. It then aims to repeat this approach many times with each prospective investor so that powerful relationships are forged.

Also referred to as mass customization, the approach seeks to reinvent investor development with the personal touch absent from many modern business interactions, thereby promoting greater investor loyalty and a far better return on marketing investments.

In some instances, it may not be necessary or practical to go to the intensity of the one-to-one approach. Some clusters of target audiences may be similar enough that cases for UWCIL's work can be built by focusing on groups of prospective investors rather than individuals.

Regardless of whether marketing is one-to-one or to a limited number, increasingly diverse marketplaces require much more personalized communication based upon market segmentation, rather than the general messages that still characterize many efforts. Careful measurement and evaluation of each delivery method is essential in focusing efforts on messaging which achieves positive results.

Staff & Technology

Technology and staff training will play primary roles if UWCIL is to maximize its use of investor data. Customer Relationship Management systems will need to be configured for donor segmentation, data entry and reporting will need to occur in a timely fashion, staff will need to be trained on how to collect and enter an increased volume of donor data.

Emerging technological resources will be an important factor in the continued growth of resource development efforts. UWCIL's use of technology to meet rising resource development and communication needs will require careful evaluation and deployment to assure technology is relevant to the resource development plan. Such technology will include online platforms, mobile technology, email, software systems and data collection systems.

A key component of the Resource Development process is identifying potential investors (prospecting). UWCIL natural and largest market comes from workplace giving campaigns. At a national level, workplace giving (including corporate support) accounts for 74.8% of United Way revenues while other sources of revenue remain minimal such as:

- Online & Mobile Giving: 0.3%
- Planned Giving: 1.7%
- Government & Private Foundation Restricted Grants – 10.9%
- Issue/Cause Related Corporate/Individual Gifts – 4.1%

UWCIL's experience is similar to national United Way trends. UWCIL's experience offers an opportunity to develop and grow a digital giving platform, planned giving program and grant development program. UWCIL's refined focus on community impact strengthens the opportunity to develop such programs. Further examination of national and local giving trends will provide insight into prioritizing the development of such programs.

As workplace giving campaigns remain UWCIL's largest market, UWCIL will develop a plan to identify and cultivate new businesses to run campaigns. Existing investors, especially leadership investors, will play an important role in the expansion of workplace giving efforts.

Affinity Groups

For many United Ways, affinity groups play an important role in both Resource Development and Community Impact. Nationwide, affinity groups now account for more than \$250 million of United Way's \$3.9 billion in contributions. The greatest growth in affinity groups has come from the establishment of Women's Leadership Councils at more than 156 local United Ways. Women's Leadership Councils account for 72% of national affinity group giving. Together, Women's Leadership Councils, Young Leaders (targeting 45 & under professionals), and African-American Leadership Councils account for 94% of United Way affinity group giving.

CLOSING

Phase I of this strategic plan provides a clear direction and outline for UWCIL to better understand the issues facing our community and develop the collaborative partnerships needed to address these issues. While this document provides a roadmap of the work to be completed over the next 18 months, UWCIL's Board of Directors recognizes community needs are ever changing. This strategic plan allows UWCIL to affect community change in a manner which is both measurable and flexible.

In the coming months, UWCIL will work with community partners to develop a plan of action highlighting community priorities and how it will address those issues. As an organization committed to upholding the highest standards of transparency and accountability, **Phase II** of this planning process and relevant information will be made available in print and online.