

Executive Summary

Context: We were introduced to Greenhope by HBS Community Partners board member Calvin Mew, who recruited five team members with the skill sets required to do this investigation

Approach : Our team met initially with Greenhope's management and board, then discussed the scope of the project. We divided the team into three task forces:

- Board development
- Social enterprises
- Foundation fundraising

Research findings:

- Greenhope's current financial situation is unstable as a result of rapid expansion in the last decade
- Greenhope can return to a prudent and stable financial position with the support of its board, foundation assistance, and cash flow from new social enterprises

Decision making metrics for Greenhope:

- Cover its administrative overhead costs
- Rebuild its balance sheet
- **Recommendations:**
 - Expand the board to include those with skills who can contribute \$5,000-10,000 per year
 - Seek foundation funding to cover specific administrative overhead costs
 - Develop social enterprises to help fund Greenhope's projects and empower its members

Next Steps for Greenhope

- Meet with existing board members to **develop a plan to recruit new board members, and create an advisory board** to include members who will contribute (\$100,000) and assist in fundraising activities (\$50,000) within twelve months
- **Contact targeted foundations** with specifically designed letters of inquiry seeking approximately \$200,000 of funding to hire a development officer and an HR professional within twelve months
- **Build a social enterprise** congruent with Greenhope's programs with the assistance of volunteer outside help, with an objective of generating \$50,000 of cash flow within twelve months
- Develop a long-term action (strategic) plan, to include sustainable operating and funding models as well as quantitative and qualitative evaluation of programs

Management Implementation Plans

Action	Sub-action	Timing	Owner
<ul style="list-style-type: none"> Expand the board of directors Implement advisory board 	<ul style="list-style-type: none"> Expand the board Receive contributions 	<ul style="list-style-type: none"> Next twelve months 	<ul style="list-style-type: none"> Chairman of the board Executive Director
<ul style="list-style-type: none"> Approach targeted foundations 	<ul style="list-style-type: none"> Use targeted letters of inquiry 	<ul style="list-style-type: none"> Next three months 	<ul style="list-style-type: none"> Senior management
<ul style="list-style-type: none"> Social enterprise effort 	<ul style="list-style-type: none"> Create the business 	<ul style="list-style-type: none"> Next twelve months 	<ul style="list-style-type: none"> Senior management with outside help

Recommendations

- **Expand the board of directors to 25 members and institute an advisory board to include 25-30 individuals** with the financial resources to contribute \$5,000 to \$10,000 each year to Greenhope
- Approach **targeted foundations with “letters of inquiry”** tailored for those foundations
- **Develop social enterprises** that can take advantage of Greenhope’s resources

Fundraising/ Board Recruiting

We, the HBC team, asked current Greenhope board members to complete a self-assessment survey. Based on the responses, we formulated questions to be used in small-group interview sessions. Christine Fu and Ellen McClain conducted the interviews via conference call.

Fundraising and board recruiting are intermingled issues and must be considered together. Greenhope's board is evolving from the community-based model that no longer works to further Greenhope's expanding mission.

Greenhope recently instituted a policy with respect to all new board members, who will be expected to pay annual dues of \$5,000, up from the former \$1,000 level. Ability to pay and ability to attract people who will make substantial financial contributions are higher priorities than in the past.

At the same time, Greenhope needs a contingent of board members who are professionally qualified to oversee Greenhope's programs, and these board members may be less likely to have the wherewithal to contribute at a higher level. Our interviews revealed a disparity with regard to ability to contribute, although there may be other factors.

The common bond of all current board members is a passion for Greenhope's mission. Passion for the mission is expressed in various ways, depending on the background of the board member; nevertheless, board members are all on the same passion page, which is of primary importance, and all other differences are less important. Greenhope needs to leverage this common ground. We believe it is important for all board members to feel that they are valued stakeholders who are contributing to the maximum extent of their ability. To this end, we propose that the fundraising committee of the board be comprised of members who represent the spectrum of financial wherewithal and that the committee will operate as follows:

The fundraising committee chairperson will work with committee members to develop annual fundraising event prototypes that can effectively communicate Greenhope's mission; committee members will then propose specific events to which they think they could comfortably invite their friends and colleagues; this would represent up to three tiers of giving. Individual event subcommittees will be formed, first by appointing a chairperson who will then appoint subcommittee members to produce the particular event

The process will become cyclical, so that once an event has occurred, the subcommittee will assess the pluses and minuses, discuss modifications, and then begin to plan for the next event in that tier; a new subcommittee chairperson and new subcommittee members may also be appointed for the subsequent event. Ultimately, all fundraising events will occur on a regular cycle, and board members will be in place to execute.

Board Recruiting (cont.)

Properly executed, any and all fundraising events that effectively communicate Greenhope's mission can also be an impactful way to introduce potential board members to Greenhope. To the extent that events can include Greenhope clients, the impact will be even greater. There is reportedly some disagreement related to having events where alcoholic beverages are served; we see an opportunity to have Greenhope's clients represented via a high-quality video presentation in lieu of actual attendance.

In addition to fundraising events, get-togethers at board member's homes were mentioned by several board members as an effective recruiting vehicle. In all cases, we believe it's important to establish an event follow-up process, so that contact information for attendees, either paid or invited, is recorded for future fundraising purposes.

We researched the board composition of organizations with missions similar to that of Greenhope, and we think a 25-member board would be a worthy goal. (Having an auxiliary board of people who contribute less and fundraise more is an additionally worthy goal.) The proposal to increase board membership from 15 to 25 received mixed reviews from current board members. Negative comments were mainly around a perceived unwieldiness related to so many new members. We feel it's unlikely that an increase of 10 will occur simultaneously; a gradual increase over a year or two will be more easily accepted. We also see an opportunity to create new and/or larger committees with fresh perspectives brought to the table.

While there are a number of ways to find candidates for board membership, primarily through networking -- personal contacts, friends of friends, etc., -- as well as through outside matching services we thought about how Greenhope could best address its board-related needs. In order to rationalize and to create enthusiasm for increasing board membership to 25, we propose that current board members take a value-added approach and think about what skill sets are lacking in their population. Our team sees an opportunity to invite people of means with the following:

- Marketing expertise
- Digital/website/social media expertise
- Professional fundraising expertise
- Social enterprise expertise (another part of the HBSC analysis)

This is by no means an exclusive list. We are certain Greenhope board members will identify other skills. We believe the value-added approach will help them to think about who in their extended circle would be a good candidate for board membership. Also, if it's not already in place, we propose that the board form a standing nominating committee to vet board prospects.