

Self-Sufficiency: Forum

—Bruce M. Williams, *Editing and Publishing*

On July 8, 2005 Life Steps partners gathered at the corporate office to discuss the topic on everyone's mind: self-sufficiency.

Self-sufficiency, as you know, is what chief executive officer, Virginia Franco, thought would best develop our organization for the years ahead. In 2007, programs will take quasi-ownership of the programs they currently run. Rather than working for Life Steps, partners will, in a sense, work for themselves by being responsible for making their program as profitable as possible. The more profitable the program, the more money available for improving the program *and* for pay increases and bonuses. Conversely, less profitable programs may or may not close, depending on whatever circumstances exist for Life Steps when a program's solvency is at issue.

With the opportunities—and risks—involved in these changes, Ms. Franco decided to hold a forum at which partners could voice their questions and comments. Hosted by the eminent Thomas Olson, professor of clinical management and organization at the Marshall School of Business at USC, the forum convened partners to discuss our shared sense of strategy, purpose and issues related to self-sufficiency.

Professor Olson discussed three critical issues associated with organizations in transition: 1) an organization must recognize the need for change; 2) the factors suggesting that change is necessary are sufficiently motivating; and 3) employee involvement in change hinges on the need to compete and remain viable in the service community. Ms. Franco had already seen the need for change: Life Steps would better thrive and grow by transitioning into self-sufficiency. That's motivation enough, but what's abundantly clear is that remaining competitive requires continually improving service and reduced operating costs. Self-sufficiency is the means to that end.

Professor Olson had forum participants break into four groups, each of which generated issues, questions and observations regarding self-sufficiency. Some of the questions generated by the first group were:

- Are we moving too fast with this transition?
- Do we have the staff infrastructure and stability necessary for self-sufficiency?
- How do we create a sufficient amount of buy-in at all employment levels?
- What resources do we have and what do we need?

The second group voiced some of the following issues:

- How do we determine program solvency? Do we have a formula or method for determining a program's sustainability?
- How do we identify and recognize risk?
- How can program operations participate in decision-making?

The third group evinced these issues, among others:

- Is the self-sufficiency vision being effectively communicated?
- What alternative funding sources are available?
- What research, market trends and technical assistance can we use?

The fourth group discussed these issues:

- Is the self-sufficiency model appropriate for a nonprofit?
- How “alone” will programs be, i.e., what support can programs draw upon?
- Will support divisions rely solely on program revenue?
- How can partners become marketers as well as social workers?

Forum members reconvened with other forum participants and discussed their findings. This deliberative process much expresses a core value of Life Steps: communication. Communicating yielded the forum invaluable insights.

From those insights, Professor Olson asked forum members to examine three issues: 1) How do partners become collaborators in developing current and future strategies for self-sufficiency; 2) what will we do about insolvent programs; and 3) what do we recommend regarding training and partner retention?

Forum participants again formed into groups. The first group asked:

- How do we retain staff?
- How do we get partners to commit to their responsibility for self-sufficiency?

The second group asked:

- How do we measure program solvency?
- How do we increase our client base?

The third group asked:

- Why not create a steering committee to state clearly the vision of self-sufficiency?
- Once we have a clear vision of it, how do we strategize to fulfill it?

Professor Olson had each group commit to communicating among its members, brainstorming some solutions, and submitting them to Ms. Franco by July 22. He said that Virginia’s feedback will help partners become more actively involved in our transition process. He will review our progress in about six months.

Look forward to additional information and updates about our transition process.