

YWCA USA: **DEFINING THE** **FUTURE**

YWConnect

JANUARY 10, 2019



CEO VISION

Then, Today & the Future



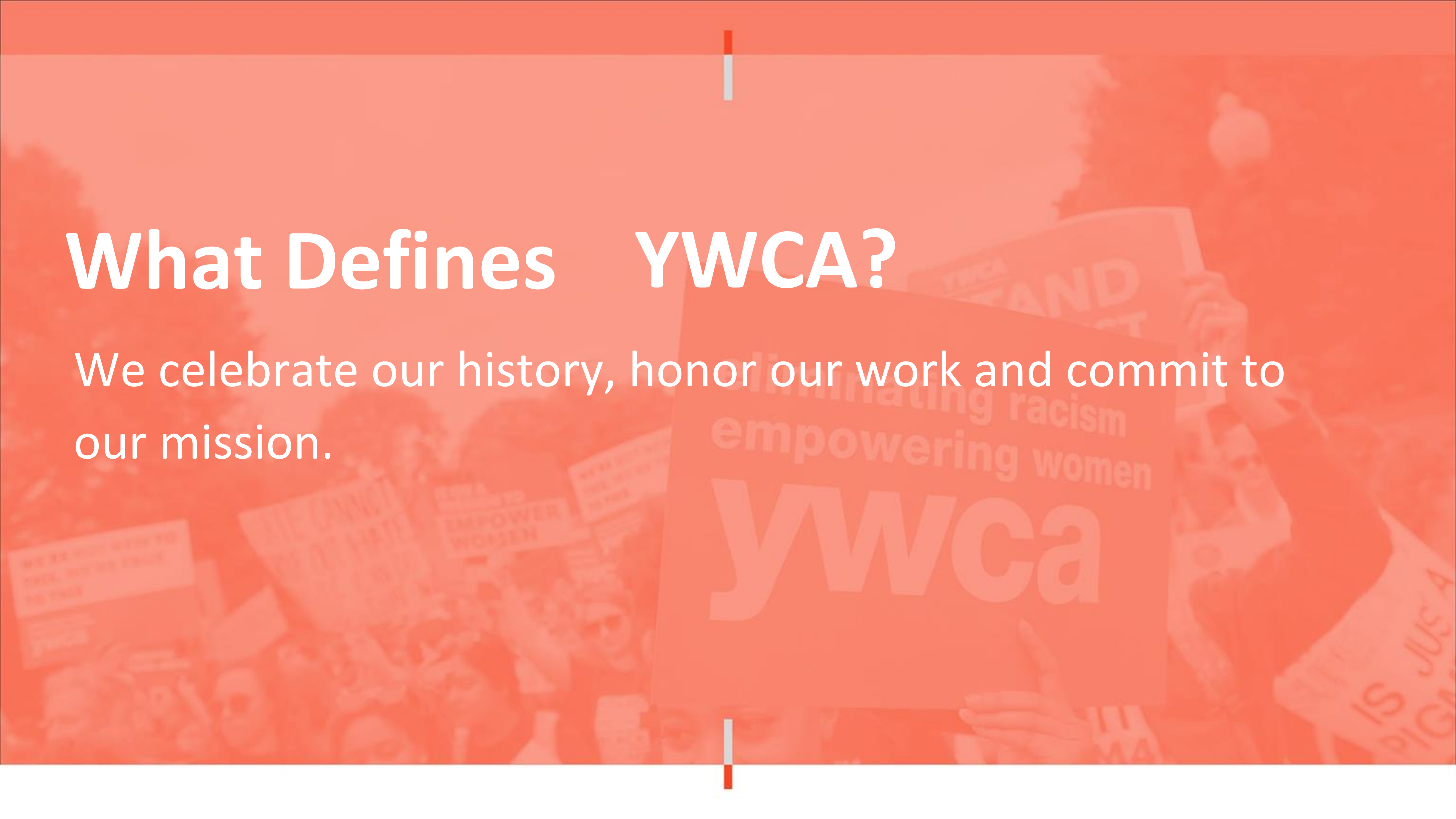
OUR STORY

160 years of Action, Service and Impact!

eliminating violence
empowering women
ywca

What Defines YWCA?

We celebrate our history, honor our work and commit to our mission.



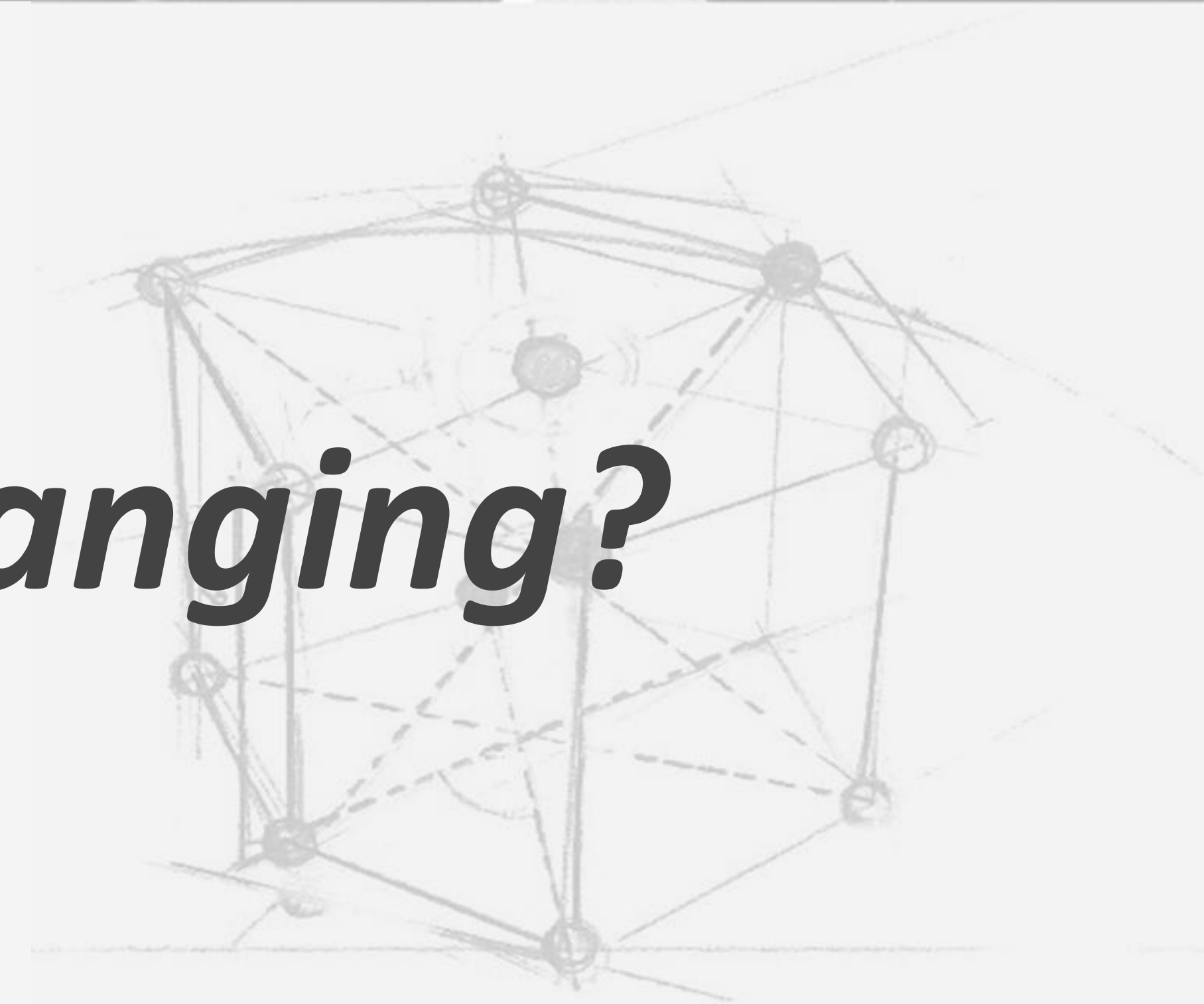
“Culture does not change because we desire to change it. Culture changes when the organization is transformed – the culture reflects the realities of people working together everyday.”

Frances Hesselbein,
Former CEO,
Girl Scouts of the USA





How is the sector changing?




Federations Today

Federations are among the largest U.S. nonprofits. Here are some comparison groups for YWCA:

Federations (FY2016 unless noted)	Number in Network	Network Revenue	National	Affiliates	Number Served
Y USA (YMCA)	800 associations	\$7.1B ¹	\$143M ²	\$6.9B ⁵	9M
Planned Parenthood	56 affiliates	\$1.4B ⁶	\$253M ⁴ (c)4 \$23M ² (c)4	\$1.1B ⁷	\$2.4M
Girl Scouts USA	100 councils	\$850M ¹	\$92M ²	\$758M ⁵	2.6M
YWCA USA	213 associates	\$634M ¹	\$8M ⁴	\$626M ⁵	\$2.4M
Big Brothers Big Sisters	300 affiliates	\$259M ¹	\$23M ²	\$236M ⁵	400K
ACLU & Foundation	52 affiliates	\$232M ⁶	\$95M ² (c)3* \$42M ² (c)4	\$95M ⁵	\$1.8M
Girls Inc.	82 affiliates	\$80M ³	\$10M ³	\$70M ³	140K
Camp Fire	58 councils	\$52M ⁵	\$4M ³	\$48M ³	128K

Three Key Challenges:

Many challenges facing YWCA are widely shared across federated networks.



1.

A common mission but different communities leads to a tension between brand coherence and local responsiveness.



2.

Consolidation is an increasingly common strategy to preserve services, reduce overhead, and protect the brand.



3.

Local affiliates are demanding proof of value from national.

We are not alone...

1. Brand Coherence vs. Local Responsiveness

- Federations are bound by a common mission and brand identity.
- Even so, national-affiliate relationships range from local autonomy to centralized control, from flexibility to uniformity.



- Successful federations navigate this dynamic tension to make the most of a centralized brand *and* distributed network delivery structure.

2. Consolidations

- Almost every federated group has recently undertaken or is currently planning consolidations:
 - Girl Scouts USA went from 312 to 112 local councils between 2006 and 2009
 - Boys and Girls Club of America has consolidated many of its 4,100 local clubs, with many more ripe for merger or closure
 - American Red Cross closed 450 of 700 local chapters as part of a consolidation and streamlining strategy
 - Several YWCAs have merged successfully to preserve and strengthen service delivery and sustainability
- Consolidation can preserve local services while reducing overhead. It can also protect the brand from a catastrophic local failure

3. Affiliates Demanding Proof of Value From National

- Federations have many advantages that can also pose challenges:

Advantages	Challenges
Size and scale	Unwieldiness, slowness to change
Sophisticated organizational infrastructure	Complexity, "care and feeding" of systems
Longevity	Stultification, loss of relevance
Loyal base of supporters	Connecting with new audiences
Community connectedness	Volunteer engagement, retention
Access to funders, policymakers, other influencers	Subject to high expectations, levels of scrutiny
Strong brand recognition	Erosion of the brand over time

- Local affiliates deliver the mission, and expect national to lead in addressing these challenges...and to do so at a fair price (dues).

National's Role in Federated Organization

- **Brand stewardship** – retain control and ensure proper use of the name and logo, and promote them as symbols of the organization's purpose and unity
- **Chartering and standards** – grant charters to affiliates, set standards of operation and performance, and help affiliates to meet those standards
- **Strategic guidance** – engage in strategic planning for its own organizational entity and for the federation as a whole, and/or assist affiliates with same
- **Information exchange** – facilitate the exchange of information among members
- **Spokespersonship and advocacy** – articulate the collective concerns of the network and promote these interests in national forums
- **Expertise and resources** – provide technical, managerial, and programmatic consulting, information, etc.

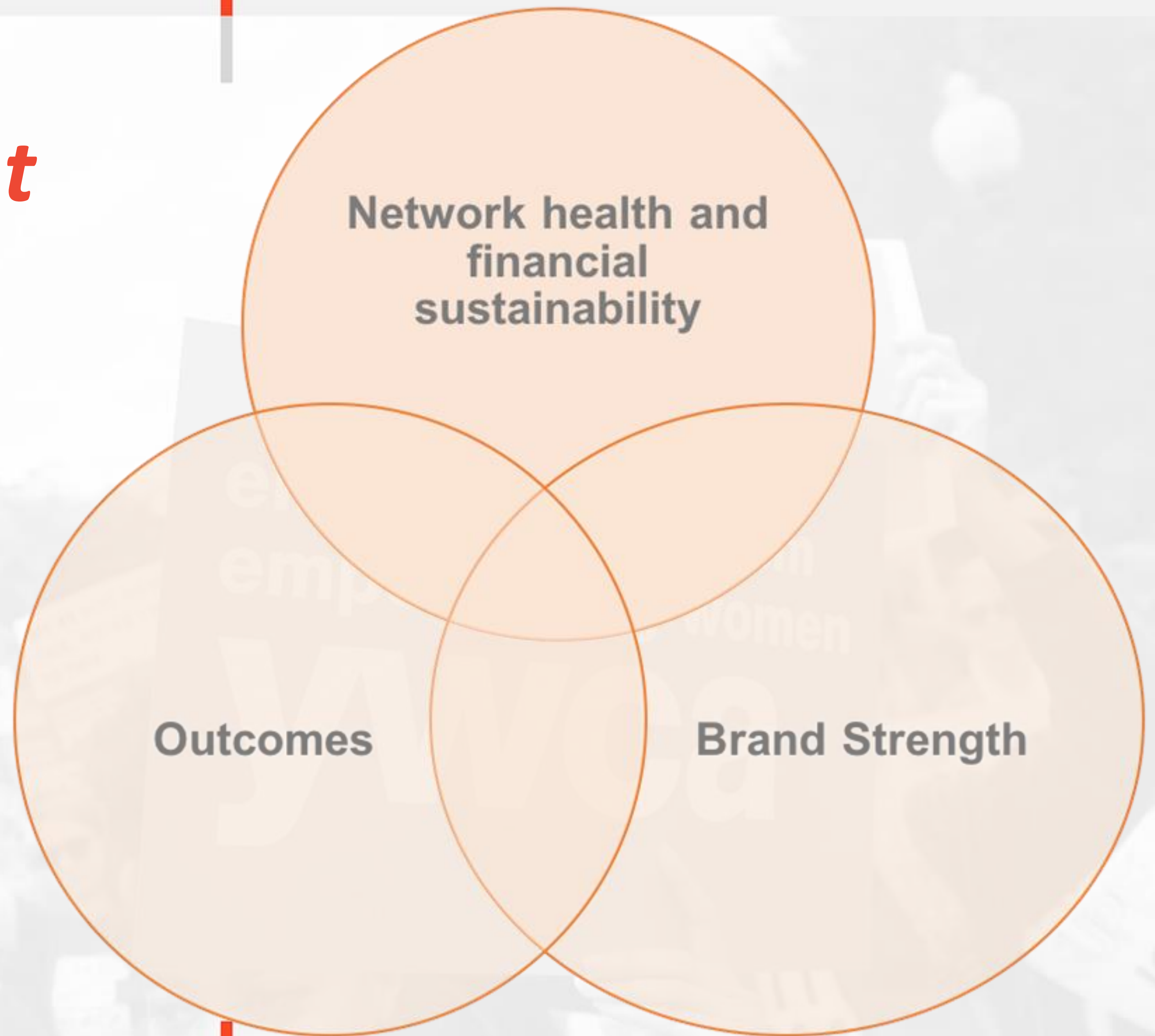


The background of the slide is a grayscale photograph of a protest. A large sign in the center reads "eliminating racism empowering women ywca". Other smaller signs are visible, including one that says "AND" and another that says "Jul 4".

YWCA Faces a Basic Business Model Challenge

- Many local YWCAs are struggling
- Operational models that ensure revenues support program priorities
- Reliance on public revenue streams (government contracts/grants) which are increasingly competitive, slow to reimburse, and at-risk due to politics (locally or in D.C.)
- Legacy buildings in need of investment or a new purpose
- Brand awareness

An Interdependent Network



The background features a soft-focus photograph of two women. On the left, a woman with curly hair is smiling. On the right, a woman with dark curly hair is shown in a stylized, high-contrast illustration with a red-to-orange gradient. The overall color palette is warm, dominated by reds and oranges.

Why?

WHY change?

WHY now?

WHY us?

WHY DO WE exist?

WHY MUST **WE** DO THE **work** AND NOT
SOME OTHER ORGANIZATION?

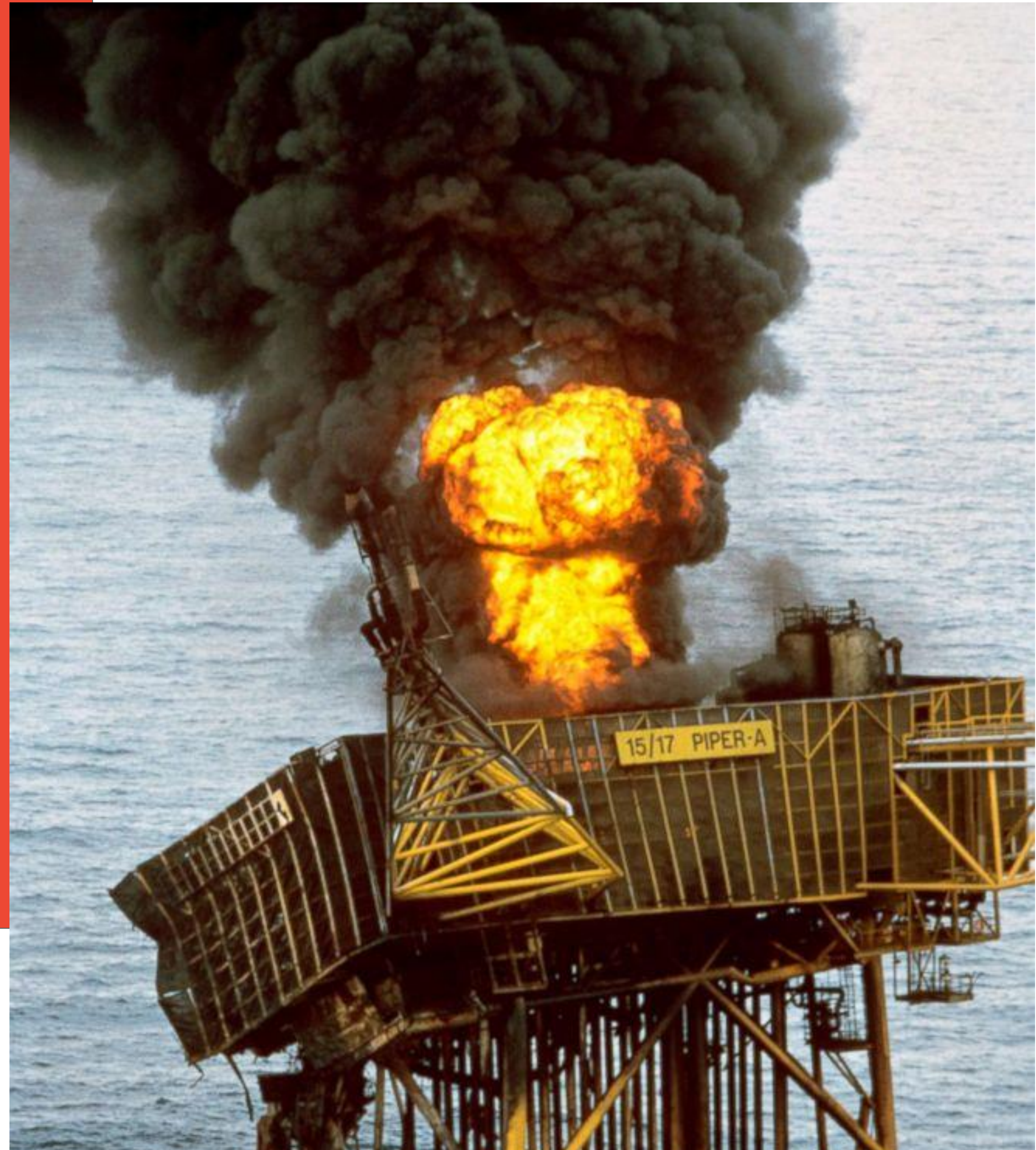
WHY SHOULD YWCA USA CHANGE **first**?

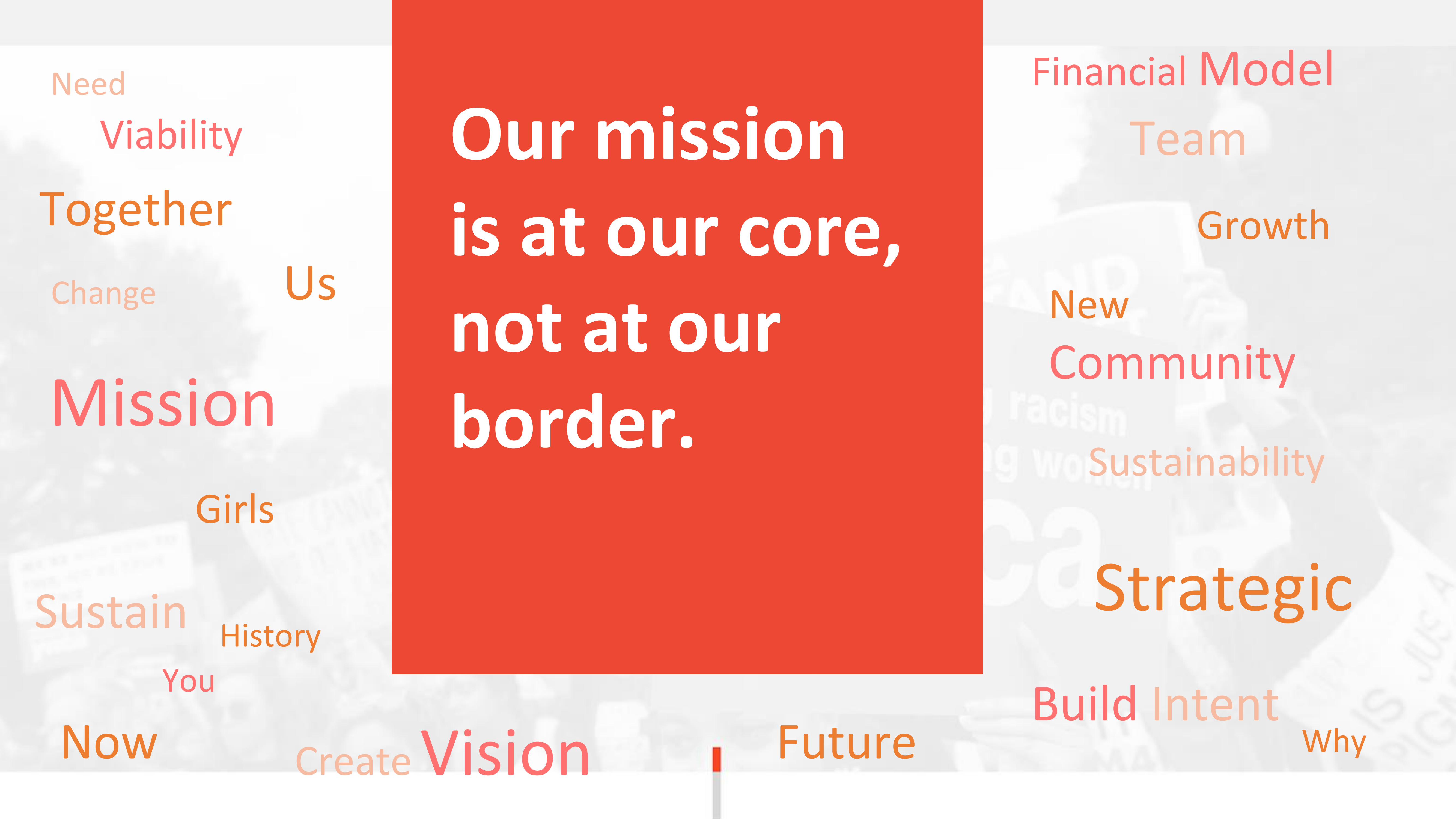
Focusing on the Incremental to get to the Monumental

Strategic Business Plan

- 1st strategic plan in over 25 years.
- Next stage of evolution from regional model to centralized model to national movement.
- Focus on strengthening YWCA's infrastructure towards sustainability and excellence.

Burning Platform Change Metaphor





**Our mission
is at our core,
not at our
border.**

Need
Viability
Together
Change
Us
Mission
Girls
Sustain
History
You
Now
Create

Vision

Future

Financial Model
Team
Growth
New
Community
Sustainability
Strategic
Build Intent
Why

Our Vision



YWCA USA is the leading organization dedicated to eliminating racism and empowering women and girls in their communities by advancing a united YWCA nationwide network through bold and innovative programs, policies and services.



Strategic Investment Strategy

Setting YWCA On A Path Towards
Growth, Impact and Expansion

Our Strategy At A Glance:

Increased Investments

Strengthening Development &
Fundraising Infrastructure

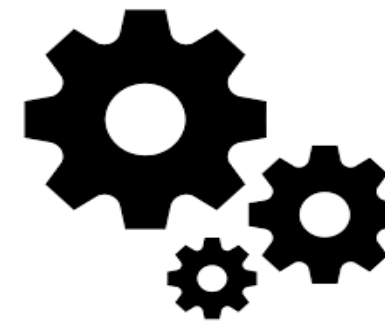
Stronger Communication & Branding

YWCA Associations' Financial Viability &
Sustainability

National Convener, Thought-leaders and
Leadership



Re-designing YWCA USA's value proposition

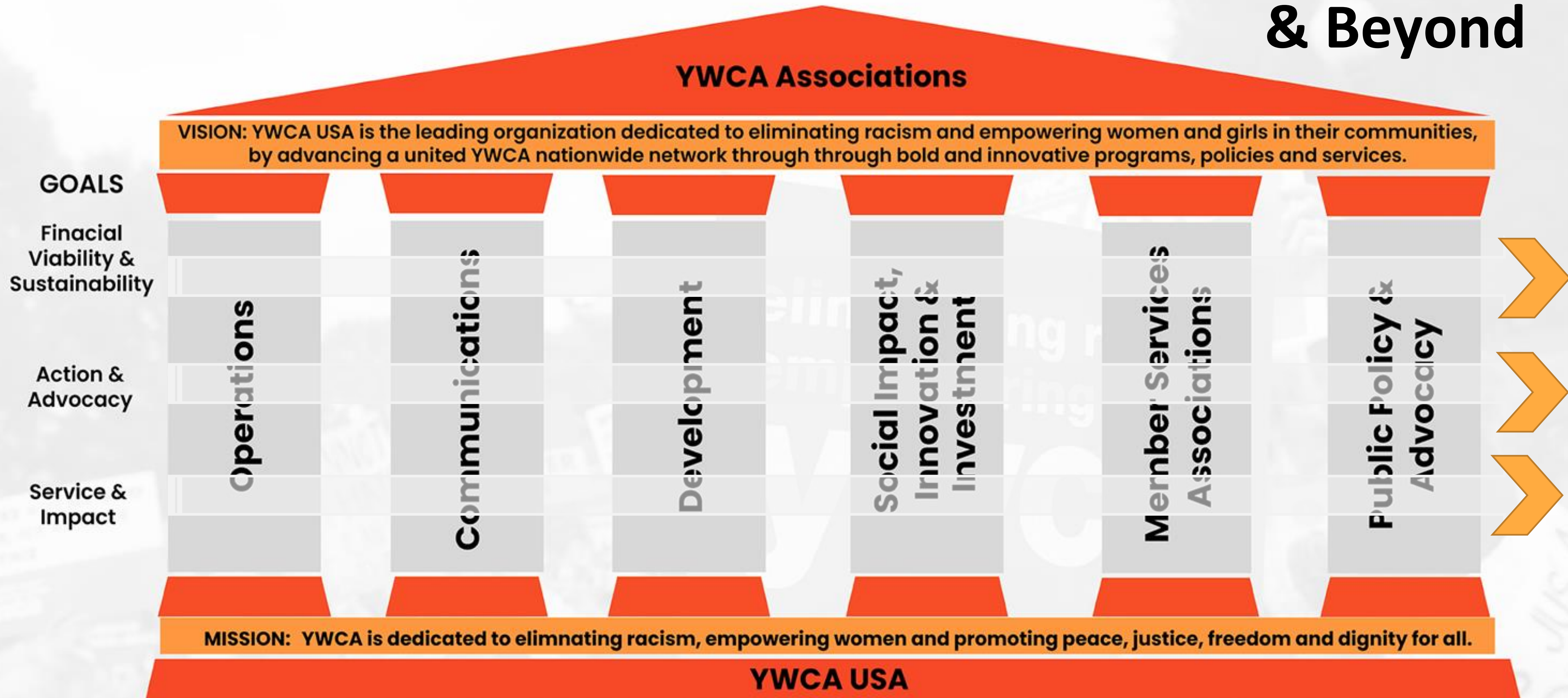


Telling our YWCA story



Creating the next persimmon generation

YWCA 2019 & Beyond



Disrupting our Business Model

- How do you get a Federated Model to move as fast as society?
- How do we align our mission, services, programs and funding?
- How do we create business models that ensure sustainability and growth?
- How do we provide accountability and transparency for the resources we are entrusted with to create change and ensure excellence?



SUCCESS

*“If everyone is moving forward together
then success takes care of itself.”*

- Henry Ford

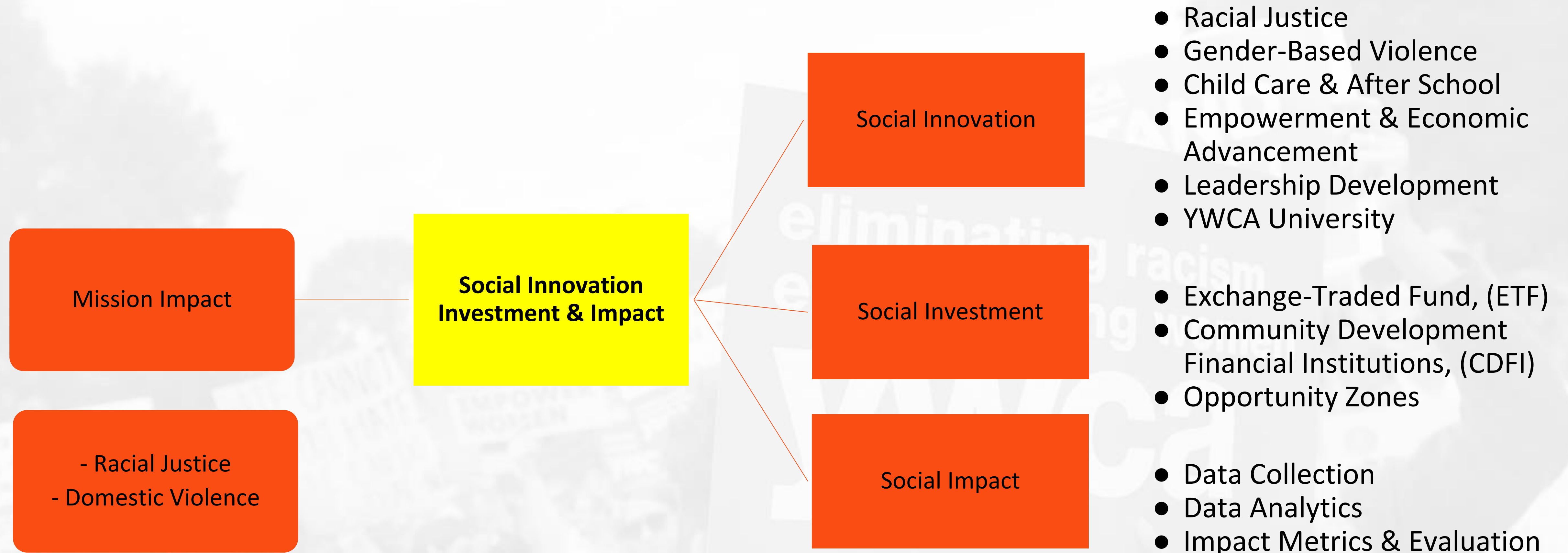


- Phillip Van Hooser

#LeadersOughtToKnow

*“Growth does not happen in a comfort zone. **Peak performers** expect — even **embrace** — **discomfort** for the sake of growth.”*

Social Innovation, Investment and Impact





Social Impact Investment

Social Impact Investing: **Impact investing** refers to **investments** "made into companies, organizations, and funds with the intention to generate a measurable, beneficial **social** or environmental **impact** alongside a financial return." **Impact investments** provide capital to address **social** and/or environmental issues.

- Community Development Financial Institutions (CDFI)
- Impact Shares YWCA Exchange Traded Fund (NYSE: WOMN)
- Opportunity Zone Funds
- Social Enterprise

Social Impact

Telling Our Story and Impact Through Data

- Measuring success through impact vs. outputs
- Impact is complex and long term
- Phase II – YWCA mapping
 - Requesting YWCA associations to provide feedback
 - Layering more socio-economic data (i.e., opportunity zones)
 - Completing data analysis
 - Entering into graphic design

<https://bit.ly/2n9zOVx>





Social Innovation

Next Evolution of our Mission Impact Framework

- **Defining our Ethos:** Social Justice anchors our mission and we center our work on the interaction of race, gender and class to inform our services & programs.
- Provide **greater** focus on the quality & excellence of our services, programs and advocacy.
- Adopt **solution-driven approach** and engage innovative thinking to address the challenges of a 21st century society that ensures diversity & inclusion across services, geography, ages, sexuality and gender.
- **YWCA University:** A learning platform across the YWCA network that will build and foster a body of knowledge and training to develop sustainability across our movement. This will create the next pipeline of talent & experts in the nonprofit field.




*“Follow the Leadership in constant times and
take leadership in changing times.”*

- Cid Wilson, President & CEO, HACR

THANK YOU!

Questions & Answers





Strategic Business Planning Update

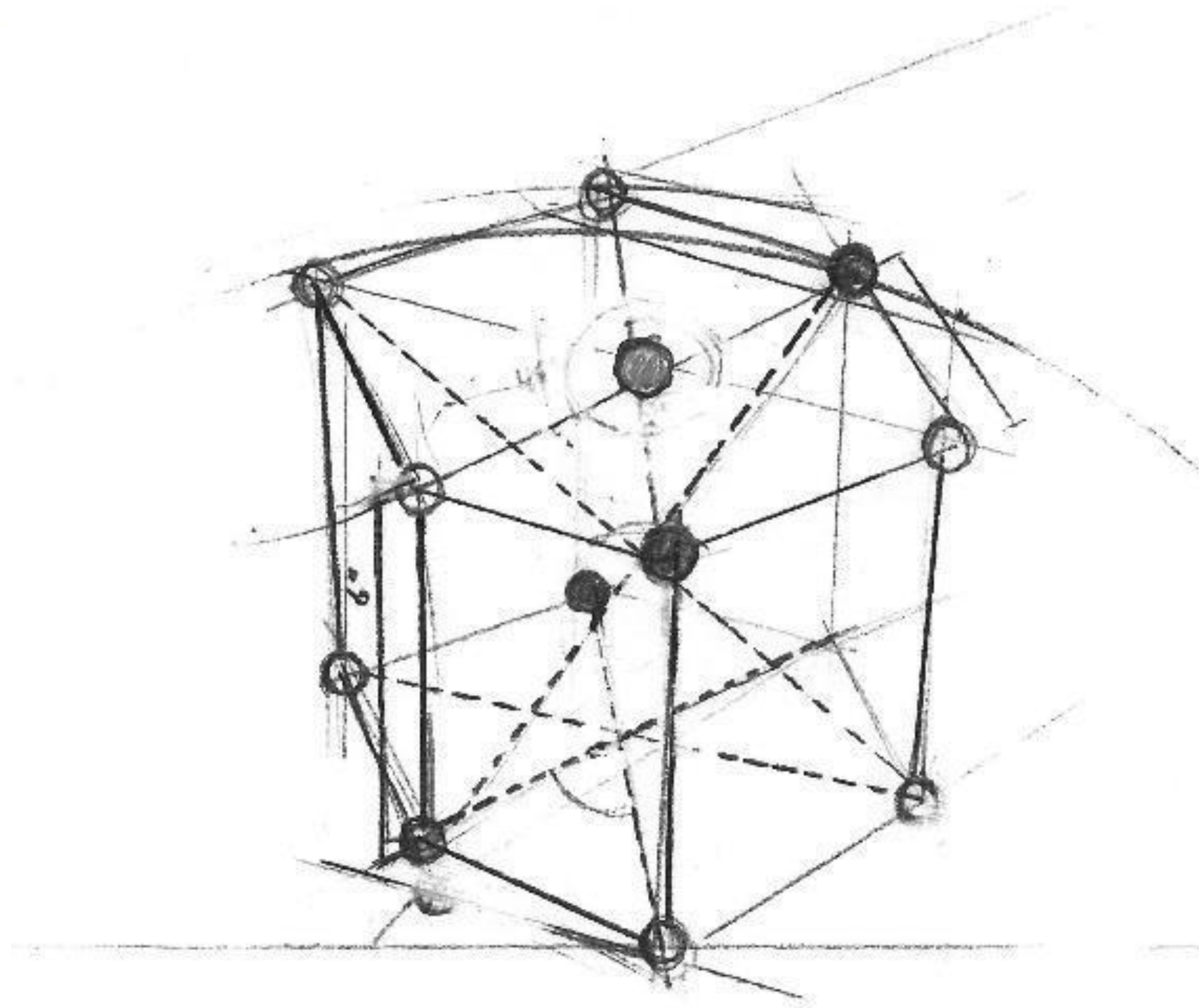
Lester Olmstead-Rose

Partner, La Piana Consulting





In order to see the collective commitment to the mission transformed into a new national reality, the YWCA must change.



Strategic Business Planning Process Overview



Process

Build Foundation
June – July 2018

- What are we solving for?
- What are the competitive strengths that differentiate the YWCA?
- What are the options?

Vet Options
August – November 2018

- What are the best choices for the YWCA network?
- What is the best role for YWCA USA?

Describe Implementation
October 2018 – February 2019

- What are the implementation priorities?
- What are the resources needed?

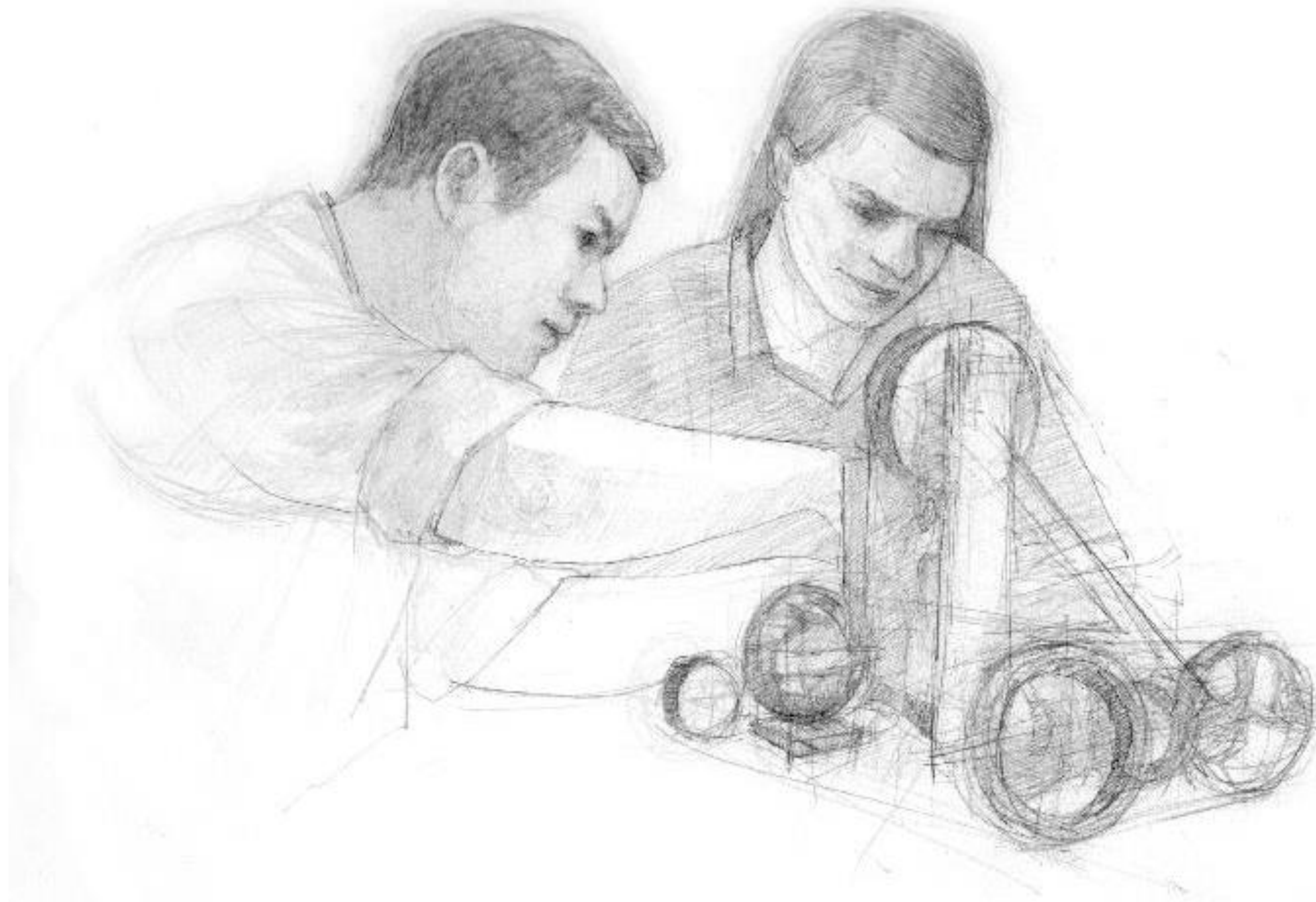
Inclusive Stakeholder Engagement



- Strategic Business Planning Council
- CEO Advisory Board call prior to CEO network calls
- One-on-one calls with ~15 CEOs prior to CEO network calls
- Video conferences with ~60 CEOs to vet options
- Ongoing engagement with staff leadership
- Two meetings and one call with National board

Strategic Business Planning Council

YWCA USA Board	Association Staff	YWCA USA Staff
<ul style="list-style-type: none">▪ Sylvia Hill Fields▪ Beth McCaw▪ Pam Stegora Axberg▪ Nancy Racette▪ Tina Herrera	<ul style="list-style-type: none">▪ Beth Romeo, YWCA Kalamazoo▪ Diane Lauer, YWCA Tri-county Area▪ Mary Kate Andris, YWCA South Hampton Roads▪ Deborah Perry, YWCA Rhode Island▪ Sylvia Acosta, YWCA El Paso▪ Anne-Marie Schwerin, YWCA Walla Walla▪ Jenny DeRuntz, YWCA Berkeley	<ul style="list-style-type: none">▪ Alejandra Castillo▪ Lisa Grills▪ Tycely Williams▪ Catherine Beane▪ Becky Hines▪ Elisha Rhodes▪ Donte Hilliard



Powering the Mission

Embracing Change to Sustain a Movement



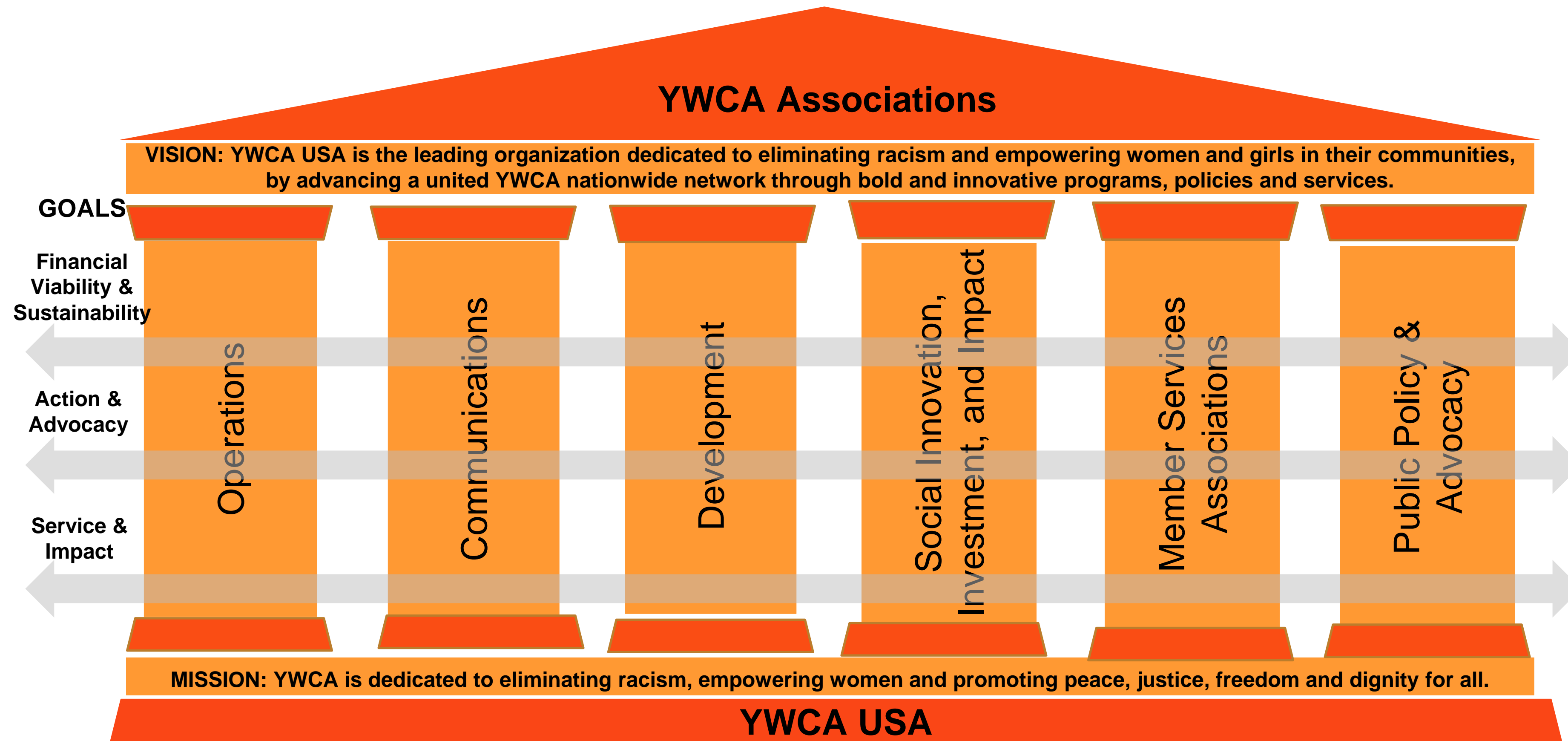
YWCA Mission

Eliminate racism, empower women and promote peace, justice, freedom and dignity for all.

Organizational Vision

YWCA USA is the leading organization dedicated to eliminating racism and empowering women and girls in their communities, by advancing a united YWCA nationwide network through bold and innovative programs, policies and services.

Six Pillars of Success

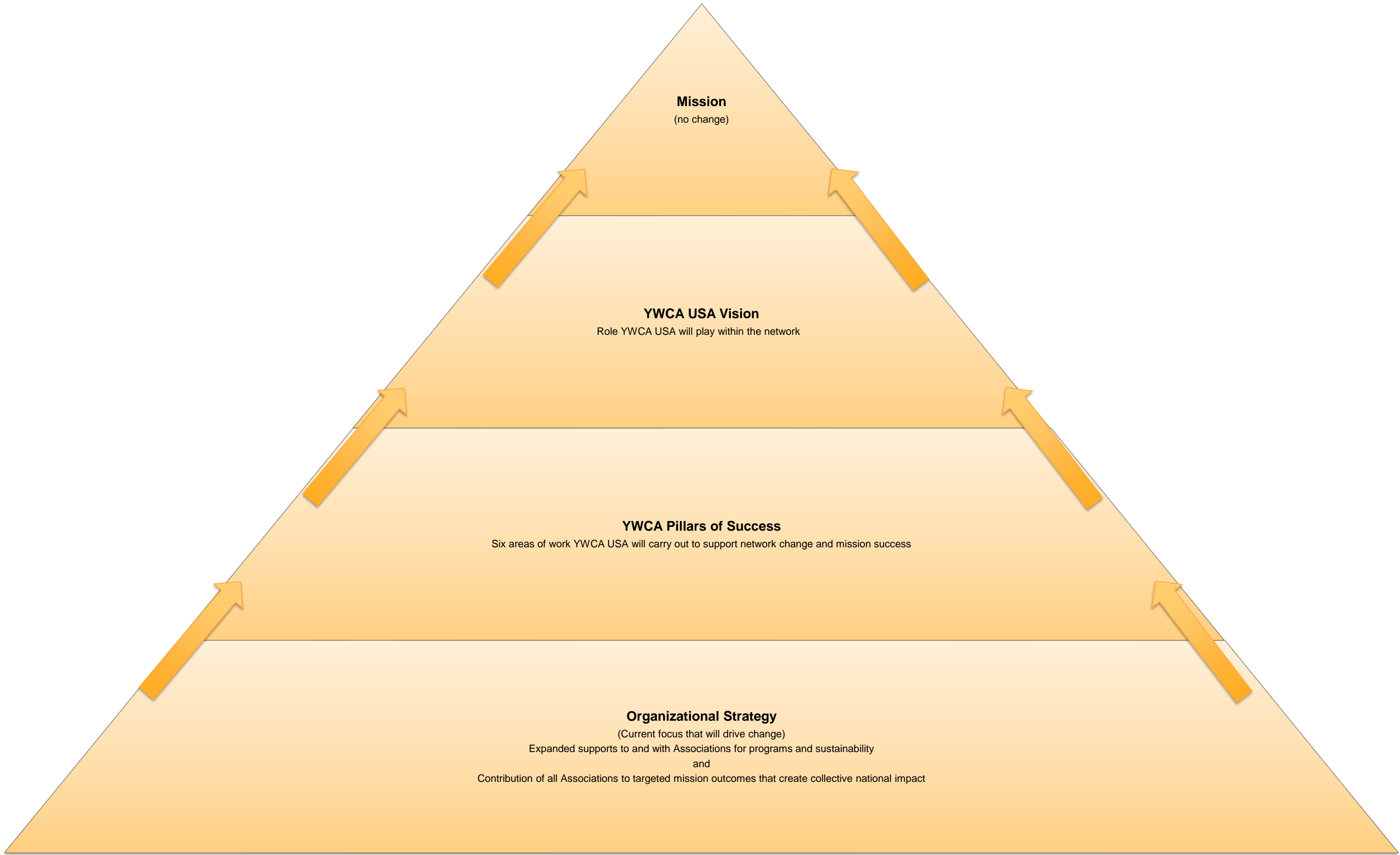




Organizational Strategy

YWCA USA will build its activities around an internal organizational strategy, driving network change by its focus on:

- *Supporting the contribution of all Associations to specific mission outcomes; and*
- *Expanding the supports provided to and with Associations to enhance their impact programs, improve local leadership, and ensure Association sustainability.*





Change Levers – Implementation Priorities

- *Membership Standards: Association Health.* Focus on fewer standards that say more about Association health and sustainability.
- *Membership Standards: Outcome Measures via Social Innovation, Investment, and Impact.* Focus on fewer measures that all Associations contribute to and that enhance common purpose.
- *Governance.* Create new resources for effective Association leadership.
- *Fund Development.* Assist Associations to procure more contributed income and diversify national sources of revenue to create more unrestricted funding.
- *Communications and Branding.* Build on successes to convey the story of network success.
- *Cross-Network Learning.* Leverage the enormous collective knowledge and wisdom within the network to grow.
- *Public Policy and Advocacy.* Drive the YWCA as the national voice for eliminating racism and empowering women and girls.

Priorities: Membership Standards: Association Health

- YWCA USA will review three Association reports every six months focused on financial health
 - Balance Sheet
 - Profit & Loss Statement (including year-to-date actual versus budget comparisons)
 - Cash Flow Projection

- YWCA USA will review five data points annually that indicate Association attention to sound leadership practice and development
 - Rate of staff turnover
 - Rate of board turnover
 - Board roster and related data
 - Annual board evaluation (including participation in give/get requirement)
 - Staff and board participation in peer to peer networking opportunities

Priorities: Membership Standards: Outcome Measures

■ Eliminating Racism

- Individual (e.g., individuals participating in a workshop on implicit bias)
- Organizational (e.g., Association disparities based on staff data on performance, compensation, and promotion/retention)
- Systemic/Cultural (e.g., efforts to change local policy)

■ Empowering Women

- Individual (e.g., completion of leadership development program)
- Organizational (e.g., participation in YWCA University)
- Systemic/Cultural (e.g., number of women running for local office)



Priorities: Social Innovation, Investment, and Impact

- Increase research and development into new approaches to the work
- Support racial justice, gender-based violence, and health and safety programs
- Evolve YWCA University as an underpinning to a leadership development program that builds the capacity and skill sets of network leaders and enhances cross-network learning
- Expand social investments such as by pursuing opportunity zone funding; partnerships with community development financial institutions (CDFI) to stimulate economic growth and opportunities in distressed communities; and operating the exchange traded fund (ETF)



Priorities: Governance

- Maintain local and national contact information for local board members and provide more communications and development opportunities
- More training and professional development offerings for current, new, and potential board members
- New efforts to recognize, train, and link in peer networks, young leaders, and women of color
- Associations define clear expectations for board members' "give/get"
- Greater guidance on "best practice" around hiring Association CEOs and more capacity to advise boards during CEO transitions

Priorities: Fund Development

- YWCA USA will work with Associations to:
 - Provide peer-to-peer skills development and one-on-one coaching
 - Establish a certificate program through YWCA University
 - Promote fundraising opportunities at regional and national levels
 - Create tools for Associations to leverage signature campaigns for fundraising purposes
- YWCA USA will enhance network fund development (e.g., cultivating independent donors, sharpening communications, building data on network relationships, developing messaging, etc.)
- YWCA USA will continue to expand its efforts to secure national foundation and corporate support
- YWCA USA will develop social enterprise models that reduce expenses, contribute income, or leverage financial investments for social good



Priorities: Communications and Branding

- YWCA USA will increase capacity to create and drive national branding and awareness campaigns and provide tools and materials for Associations to leverage campaigns locally
- YWCA USA will provide more guidance and tools around communications (e.g., communication templates, training Association communications staff, providing more training generally around working with the media and crisis communications, etc.)



Priorities: Cross-Network Learning

- YWCA USA will maintain current means of promoting peer-to-peer learning to the purposes described in other implementation priorities (Governance, Fund Development, Communications, etc.)
- YWCA USA will invest in new infrastructure and technology platforms to increase cross-network engagement (such as Higher Logic, Net Forum, Adobe Connect)



Priorities: Public Policy and Advocacy

- YWCA USA will continue to adopt its advocacy agenda and policy platform taking into account input around the practices, policies, services, and needs of Associations and the individuals and communities they serve
- YWCA USA will continue to build its field organizing capacity
- YWCA USA will maintain its focus on national/Washington D.C. activities while bolstering its support for state-level advocacy and organizing with a focus on lifting up young women, women of color, Association leaders, and other experts as voices for change

Strategic Business Planning: Next Steps

Date	Activity
January	Ongoing revisions to the strategic business plan based on input
January 10	Review emerging decisions at YWConnect
January-February	Add implementation detail (with staff) Further round of vetting: <ul style="list-style-type: none">▪ YWConnect January 10▪ Small group video meetings▪ Video board session
Week of February 11	Final draft strategic business plan to Council and staff for review
Week of February 18	Council meeting
c. February 22	Final draft strategic business plan to board
March 2	Board review and adoption

Once the strategic business plan is adopted, key activities will be necessary to put it into motion:

- In March and April, socialize changes inherent in the plan with the network through a deep exploration of implementation elements and mutual accountability
- During the Spring, draft any necessary by-law changes for board adoption in June

