

# ICIC

Initiative for a Competitive Inner City

## Building on a Legacy of Leadership in Driving Inclusive Economic Prosperity for Under-Resourced Communities

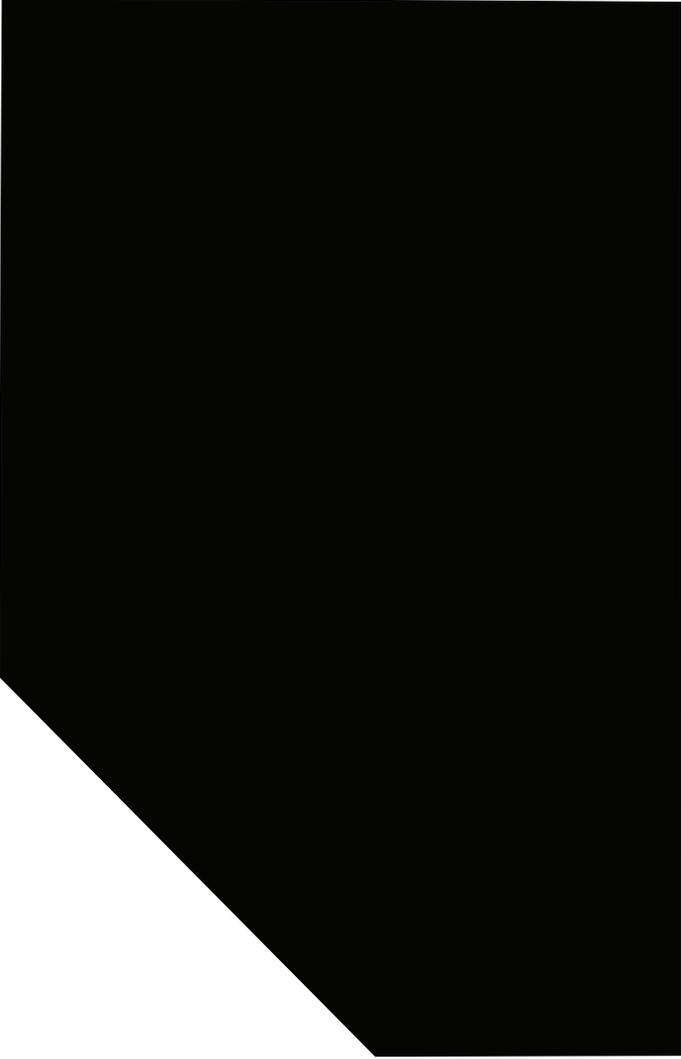
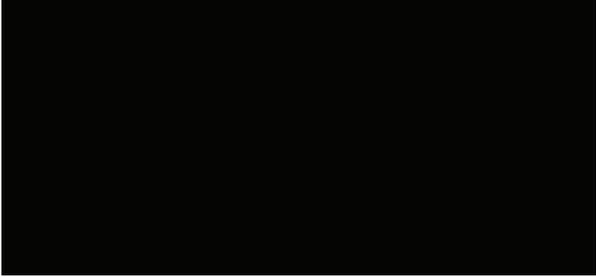
*The Next Phase of Excellence*

**2020–2023 Strategic Plan**

January 2020



TAMMY DOWLEY-BLACKMAN GROUP, LLC



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# Acknowledgments

The Initiative for a Competitive Inner City (ICIC) has worked for 25 years to study and strengthen communities via small business and economic development. The Tammy Dowley-Blackman Group, LLC is pleased to have partnered with the ICIC team, and presents this plan designed to create additional momentum for the next years of success.

Organizational growth must be thoughtfully considered, planned and executed. It is no small feat for an organization to execute a successful strategic planning process, as it requires a high level of internal support. Beyond the number of hours a team must dedicate to the process, it also insists on the willingness to challenge organizational assumptions, an ability to be open to new insights and ideas, and the commitment to execute the new plan of action. TDB Group is grateful for the leadership of the ICIC Strategic Planning Steering Committee:

- Kate Allgrove, Former Director, Urban Business Initiatives & Senior Advisor
- Matt Camp, Senior Advisor and Former President & COO
- Jay Gray, Former Analyst, Research
- Steve Grossman, CEO
- Samantha Hyde, Former Associate, Human Resources and Business Operations
- Julie Kent, Communications Associate
- Sonia Moin, Senior Director, Urban Business Initiatives
- Diego Portillo Mazal, Director, Inner City Capital Connections (ICCC)
- Elizabeth Pugh, Director of Development
- Kelsey Ray, Deputy Director, 10,000 Small Businesses
- Nathan Root, Former Senior Program Coordinator, Inner City Capital Connections (ICCC)
- Michael Shore, Director, Data Strategy and Integration
- Caroline Suttlehan, Former Senior Associate, Cultivate Small Business and Inner City 100
- Howard Wial, Senior Vice President and Director of Research

Additionally, the process was made richer by the input of the full ICIC staff, the national Board of Directors and the many external stakeholders who continue to invest in, partner with and remain dedicated to ICIC's mission.

# Introduction

## Initiative for a Competitive Inner City

The Initiative for a Competitive Inner City was founded in 1994 by Harvard Business School Professor Michael Porter. The idea was both simple and pioneering—prosperity for distressed communities could be enhanced and sustained by using a community revitalization approach that integrates these cities into the regional and national economy for greater impact.

ICIC was initially founded as a research organization and through its groundbreaking work, such as the *Competitive Advantages of the Inner City* and *Anchor Institutions Economic Development Framework*, the organization quickly established itself as a leading voice for economic revitalization. It soon became clear that ICIC could best support its founding mission via both leading edge research and programming that makes connections to and for small businesses and communities. This prompted ICIC to design services to help small businesses scale for growth and access resources such as networks and capital. The result was the Urban Business Initiatives (UBI). UBI currently includes the Inner City 100 and Inner City Capital Connections programs, which ICIC created, and the Goldman Sachs 10,000 Small Businesses and Santander Bank's Cultivate Small Businesses programs, which are based on ICIC's framework and which ICIC administers. This deep body of work has touched over 11,000 participants across the country and in late 2018 helped launch the first-ever Inner City Alumni Network (ICAN).

ICIC is formidable in its sectoral understanding, its reach and its contribution. This opportunity to plan for its next decade of growth is an opportunity for the organization to review its work and accomplishments to date, understand its challenges and map the best road forward.

## ICIC 2020–2023 Strategic Plan

ICIC contacted TDB Group in the summer of 2018 to discuss a potential collaboration to support an internal staff organizational structure strengthening process. ICIC has experienced rapid growth over the last five years as well as some of the typical organizational strains. The 20<sup>th</sup> anniversary of IC100 and the upcoming 25<sup>th</sup> anniversary of ICIC brought the realization that a full strategic planning process would help prepare for the future by building on this momentum. The goals for this plan allowed for a full assessment of the organization, including branding, focus, operations, programs and staffing structure.

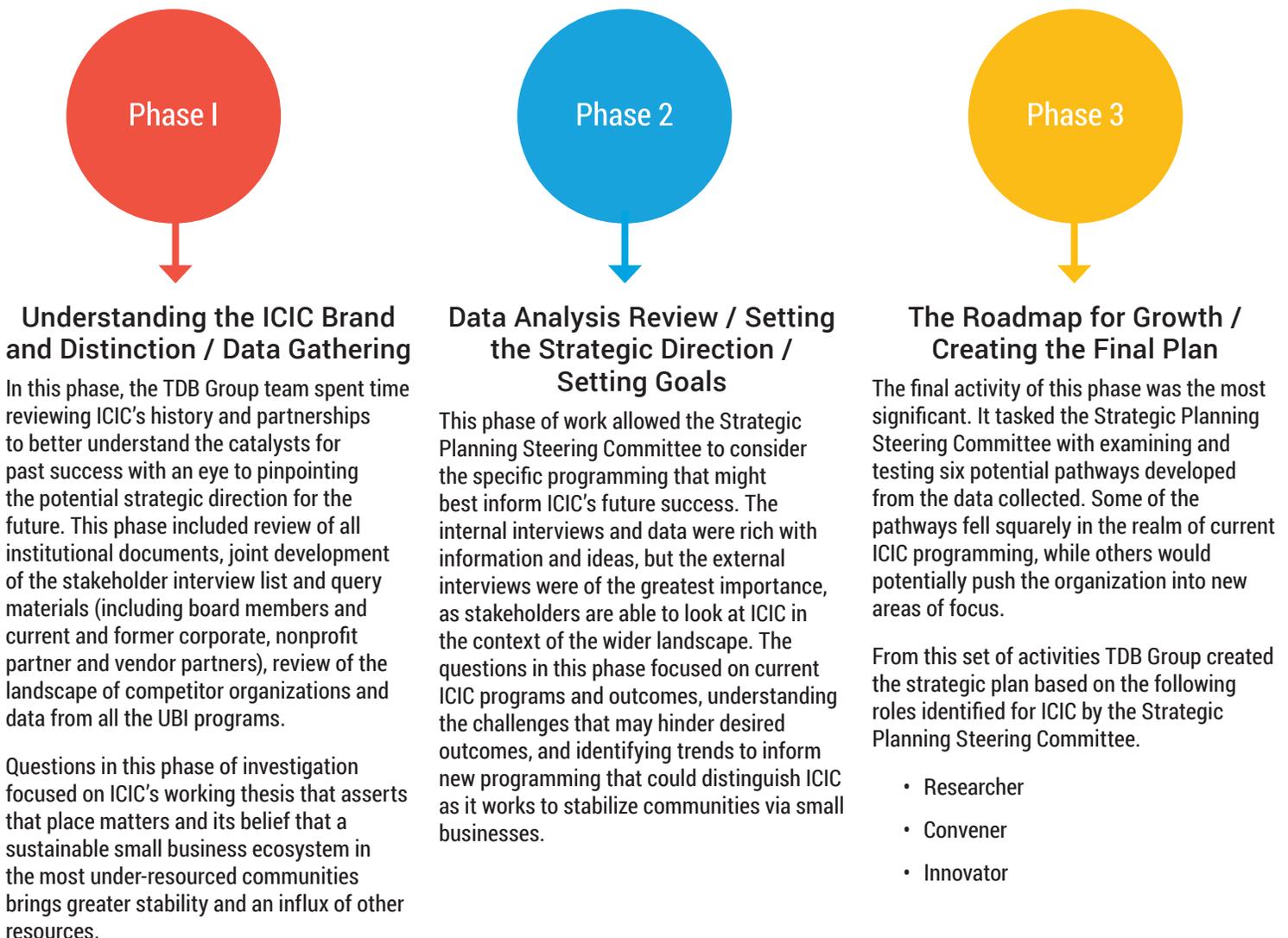
# Strategic Planning Overview

The Strategic Planning Steering Committee was a critical component of the ICIC strategic planning process. To ensure a comprehensive understanding of the organization and its needs, it was important to have a diverse group of team members representing a variety of departments, responsibilities and areas of institutional knowledge on the committee. As part of this process, members were asked to bring their individual departmental expertise to the table. Ultimately, their main task was to assist in considering the best interests of the organization as a whole.

The process included three distinct phases that required internal and external historical understanding and analysis, perspectives and ideas. This information was used throughout the process. It was particularly useful as the basis for the strategic direction and the accompanying suggested activities drafted to lead ICIC to ongoing success.

## Methodology

Each phase of the work allowed the Strategic Planning Steering Committee to consider both the current and future state of ICIC.



## Learning Process

### Key Learning Opportunities:

- Strategic planning process kickoff meeting held in January 2019
- Bi-weekly strategy check-in meetings with the ICIC senior leadership throughout the process between January and June 2019
- On-site full-day planning meetings held with the Strategic Planning Steering Committee in March, April and June 2019 (March 2019 included all-staff focus groups)
- Strategic Planning Steering Committee conference calls held in February and April 2019
- Twenty-five internal and external stakeholder interviews conducted between March and June 2019
- Strategic planning Q & A call with the full ICIC staff in early June 2019
- Presentation of the Key Findings report to the Board of Directors in May 2019
- Final presentation of the Key Findings report to the staff in late June 2019

### Key Themes that Emerged from the Learning:

- Brand Identity
- Communications
- Diversity, Equity and Inclusion
- Organizational Culture
- Programs and Program Structure
- Staff Engagement

# Report of Findings

Data collection is a key activity in the strategic planning process. To kick off the data gathering and analysis process, TDB Group conducted a full review of internal documents, including program reports, Board of Directors meeting reports and minutes, grant proposals, collateral material and a website audit. This activity assisted TDB Group and the ICIC Strategic Planning Steering Committee with the development of additional data gathering tools—the stakeholder questionnaire and the staff survey. The results were used to answer questions and to conduct a Strengths, Weaknesses, Threats and Opportunities (SWOT) analysis. The final step was to integrate this information into the Key Findings Report, which was presented to the Strategic Planning Committee, the Board of Directors and the full ICIC team (*Available on Request*).

## Review of internal documents and website audit

The tools were used to assess the insights and ideas of both internal and external stakeholders and focused on questions identified by the Strategic Planning Committee as the most important for consideration. These questions focused on the following:

- How does ICIC remain relevant?
- Does ICIC’s mission adequately capture its work and promise to those it intends to serve?
- What are the internal and external perceptions of ICIC?
- What changes should be considered to enhance ICIC’s branding and identity?
- What is helping/hindering ICIC’s success?
- Does ICIC have the most appropriate board and staff structure to support its work?
- How might ICIC need to change internally to accommodate continued growth?
- What would a strong organizational culture look like at ICIC?
- How can ICIC manage and maximize all of the roles it plays?

## Interviews

Those interviewed were a broad cross-section of ICIC stakeholders, including board members, corporations, journalists, industry peers, nonprofits and philanthropic partners. The group is diverse in experience, relationships with ICIC and local and national perspective. The data collected through these interviews helped TDB Group craft the Report of Findings, as well as the agendas for the three full-day on-site meetings and the half-day meeting with the Board of Directors. TDB Group is appreciative of the time and wisdom shared by the following stakeholders:

| Stakeholders |               | Affiliation   |
|--------------|---------------|---|
| Barbara      | Berke         | ICIC Board Member                                     |
| Doug         | Chamberlain   | Appleton Partners, Inc.                               |
| Katherine    | Colsher       | Goldman Sachs   |
| Cate         | Costa         | JPMorgan Chase  |
| Mekaelia     | Davis         | Surdna Foundation (formerly of Prudential Foundation) |
| Jen          | Faigel        | Commonwealth Kitchen                                  |
| Dave         | Feldman       | Chevron   |
| Loren        | Feldman       | Oxford Center for Entrepreneurs                       |
| Steve        | Fitzgerald    | Bank of America                                       |
| Seth         | Goodall       | Santander   |
| Pam          | Johnson       | FedEx   |
| Shirley      | Leung         | The Boston Globe                                      |
| Alvaro       | Lima          | Interise  |
| Sandy        | Lish          | The Castle Group                                      |
| Carol        | Maglitta      | One Visual Mind                                       |
| Bob          | Nelson        | Small Business Administration                         |
| Beverly      | Norman Cooper | Kaiser Permanente (retired)                           |
| Liz          | Page          | Liz Page Associates                                   |
| Michael      | Porter        | ICIC Board Chair and Harvard Business School          |
| Hinton       | Taylor        | Regions Bank  |
| Jonathan     | Tower         | Arctaris Capital                                      |
| Michael      | Verchot       | University of Washington                              |
| Bob          | Wallace       | Bith Group  |
| Elisa        | Wong          | Kaiser Permanente                                     |
| Kim          | Zeuli         | Senior Fellow, ICIC                                   |

In addition, as part of this phase of work, a comprehensive SWOT analysis was also completed via interviews and the on-site meetings with staff members. The full data are included in the Report of Findings (*Available on Request*). This exercise was helpful in that it allowed the Strategic Planning Committee to be far more reflective than is possible when using only interview materials and assumptions.

A wealth of information was collected. Some important examples in each category include:

## SWOT Analysis

### STRENGTHS

- Thought Leader
- Responsive Partner

*"When the programs work they are truly transformative."*

*"ICIC is a great partner. They are excellent stewards, acknowledge us in all the right ways and are a delight to work with. I wish all our partners were as easy as they are!"*

### WEAKNESSES

- Research vs. Programming
- Communications

*"ICIC has an identity crisis. Are they a research group that happens to do programming or a programmer with a research department?"*

*"What would I like to see ICIC do better? Quantify success more clearly and take a more aggressive approach to earning media coverage."*

### OPPORTUNITIES

- Pioneer in the Field
- Potential to Expand Programming

*"The 'Inner city' was a tough sell to begin with, but now with gentrification, the issue of place-based intervention becomes more complex. They need to reframe how they focus on the neighborhood. How do you drive investment without causing displacement? This is the crux of the matter. If ICIC can answer this question, it will distinguish itself once more."*

*"Suburbs/Rural America is the new 'inner city.' If ICIC wants to make sure they have maximum impact with the same number of inputs, they should look at that market. Or, if that's too off mission, second-tier cities such as Portland, Maine or Ogden, Utah offer the same opportunity."*

### THREATS

- Organizations Similar to ICIC
- Concerns about DEI

*"Twenty-five years ago ICIC was the big kid on the block. That's not the case anymore."*

*"ICIC has a traditional approach to economic development. I view them as a legacy organization that lacks cultural dexterity to meet the demand for inclusive economies."*

## Strengths + Opportunities

- Staff that is well-respected for its competency and has an appetite for ongoing learning

*"The human capital at ICIC is the highest caliber... their team is their greatest asset."*

## Strengths + Weaknesses

- The connection to Michael Porter and Harvard Business School

*"We were introduced to ICIC by Michael Porter, and we like having the connection to him and the Ivy League. In our markets, that adds cachet."*

*"Michael and HBS are the proverbial double-edged sword. On the one hand, they can lend tremendous credibility to ICIC, but on the other hand, they could be seen as evidence of ICIC's elitism."*

## Weaknesses + Opportunities

- ICIC doesn't have a cohesive strategic communications plan, but with the creation of a plan, it can better tell its story for greater visibility and impact

*"Their marketing is all over the place! They need a comprehensive strategic communications plan to build internal cohesion and external coherence."*

## Weaknesses + Threats

- The approach that made ICIC successful may now hinder its growth, particularly with regard to diversity, equity and inclusion.

*"Their traditional approach makes it hard for them to look at their work through the lens of racial equity or to address the systemic barriers facing people of color."*

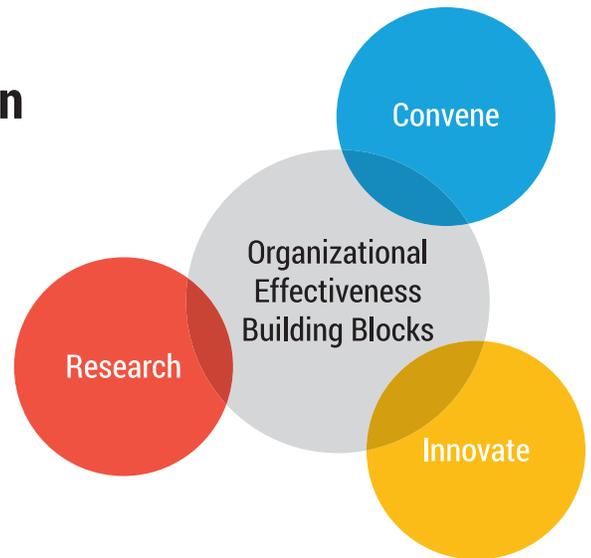
Lastly, as part of this process, the ICIC team reviewed the current mission statement and made a few important modifications to speak more specifically to the people and organizations they wish to serve.

# Strategic Direction + Plan Implementation

## Strategic Direction

ICIC seeks to position itself at the cutting edge of thought leadership and engagement for economic inclusion.

Finalizing the strategic direction is one of the most difficult activities in the planning process. The Strategic Planning Committee feels the pressure to “get it right,” but is working with limited information and a limited ability to predict the future. To help guide the team to a decision point, TDB Group developed the ICIC Potential Pathways document (*Appendix A*), which it distilled from the data collection, mission statement revision process and the themes that generated the most discussion during the strategic planning meetings. During a final group exercise, the full committee collaboratively made decisions about potential pathways and discarded those that would create mission creep. In the end, the ICIC team decided that it was the roles ICIC could play that mattered most. By thinking more broadly, e.g., considering new programs such as virtual learning, incubating new ideas via an innovation or incubation laboratory (I-Lab), partnering with organizations to offer training and considering new research topics and opportunities with new economic development entities, the team felt that it could be more specific about the activities that would help the organization move toward its next level of success.



The ICIC strategic direction has three distinct components:

- 1. Relevance:** ICIC previously distinguished itself as a pioneer in the economic development field via research and programing. The Strategic Planning Committee and the Board of Directors affirmed that ICIC remains relevant, and that this would remain the core guiding premise in the next phase of growth.
- 2. Opportunity:** Though this remains the guiding premise, the team decided to highlight more explicitly how the organization could/should do its work better to create more expansive opportunities. To respond to this need, it was necessary to designate three broad categories: Research, Convene, and Innovate. These categories allow ICIC to both capture and advance current work, while also giving space for the full-scale development of groundbreaking initiatives and partnerships.
- 3. Sustainability:** Recognizing that long-term financial stability undergirds the entire organization and the strategic plan, the team chose to name it as a key driver in the strategic direction. Revenue generation is discussed in greater detail as one of the organizational building blocks that ICIC will need to do its work. Including it as part of the strategic direction makes it clear that this work is central to the organization's ability to create the desired outcomes.

Rather than trying to be everything to everyone, ICIC must target where it can deliver the best services and commit to an even more robust revenue plan and to the adoption of the internal structures that will best support its roles as researcher, convener, and innovator. The activities related to the goals represent ICIC's attempt to address emerging trends and needs in the field of community and economic development while also pushing itself to continue to experiment and create next-generation ideas.

**Current Mission** ICIC's mission is to drive economic prosperity in America's inner cities through private sector investment to create jobs, income and wealth for local residents.

**Proposed New Mission** ICIC drives inclusive economic prosperity in under-resourced communities through innovative research and programs to create jobs, income and wealth for local residents.

## Research

Research is where it all began for ICIC. Over the years, the organization has partnered to develop both advisory research (funded by a partner on a predetermined topic and intended primarily for the partner's use) and foundational research (self-directed research on topics that ICIC determines would be useful to the field).

- Lead the broader conversation about economic inclusion by prioritizing targeted, foundational research.

## Convene

A great deal of ICIC's work is connected to its 25 years of building relationships and providing forums for best practices and shared learning. The organization is interested in helping to spark new conversations and relationships and would like to meet large economic development community needs through additional convening programs.

- Further confirm ICIC as a thought leader and advisor via new convening opportunities that highlight programs and research

## Innovate

ICIC affirms the need for start-up business incubators and supports local and national partners that provide this service. ICIC should use the work that it has pioneered through its convenings, programs and research to explore how it might deliver its work in a different format and to additional communities for greater reach and visibility. ICIC's role in connecting alternative educational innovations to the existing work could be extremely important to reaching scale less expensively and improve speed to market. Additionally, this is an opportunity for ICIC to more deeply explore and make a final decision about whether it should continue its own programs, or connect business owners to other programs/partners.

- Create tools, such as the ICIC I-Lab and virtual learning opportunities, to develop economic inclusivity

## Strategic Plan Implementation

The hard work is not developing the strategic planning process, but rather creating the discipline to implement the finalized plan. Most organizations and teams are so busy with the important day-to-day work that it can be easy to delay the operationalizing of the strategic plan and, in some cases, avoid it completely. This suggested implementation plan is intended to be broad and flexible. It seeks to give the ICIC team a general three-year roadmap, keeping the focus on the goals, while leaving room to evolve based on capacity and funding.

## Research

### Year One Activities

- Update the existing plan for ICIC research that right sizes the effort and emphasizes foundational research tied to overall goals of the research plan (include specific topic areas with each linked to a list of potential funders and possibly collaborators). The updated plan will be the Year One and Year Two Research benchmark plan
- Consider partnering with industries and/or institutions with which ICIC has not traditionally worked to produce foundational research tied to overall goals of research plan
- Seek funding for public-facing projects that would be done for state and local governments, chambers of commerce, local economic development organizations, community foundations, and similar organizations
- Embed messaging around the importance of foundational research within the strategic communications process
- Communicate research findings to news media and policy/practitioner audiences as appropriate
- Develop a system for strengthening the link and feedback loop with ICIC programs
- Collaborate with the program team to help it consider the most useful program evaluation data that ICIC should collect
- Plan at least one research-based convening for a policy audience

### Year Two Activities

- Continue activities to strengthen link between programs and research
- Assess Year One Research activities
- Revise Year One and Year Two Research benchmark plan as necessary to create Year Two and Year Three Research benchmark plan

### Year Three Activities

- Assess Year Two Research activities
- Revise Year Two and Year Three Research benchmark Plan as necessary to create Year Three and Year Four Research benchmark plan

## Convene

### Year One Activities

- View ICIC as a facilitator across the field with programming targeted at a variety of partners and with some new attention to strengthening local, regional and national nonprofit relationships
- Use the Report of Findings, to decide whether there is some expansion of existing programs that would be helpful for creating relationships and programming
- Use the decision-making rubric (**Appendix B**) to assess the ongoing relevance of current programs and the efficacy of potential future ICIC programs
- Ensure that the annual development plan aligns with the strategic plan, and schedule quarterly Leadership Team meetings to assess the ongoing financial needs and sustainability of each program
- Create Year One Convene benchmark plan

### Year Two Activities

- Create a broad resource map (discussed by partners as an important need)
- Use first-year programming to create second-year programs that highlight the partnerships and potential additional opportunities for gathering and fostering new collaborations
- Complete Year One Convene assessment, and create Year Two Convene benchmark plan

### Year Three Activities

- Extend programming to include funders and link the convenings to additional national conferences beyond the annual ICIC national conference
- Complete Year Two Convene assessment, and create Year Three Convene benchmark plan

## Innovate

### Year One Activities

- Use the existing technology audit to continue to inform ICIC about its internal needs and related capacity and costs
- Develop a plan to determine the feasibility and potential next steps for implementation of ICIC's potential I-Lab (intended as a tool that would work across the Research, Convene, and Innovate categories)
- Further transform the use of and participation in ICIC programming by creating virtual learning opportunities that work across the Research, Convene, and Innovate categories
- Consider mechanisms for ICIC to enhance its mentoring role as a complement to the virtual learning
- Assess ICIC programs based on the decision-making rubric to make decisions about the viability of expanding programming to medium-sized cities and suburban communities, taking into account organization-wide impacts on ICIC
- Consider (with leadership from the Research team) what it might mean for ICIC to integrate workforce development into its program portfolio without becoming a trainer or social services agency
- Review, on an ongoing basis, the fundraising required to launch the I-Lab and other Innovate ideas
- Create Year One Innovate benchmark plan

## Year Two Activities

- Add the necessary technology to enable the organization to upgrade internal operations and successfully launch new programming, including knowledge management
- Link alumni programming to the convening work as another way to create greater interest, participation and cross-sector relationships
- Launch the ICIC I-Lab as an incubator of new ideas to tackle problems and challenges
- Finalize a decision to implement a “train-the-trainer” model. Use this model to enhance reach and visibility for ICIC programs to be piloted in select programs/cities to solidify their viability and increase opportunities for additional funding
- Complete Year One Innovate assessment, and create Year Two Innovate benchmark plan

## Year Three Activities

- Continue the ICIC I-Lab to seed ideas and partnerships
- Continue the train-the-trainer model to expand ICIC’s reach
- Complete Year Two Innovate assessment, and create Year Three Innovate benchmark plan

## Organizational Effectiveness Building Blocks

In light of the organization’s recent rapid growth, the ICIC team spent time and resources developing an initial communications plan, investing in important technology upgrades, planning for an important new human resources hire and completing some critical human resources tasks, e.g. developing a job description for the new hire and generating leadership pathway models to help junior staff navigate their professional growth. ICIC was open to other nonprofit best practices it should consider as part of high-performance management.

In this plan, these practices are referred to as “organizational effectiveness building blocks,” because they create the foundation for long-term organizational sustainability and success. They are listed in this section in alphabetical order. The ICIC team will continue to prioritize them as needed over the life of the plan.

## Alumni Programming

With over 11,000 businesses and entrepreneurs served over 25 years, there is a substantial opportunity to partner with alumni to benefit ICIC. This group can help test the new convening, innovation and research work.

Dedicating staff time and resources to this group can pay dividends for ICIC via increased engagement, potential new ideas, potential new partnerships, and most importantly, new fundraising.

- Cultivate the alumni network as a source of funding for ICIC
- Designate sufficient staff for the development of the ICIC alumni network
- Survey the alumni to determine their unmet needs and potential ICIC activities they might find useful
- Link longtime funders to the alumni network
- Continue building out the alumni events initiated in 2018
- Ensure that alumni events are shared via appropriate technology, e.g., live streaming and links for specific event replays
- Codify the development of the process to track lessons learned, ideas and next step planning

## Communications

ICIC simply has not effectively codified or shared its story. Because ICIC lacks a cohesive communications strategy, and has too few communications and marketing staff, as well as brand identity issues, the larger public has been left to assume and fill the void. ICIC has hired a PR firm to help develop a strategic communications plan. This external team will refer to the strategic plan for insights as it builds its final recommendations.

It is critical that this process not be completed in isolation and that it considers the other components of organizational effectiveness outlined in this plan.

- Study the feasibility of hiring a full-time communications director
- Create a strategic communications plan that provides details about the specific activities, tools required, and annual cost, as well as indicates how each ICIC department, event and program links to the plan
- Complete a branding identity exercise to finalize the organization's name (recommendation from the strategic planning process was to remove the full name and simplify by using acronym ICIC)
- Include a DEI-lens as part of the strategic communications plan to communicate the internal and external activities
- Ensure that all staff are part of reviewing the communications plan to confirm the accuracy of its content and confirm buy-in with the Leadership Team
- Include internal communications opportunities based on the need identified by staff for better ways to stay internally connected and informed

## Diversity, Equity and Inclusion (DEI)

ICIC, like many other organizations, is committed to DEI. However, without an explicit plan, it is difficult to consider what DEI means, create an organizational culture that supports DEI and monitor ongoing challenges and success. The work outlined for ICIC and its DEI efforts is intended to provide thoughtful engagement and tools, but the team recognizes that it is only the beginning for a journey that is ongoing and evolving. As with any major organizational policy, DEI only works with a mandate from the Board of Directors and the ongoing commitment of the CEO and senior leadership.

- Develop a DEI plan that embeds DEI across the organization
- Create a benchmarking system that creates ongoing accountability by clearly outlining how each manager is responsible for measuring and reporting DEI efforts in each department
- Create more explicit communications language about how DEI cuts across ICIC and continue to state and restate through a variety of mechanisms, e.g., newsletters, program collateral, op-ed pieces written by staff, building local and national nonprofit relationships, and follow-up with partners and funders
- Provide board and staff DEI learning opportunities

## Evaluation

More than ever, organizations must be able to communicate the results of their work to the communities they serve, funders, partners and the media. ICIC is able to show the results of its work via its alumni, annual programs, presence in cities across the country and cross-section of partners. Nevertheless, ICIC would benefit from a strong enterprise-wide evaluation effort or a sharing of best practices model that has the ability to update board, staff and external partners on various initiatives, activities and results. This process can be conducted every 1–3 years, and the external evaluation team (if any) could use the research team in an advisory role.

- Create a decision-making rubric that is consistently used across the organization to vet new programs and project opportunities
- Create an evaluation system that gives an organization-wide understanding of how each program is performing against appropriate benchmarks

## Governance

Nonprofit best practice identifies a strong governance structure as one of the major traits of a high-performing organization. ICIC has a Board of Directors with world-class knowledge and leadership experience, but it currently acts more like an advisory board than a governing board. At this point in the organization's development, ICIC requires a board with active committees, rotating board leadership, and that regularly participates in fundraising.

- The Board of Directors must make a decision about its ability to provide the substantive leadership that ICIC requires for the next stage of its growth, e.g., ability and willingness of board members to serve as ambassadors, potentially meet more frequently in the short term during early implementation of the strategic plan, create term limits and a rotation for the board chair position, develop a more substantive committee system that takes on greater leadership and commits to making meaningful investments of resources into the organization
- Plan board meetings in advance with a calendar of activities that is mapped with topics that align with the strategic plan, as well as with specific development, programming and research opportunities that leverage their expertise.

## Knowledge Management

ICIC is interested in codifying the development and refinement of its content, curriculum, client and partner evaluations and other important data across the organization. The knowledge management system would inform team and board decisions, assist in the development of research and make organization-wide evaluation easier.

- Review samples of other nonprofit knowledge management systems for ideas about which system might work best for ICIC
- Review online platforms for potential customization that helps ICIC capture important data
- Ensure that all departments are part of the knowledge management system selection/creation

## Programs

ICIC has an abundance of programs that have achieved overwhelmingly positive results. The question remains whether each of these programs remains relevant and/or how it should be modified to meet new/ different needs of small businesses and the communities in which they operate. ICIC is poised to initiate new programming as part of this strategic planning process. A further assessment of current programs will be important for helping the team make decisions about potential new initiatives.

- Develop a decision-making rubric to vet future program and project opportunities
- Review programs annually to make decisions about which programs continue to grow and which programs may need to cease operations
- Decide about branding of programs so that ICIC can become more of a content innovator/creator and less of a pure program administrator. (It is currently more of a pure program administrator for two of its four programs, Goldman Sachs 10,000 Small Businesses and Cultivate Small Business.)
- Create a dashboard to ensure that staff have a mechanism for sharing internal updates, getting support from other colleagues and accountability

## Revenue

Fundraising is at the core of any nonprofit's ability to meet its mission. ICIC's mission to drive inclusive economic prosperity in under-resourced communities requires that fundraising remain at the forefront of its efforts. The development team works from an annual plan and will play a key role in providing insight about how to fund the organization's work.

- Continue to build up an annual development fund that includes a healthy mix of funding sources, including substantially more unrestricted or minimally restricted funding to support foundational research and program innovation
- Expand ongoing joint efforts between development and research teams to cultivate minimally restricted funding to support foundational research
- Consider potential new funders (including anchor institutions, local and state governments, chambers of commerce, economic development organizations and community foundations) based on the specific strategic planning ideas, e.g., I-Lab and train-the-trainer programming for greater outreach to additional cities
- Consider an investment from ICIC's reserve fund in each of the three years of the plan to capitalize some of the projects, e.g., technology, new positions and research

## Staffing

The ICIC staff is highly qualified and provides a great deal of expertise and professionalism while managing a wide variety of activities. ICIC has grown a great deal over the last few years. With this increase in staff, programming, partners, etc., the team realized prior to the start of the strategic planning process that it needed additional staff with human resources expertise. ICIC will need to continue to be vigilant about the staffing model, and align it with each step of the strategic plan implementation. Given the particularly special role that HR plays in creating a solid organization, it is important to ensure consistency in this position.

It will be critically important that the new Director of Talent and Culture create and manage the HR system ICIC needs, given its incredible growth. Her responsibilities should include:

- Assist with defining and building a stronger ICIC organizational culture
  - » Conduct a skill set audit of all current employees to assess competencies already in place and to identify gaps for future hiring

- » Strengthen and communicate policy decisions
- » Ensure DEI lens in hiring, salaries, promotion, and staff assignments
- » Review current exit interview data collection, particularly the questions
- » Continue to refine and communicate the pipeline for leadership development understanding and program
- » Conduct performance reviews that assess team members similarly across the organization
- » Enforce policies to ensure that team members and the organization are meeting goals and benchmarks
- Provide regular updates as part of staff meetings to be sure that staff understand the new HR position, potential changes and how concerns are being managed and documented
- Consider additional approaches for keeping staff informed, particularly in light of the new staff transitions
- Assist with documenting short- and long-term succession planning and the annual review of the plans
- Create more specific guidelines about the process for leadership development, e.g., corporations have explicit pathway documents that help team members understand the skills needed for each position
- Create regular mechanisms for checking in with staff beyond the annual staff engagement survey to assist in answering questions or giving attention to potential issues earlier
- Consider the human capital needs of the organization to ensure the growth that the strategic plan suggests

## Succession Planning

ICIC understands the importance of succession planning and at various times has discussed the need for it. The recent transitions of two long-term senior team members further highlight the need for both short- and long-term succession planning. Completing this process is a designated nonprofit best practice (*Appendix C*).

- Create a short-term succession plan for the staff, share the final copy with the full staff, and also have it on file with the HR department
- Build and finalize the short- and long-term succession plan for the CEO
- Institute a succession plan for the Board of Directors
- Create and finalize the short- and long-term succession plans for the senior leadership team

## Technology

ICIC conducted a comprehensive technology audit that resulted in a new Customer Relationship Management (CRM) system. The team has a list of internal technology projects in the pipeline. ICIC may need to upgrade its technology to create the capacity needed to launch programs related to the Innovate category.

- Continue to reference the completed technology audit to identify additional tools that might be helpful for ICIC's programming and operations
- Work in conjunction with the programs and research teams to integrate new needs to the technology plan
- Develop ongoing cost analysis for new equipment and work with the development team to ensure these costs are reflected in all proposals
- Consider adding capacity to the IT department

# TDB Group Recommendations

Completion of the strategic plan is a major accomplishment. The hard work begins with the implementation plan, and it can take time for an organization to pivot and prepare the Board of Directors and staff to execute the plan.

Experience has shown that it is helpful to prioritize some of the immediate opportunities that have the potential to lead to the long-term success of the strategic plan. These opportunities are listed in alphabetical order in this section.

## Immediate Before December 2019:

**Diversity, Equity and Inclusion (DEI).** Until ICIC develops a DEI strategy that it can internally and externally message and benchmark, it will continue to experience a disconnect between its intentions and external perceptions about its inability to understand and translate its work with a DEI lens. No one expects ICIC to get everything “right” about DEI, but given that its alumni companies are 42% women-owned and 65% minority-owned, it seems reasonable that the organization would want to be a national leader on this issue. The staff has indicated an appetite for DEI learning, and there is an abundance of local tools to support even the most basic level of engagement. With the new HR hire, ICIC has a particularly opportune moment to launch the work as planned in Fall 2019.

**Governance Structure Review** requires an open discussion about which ongoing structure will best support ICIC on its next leg of success. The governance structure requires that ICIC’s Board of Directors build in the same type of rigorous decision-making, vetting, planning and systems that the staff is planning for its internal work. The research on high-performing organizations consistently points to the need for the Board of Directors also to be high-performing. Decisions about how Board of Directors can best engage along with the ICIC staff to help create the necessary momentum is critical.

**Human Resources Hire** allows the ICIC leadership team to respond immediately to the type of challenging organizational culture and structure concerns that the staff raised in early 2019. This hire has become of even greater importance, given the recent transition of the two staff members with the most seniority and historical memory, Matt Camp, president and chief operating officer and staff member for 13 years, as well as Kate Allgrove, a member of the team for 10 years and one of three UBI directors specifically focused on the legacy Inner City 100 program.

**Strategic Communications Plan** will take the great work ICIC has done and help tell the entire organizational story more effectively. Concerns about communications and its implications were raised repeatedly during this process by both internal and external stakeholders. ICIC was noted throughout the data collection process as having communications challenges as varied as:

- Confusing brand
- Inconsistent pitch
- Inconsistent message regarding advisory work and foundational research
- Inability to quantify successes
- Communications/marketing team turnover
- Inconsistent collateral materials

**Succession Planning.** Concern was raised during the stakeholder interview process about whether a succession plan was in place for the CEO. This process will allow ICIC to be ready for all changes and will illustrate to funders and partners that ICIC continues to be important for investment.

**Technology Audit** will allow ICIC to assess internal needs required to strengthen its operations. In addition, it will help ICIC develop and deliver new programming that maximizes learning and impact.

## Conclusion

ICIC has an incredible opportunity in the years ahead. The organization is established in its field and open to exciting new opportunities as a researcher, convener, and innovator. The strategic planning process did not take ICIC far from its roots. Rather, it reaffirmed ICIC's original research premise: connecting economic development to place still meets a critical need. The process also shed light on potential internal and external growth areas for ICIC that should go a long way toward helping staff to map out the next level of enterprise and commitment.

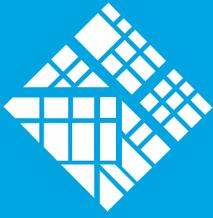
The type of work to which ICIC has dedicated the past 25 years is not easy, but the organization has much of which it can be proud. The training and resources it has provided have made a difference in the lives of small businesses in some of the most under-resourced communities in the United States. As a result of the strategic planning process, ICIC is geared up to continue to meet existing challenges and is also poised to provide deep thought leadership and evolving and innovative programming to address new needs and challenges on the horizon.

This strategic planning process gives direction to the ICIC Board of Directors and staff as they seek to align ICIC's new mission with its expanded work and collaborations. It also helps the organization to more boldly own its legacy of achievement. Most importantly, this process helps ICIC better tell its story of being a voice and leader for the link between stronger and more vital communities and the solid economic development that is a result of place-based investing in small businesses.

**Key Findings Report (Available on Request)**

# Appendix A

ICIC Potential Pathways (please see the following pages)



# ICIC

Initiative for a Competitive Inner City

## ICIC POTENTIAL PATHWAYS

June 21, 2019

*This document will be used as the driver of our conversation during the 12:30 session. If there are other specific programming ideas to be discussed, please present them during this session.*

**Proposed Strategy:** ICIC seeks to position itself at the leading edge of thought leadership and engagement for the movement toward economic inclusion.

In order to do so, ICIC must envision and deliver the most innovative programs possible. The pathways presented below grew out of conversations with internal and external stakeholders. This list of ideas is not exhaustive. These ideas should be considered in tandem with one another as well as with current programs or other initiatives in development by ICIC.



TAMMY DOWLEY-BLACKMAN GROUP, LLC

## **Establish inclusive economic ecosystems through the creation of an incubator.**

### **Potential Implications:**

- Exposure to the newest innovations and trends in economic inclusion;
- ICIC could pull back on direct program delivery, thus reducing competition between GSI0KSB, CSB and ICIC-branded programs;
- Depending on what is being incubated (other community wealth-building initiatives or small businesses) there could be potential competition or conflicts of interest with existing programs;
- Identifying and cultivating underwriters for the incubator could take considerable time.

## **Lead the broader conversation about economic inclusion by prioritizing foundational research: commit to publishing a specific number of white papers annually.**

### **Potential Implications:**

- Doing foundational research would strengthen ICIC's theory of change used to develop programs;
- Focusing on foundational research would realign ICIC with the organization's earliest mission and vision as well as its core identity;
- Conducting foundational research may mean reducing the amount of advisory research ICIC can do, thus leading to a potential reduction in a revenue stream.

## **Inaugurate the next generation of economic inclusion with program expansion in areas of concentrated poverty in mid-sized cities and rural areas.**

### **Potential Implications:**

- ICIC could reach a market of untapped small business owners;
- Markets with fewer interventions would mean ICIC's impact would be more significant;
- Industry trends mean more attention and resources are focused on smaller cities and rural areas;
- Building the networks and funding streams to support programming in new markets could take considerable time.

## **Transform virtual learning for the field by moving ICCC online while introducing new modules into ICCC on other types of challenges facing small business owners such as: e-commerce, international business development, money management, procurement and technology; and consider adding components about work/life balance, dynamics of family businesses, cultural competency, etc.**

### **Potential Implications:**

- Online learning is the prevailing trend in all forms of education and professional development;
- Hosting the program virtually could improve participation because it affords business owners flexibility;
- Incorporating new content would keep the program relevant and affirm the value in participating;
- There could be significant branding opportunities for an online sponsor to underwrite the program;

- Online programming could eliminate the place-based cohorts that provide support to small business owners;
- Some current underwriters may not be able to continue supporting the program because of geographic limitations on their funding.

**Model best practices in programming partnerships through the creation of a technical assistance hub for ICCC institutional partners that provides guidance, structure and templates for implementing the program.**

#### **Potential Implications:**

- A manual could reduce the time ICIC spends on administrative aspects of ICCC;
- Best practices would enhance the stakeholder experience;
- A “How-To” guide could provide an opportunity for sponsorship;
- Creating and updating the manual could require significant administrative time;
- Even with greater standardization, the ICCC program would still require customization for specific markets.

**Set the standard for corporate engagement in the field of economic inclusion through an advisory practice that extends beyond research to include consulting on workforce development, ecosystem mapping, industry cluster relationship building, evaluation, etc.**

#### **Potential Implications:**

- Would ICIC’s reputation evolve as a thought leader in the field of economic inclusion;
- ICIC could disseminate existing research and data;
- Might require investment in additional staff with expertise in particular areas.

# Appendix B

## Decision-Making Rubric

### Organizational Rubric Examples

- iRubric: Organizational Agility Rubric: <https://www.rcampus.com/rubricshowc.cfm?sp=yes&code=TC6B38&>
- Business Rubric Examples: <https://www.valdosta.edu/academics/general-education-council/documents/businessrubrics.pdf>
- Quick Rubric: <https://www.quickrubric.com/r#/create-a-rubric>

### Organizational Decision-Making Rubrics

- Untangling Your Organization’s Decision-making, McKinsey, June 2017: <https://www.mckinsey.com/business-functions/organization/our-insights/untangling-your-organizations-decision-making>
- Who Decides? Mapping Power and Decision Making in Nonprofits: <https://nonprofitquarterly.org/who-decides-mapping-power-and-decision-making-in-nonprofits/>
- Who has the D?: Clear Decision Roles Enhance Organizational Performance, Harvard Business Review, January 2006: <https://hbr.org/2006/01/who-has-the-d-how-clear-decision-roles-enhance-organizational-performance>

## ICIC Sample Decision-Making Team Rubric

| Questions to Consider and Score to Make the Case for Yes or No |  | 1-5 (5 High Score) |
|--|--|--------------------|
| <b>Research</b>  |  |                    |
|  | Does this project meet the goals set forth for number of advisory and/or foundational research projects for ICIC to complete annually? |                    |
|  | What additional staffing will this project require? Who will be the primary staff member(s) on this project?                           |                    |
|  | How will this research impact the sector?  |                    |
|  | Desired outcomes for this project and how to benchmark success?  |                    |
| <b>Convene</b>   |  |                    |
|  | What new potential partners will this project open to ICIC?  |                    |
|  | How does this potential project align with the strategic plan goals ?  |                    |
|  | What additional staffing will this project require? Who will be the primary staff member(s) on this project?                           |                    |
|  | Is this project once or ongoing?   |                    |
|  | What is the number of women, people of color and/or communities of color this project will reach?                                      |                    |
|  | Cost gain and loss analysis?   |                    |
|  | Desired outcomes for this project and how to benchmark success?  |                    |
| <b>Innovate</b>  |  |                    |
|  | How will this project impact the sector?   |                    |
|  | How does this project align with the strategic plan goals?   |                    |

| Questions to Consider and Score to Make the Case for Yes or No |  | 1-5 (5 High Score) |
|--|--|--------------------|
|  | What additional staffing will this project require? Who will be the primary staff member(s) on this project? |                    |
|  | With which partners can ICIC collaborate to host this project and generate greater reach?                    |                    |
|  | The number of companies led by women and people of color in which the project will invest or partner?        |                    |
|  | Cost gain and loss analysis?   |                    |
|  | Desired outcomes for this project and how to benchmark success?  |                    |

## ICIC Sample Operations Metrics: Talent Development, Fundraising, Communications

| Department Operations Metrics |  | 1-5 (5 High Score) |
|-------------------------------|--|--------------------|
| <b>Talent/Leadership</b>      |  |                    |
| Staff capacity                | Staff needed in each department for full functionality?  |                    |
|                               | Average # of full-time staff/ per chapter (% of 2016 goal)   |                    |
|                               | # of chapters with program director and outreach director (% of network; (% of 2016 goal)                                      |                    |
| <b>Fundraising</b>            |  |                    |
| Campaign dollars raised       | % dollars from individuals and from corporations (% of annual goal)  |                    |
| Corporate partnerships        | # of UBI partnerships (% of annual goal)   |                    |
|                               | # of Convene partnerships (% of annual goal)   |                    |
|                               | # of Innovate partnerships (% of annual goal)  |                    |
|                               | # of Research partnerships (% of annual goal)  |                    |
| Funder cultivation            | # of prospects (% of annual goal)  |                    |
|                               | # of site visits (% of annual goal)  |                    |
|                               | % donor retention/renewal (% of annual goal)   |                    |
| <b>Communications</b>         |  |                    |
| Collateral                    | All digital and printed pieces are aligned under goals of strategic communications plan with synthesized message/look and feel |                    |
| Media presence                | Use of Strategic Communications Plan   |                    |
|                               | Media impressions (% of annual target)   |                    |
|                               | Social media impressions (% of annual target)  |                    |
| Staffing                      | # of staff required to meet the needs of the strategic plan  |                    |

# Appendix C

## Succession Planning

- [www.boardsource.org](http://www.boardsource.org)
- [www.nonprofitadvancement.org](http://www.nonprofitadvancement.org)
- [www.compasspoint.org/et](http://www.compasspoint.org/et)
- <http://www.transitionguides.com>
- [www.tsne.org](http://www.tsne.org)