

# Metropolitan Contractor Improvement Partnership 2013 – 2018 Strategic Plan



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Final Report

Prepared for:  
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Prepared by:  
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UNIVERSITY OF OREGON



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<http://www.mcip-pdx.org/>

## **About the EDAUC**

The Economic Development Administration University Center at the University of Oregon is a partnership between the Community Service Center, the UO Economics Department, the Oregon Small Business Development Center Network, and UO faculty. The UO University Center provides technical assistance to organizations throughout Oregon, with a focus on rural economic development. The UO University Center seeks to align local strategies to community needs, specifically with regards to building understanding of the benefits of sustainable practices and providing technical training to capitalize on economic opportunities related to those practices. The EDAUC is partially funded through a grant from the U.S. Department of Commerce, Economic Development Administration.

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# SECTION I: INTRODUCTION

This report, the Metropolitan Contractor Improvement Partnership 2013-2018 Strategic Plan, identifies the key issues facing the organization, and suggests goals, strategies, and actions to address those issues.

This section provides an overview of the history, vision, and mission of the Metropolitan Contractor Improvement Partnership (MCIP), the purposes of the strategic plan, the methods used to create it, and the organization of this report.

## Background

In January 2013 MCIP contacted staff at the University of Oregon's Community Service Center (CSC) about helping them create a five-year strategic plan.<sup>1</sup> For the past five years, the MCIP staff and Board have worked hard to create programs that help minority contractors develop, improve, support, and expand their businesses. Both the staff and the Board felt the organization would benefit from a strategic planning process that could help it better align its mission, goals, and resources and clearly identify outcomes that are achievable over the next five years.

## Purpose and methods

Strategic planning is a process of defining organizational strategies or directions, and making decisions on allocating resources to pursue this strategy, including policy, capital and people. The purpose of strategic planning is to strengthen the management decision-making process by having it recognize and address key internal and external factors that affect the organization. In short, a strategic plan is a management tool.

The basic strategic planning process is shown in Figure 1. While several variations to the basic process model exist, the MCIP strategic plan uses the goal based planning model. This approach focuses on key strategic issues. This model is appropriate when an organization has one or more key issues that have a significant impact on its operation. The approach ensures there is a strong alignment between the organizational mission and available resources.

This approach is appropriate because (1) the strategic plan needs to focus on the major issues that MCIP can have an

**Figure 1: Strategic Planning Process**



<sup>1</sup> This project is funded, in part, through the U.S. Department of Commerce Economic Development Administration University Center grant.

immediate and medium-term impact on, and (2) this approach will allow the strategic planning team to focus quickly on issues that matter. While we recommend the goal-based model, we also suggest the board consider elements of the alignment model to ensure that priority activities have sufficient resources.

### **PURPOSE OF THE STRATEGIC PLAN**

The purpose of strategic planning is to help “organization’s align everyday operations to the organizational mission statement.” The strategic plan is used as a tool by the Board and staff to guide the organization by establishing a strategic operational framework guided by goals, strategies, and actions. The process includes the organization asking itself the following questions:

1. Where are we today?
2. Where do we want to be in five years?
3. How do we get there?

These questions were answered through an assessment of current and potential internal and external factors that affect the everyday operations of the organization. Once identified, these factors were categorized into overarching issues to address in the next five years (Section 2). Next goals were created to address each issue; the goals are realized through the creation of strategies and action items (Section 3).

Figure 2 shows the strategic planning framework. Most strategic plans identify multiple key issues found after the examination of potential threats and challenges to the organization. Each key issue has one goal, which is a direct way to address or mitigate a key issue. Each goal has at least one and often times several strategies, to achieve the goal. Finally, each strategy has multiple action items to accomplish it. Action items are do-able, measurable, and assignable tasks.



Figure 2. Strategic planning framework



Source: Community Planning Workshop

## METHODS

The Metropolitan Contractor Improvement Partnership engaged in a strategic planning process from February through June 2013. The project included three phases: (1) project organization, (2) environmental scan, and (3) strategic plan.

The **project organization phase** was conducted in February and March. A proposed planning process was presented to MCIP Board and staff at the MCIP Board meeting on February 14, 2013.

The **environmental scan phase** was conducted in March and April. CSC staff conducted 17 interviews (both in person and telephone) of MCIP Board members, staff, and clients.

The **strategic planning phase** was conducted in April through June. The Board met for a strategic planning retreat on April 19 to work on key strategic issues, define goals and strategies, and create action items to realize each goal.

## **MCIP Mission and Goals**

This section provides an overview of the MCIP mission, goals, and programs. The mission of MCIP is:

*The Metropolitan Contractor Improvement Partnership is a business support and training program for historically underutilized viable construction businesses (HUCBs) with a heavy emphasis on minority businesses. Our goal is to assist these viable minority businesses improve their business and management systems to improve their profitability and net worth.*

The goals of MCIP are:

- Develop the HUBs capacity to secure contracts, manage the construction to perform timely and high quality work, and make a profit.
- Increase the pool of viable HUBs to serve as primes and subcontractors on commercial and infrastructure projects.
- Provide primes and agencies with viable firms to complete projects and meet equity goals.
- Address equity in communities of color by creating successful HUBs that contribute to the economic vitality of their communities through their investment and employment.

## **MCIP current programs and activities**

MCIP provides training opportunities designed to help minority contractors secure work, successfully manage construction projects, and develop their capacity and skills to continuously improve their businesses.

MCIP works closely with its parent organization, the National Association of Minority Contractors of Oregon (NAMCO), in providing links to contracting opportunities. They focus on helping minority contractors strengthen their business systems so they may be well-prepared and well-equipped to tackle bigger projects in the future.

Table 1 summarizes the demographics of businesses assisted by MCIP. MCIP has provided services to DMWESB businesses, with a focus on DBE/MBE businesses of all ethnicities over the last four years. Many of these businesses received general assistance, which includes informing about bid opportunities, one-on-one assistance in technical workshops reviewing a specific project, or participation in our financial management or human resource workshop. Of this group approximately 30 received more in-depth assistance either through our Executive Management Program (now M3) or on specific technical assistance contracts with primes or public owners.

**Table 1. MCIP Demographic Data, FY 2012**

<b>FY 2012</b>	<b>TOTAL</b>	<b>Percent</b>
<b>Ethnicity</b>		
African American	32	37%
Asian/Pacific Islander	6	7%
Hispanic	29	33%
Native American	12	14%
Caucasian	8	9%
<b>TOTAL</b>	<b>87</b>	
Female	26	30%

Source: MCIP.

(Note: The Caucasian contractors MCIP worked with were prime contractors MCIP assisted to identify MBE/WBE subcontractors and assist with applying to Clean Energy Works of Oregon)

In FY 2012, MCIP services and results focused on the following areas.

- **General Assistance.** MCIP provided quick drop in one-on-one assistance to DBE's on bid opportunities, general business questions or resources for business support such as access to capital.
- **Executive Management Program.** The executive management program served 15 contractors. The MCIP conducted business assessments, developed work plans with each firm and provided one-on-one business capacity building. These meetings were held each month for 90 minutes. Eight of the firms graduated in summer 2012.
- **Workshops.** MCIP has hosted workshops on estimating and bidding, financial management, business planning, and human resources. Each workshop typically last 2-3 sessions at two hours each. Each session had approximately 15 participants.
- **Owner/Contractor Resource Center: Selected Projects.** MCIP has assisted public owners and prime contractors meet their DMWESB goals, plus provide technical assistance in estimating and bidding and project management related issues. Some of the prime contractor clients were, Howard S. Wright, Hoffman Construction, and Walsh Construction. Some of the public/non profit clients have included Home Forward, Clean Energy Works of Oregon and the SBA.

## **Organization of the MCIP Strategic Plan**

The remainder of this report is organized as follows:

- **Section 2: Key Strategic Issues** describes the key issues facing MCIP today.

- **Section 3: Strategic Plan Goals, Strategies and Action items** presents the goals, strategies, and actions to address the key strategic issues described in Section 2. The action items provide detailed information regarding the *who, what, when, where, and how* action items will be implemented.
- **Section 4: Implementation** provides a framework that MCIP can use to monitor progress towards the strategic plan goals.

## SECTION 2: KEY STRATEGIC ISSUES

The purpose of the Key Strategic Issues is to guide MCIP towards goals, strategies, and action items in the strategic planning process. In order to develop the key strategic issues, CSC staff first conducted an environmental scan, which included interviewing 17 staff, current and former Board members, and clients. CSC created an Environmental Scan Analysis (dated April 7, 2013) that provided an in-depth review of the strategic issues facing MCIP. Following the scan, CSC facilitated an MCIP Board Retreat on April 19, 2013 in order to further refine the issues. The following sections present a summary of strategic issues, based on the environmental scan and feedback from the MCIP Board and staff. Note that the issues are not presented in any specific order.

### **Quality services and programs**

MCIP delivers quality classes and trainings that should be continued and expanded. However, inconsistent funding and funding that is tied to specific activities has resulted in an erratic schedule of MCIP classes and trainings. The inconsistent schedule has resulted in some confusion as several Board members said they did not know exactly what programs and services MCIP provides. Most interviewees said the organization should expand programs to both prime contractors and minority subcontractors.

### **Strong reputation and values**

MCIP has a strong reputation for effectively working with large contractors and small minority contractors and providing the resources and tools both types of firms need to excel and work together. MCIP is committed to the goals of economic equity and is good at listening to the needs of minority contractors and giving them an honest assessment of the strategies necessary to accomplish the contractor's goals. MCIP's reputation supports the quality of services and programs it provides.

### **Staffing**

While the organization provides quality services and programs, current staff resources are inadequate to provide all of the services the organization hopes to provide to minority contractors. Board members and staff agreed that the organization needs to better align resources and staff with program needs.

### **Funding**

MCIP needs new, stable sources of funding so that it can focus on providing key services and programs. Ideally, stable funding would align with core programs, to ensure those programs have the resources they need to stay consistent. The Board expressed that they should align funding to match MCIP's mission statement.

## **Relationships with other organizations**

MCIP has built strong relationships with larger firms, corporations, public agencies, and many smaller, minority contractors, however it's existing relationship with the National Association of Minority Contractors Oregon (NAMC Oregon) is potentially distracting MCIP staff from core program work and confusing for contractors that are interested in working with MCIP. Additionally, the Board identified an opportunity for MCIP to expand their partnerships with prime contractors to help with mentoring and training.

## **Opportunities for growth**

Several opportunities were identified, including working with agencies that are looking for programs to help them meet equity goals, and expanding to different regions across the state. Board members also highlighted the opportunity to expand into the green and sustainable construction industry. In particular, MCIP should identify opportunities to incorporate LEED certification practices. However, MCIP should conduct research to identify the market advantage of LEED certification.

## **Branding and messaging**

MCIP provides a unique service to the community. However, Board Members expressed that the public message about MCIP services is not well defined. In order to effectively market their services, MCIP should develop and strengthen its brand and create consistent messaging that promote its services.

## SECTION 3: STRATEGIC PLAN GOALS, STRATEGIES, AND ACTION ITEMS

This Strategic Plan will guide MCIP staff and the Board of Directors to focus programs and resources for the next five years. The plan includes goals, strategies, and action items that were identified during the April 2013 MCIP Board Retreat. The plan includes four goals that are designed to address key issues; 13 strategies that provide a method for achieving the goals; and 32 action items that are specific tasks for implementing the strategies. In addition, this list incorporates the goals specific to the Mission of the organization (as described on page 4).

### Goals

The goals of this strategic plan are intended to address key issues that were identified during the April 2013 MCIP Board Retreat. The goals are the foundation of this strategic plan, and provide broad outcomes that MCIP aims to achieve over the next five years.

**Goal 1: Quality service and programs.** This goal addresses the following issues: (a) Quality services and programs and (b) strong reputation. Continue to build on the organizations strong reputation by delivering quality services and programs with integrity.

**Goal 2: MBE/DBE capacity.** This goal addresses the several of the goals specific to the mission to increase the capacity of MBE/DBEs to secure contracts, manage the construction to perform timely and high quality work, make a profit, and increase the overall pool of viable MBE/DBEs to serve as primes and subcontractors on commercial and infrastructure projects.

**Goal 3: Funding.** This goal addresses the following issues: (c) staffing and (d) funding). Develop a predictable, sustainable, and diverse (restricted and unrestricted) funding source.

**Goal 4: Relationships.** This goal addresses the following issues: (e) relationships with other organizations, and (f) opportunities for growth. Facilitate and support current and potential relationships that build upon the MCIP mission.

**Goal 5: Marketing.** This goal addresses the following issue: (g) branding and messaging. Develop an effective branding, marketing, and direct messaging strategy.

### Strategies and Action Items

The strategies provide a method for achieving the goals of the strategic plan. They are designed to be more specific outcomes MCIP plans to achieve in the next five years.

The action items are specific, measurable tasks for implementing the strategies. They describe the approach of *how* MCIP will achieve each strategy. Section 4 provides detailed information about each action item.

Below is a list of the goals, strategies and action items for the five-year MCIP Strategic Plan. Specifically, the action items identify:

- **Lead:** A specific position or group responsible for initiation and completion of an action.
- **Partners:** A specific position, group, or organization to support the Lead in the completion of the action items.
- **Timeframe:** A defined moment in the five year plan that designates when the action items will be started: In progress (item implementation started prior to plan adoption, and will continue afterward), Short term (years 1-3), Long term (years 4-5 or beyond)
- **Frequency:** Designates how often an action item will occur (quarterly, annually, biennially, continually).
- **Prioritization:** Each action item in the plan is of great importance to MCIP. A designation of high, medium, or low importance is given to each action item to aid in implementation.
- **Related action items:** A list of action items that directly relate. This will lead to greater efficiency in completion.
- **Completion date:** The expected year of completion or a designation that the action is ongoing without a completion date.



**Table 2. 2013-2018 MCIP Strategic Plan Goals, Strategies, and Action Items**

Goal and Strategy	Action Item	Lead	Partners	Timeframe	Frequency	Priority	Related action items	Completion Date
<b>Goal 1: Continue to build on the reputation MCIP has developed by delivering quality services and programs with integrity.</b>								
<b>Strategy 1.1.</b> Develop physical and operational standard practices that ensure confidentiality (when appropriate)	1.1.1. Reconfigure the current office, or find a new office to ensure confidentiality	Staff	Board	Oct – Dec 2013	Once	3		Dec 31, 2013
<b>Strategy 1.2.</b> Define the services and programs that MCIP offers	1.2.1. Define immediate services to provide based on current capacity	ED	Staff	7/15/13	One time	1	1.2.2., 1.2.3., 1.2.4., 1.2.5., 1.3.1., 1.3.2., 1.5.1, 1.5.3.	7/15/13
	1.2.2. Establish Board Technical Assistance sub committee	ED	Board	June 2013	One time	1	1.1.1., 1.2.1., 1.2.3., 1.2.4., 1.2.5., 1.3.1., 1.3.2., 1.4.1., 1.5.1., 1.5.3., 1.5.5.	June 30, 2013
	1.2.3. Determine true industry demand for technical assistance	OUCSC BD TA Committee	Primes/ DBE Firms	July 15, 2013	Annual 3 <sup>rd</sup> qtr each year	2	1.2.2.	July 15, 2013
	1.2.4. Revise menu of services based on need and staff capacity	Bd TA Comm.	LP	8/15/13	Annual 3 <sup>rd</sup> Qtr	2	1.2.2., 1.2.3	August 15, 2013
	1.2.5. Establish 3-6-12 month service delivery goals and monitor completion	Staff/TA Subcommittee	Board	Jul-Sept 2013	Annually	1	1.2.2., 1.2.3., 1.2.4.	Sept 30, 2013
<b>1.3.</b> Develop a pipeline of clients through referrals from other organizations	1.3.1. Define and educate: Determine who makes a good client	Staff/ PM Group		Oct –Dec 13	3 <sup>rd</sup> qtr annually	3	1.2.2., 1.2.3.	12/31//13
	1.3.2. Define viable client expectations	Staff/ PM group		Oct-Dec 13	3 <sup>rd</sup> quarter annually	3	1.2.2., 1.2.3.	12/31/13

Goal and Strategy	Action Item	Lead	Partners	Timeframe	Frequency	Priority	Related action items	Completion Date
<b>Strategy 1.4.</b> Work with partners to help develop effective trainings with clients	1.4.1. Develop list of partners to provide technical assistance	Staff/ Board	Staff/ Board	Jul-Sept 3013	Annually 3 <sup>rd</sup> qtr	2	1.2.2., 1.2.4., 4.2.1.	9/30/13
<b>Strategy 1.5.</b> Develop a protocol of how to handle day-to-day client inquiries	1.5.1. Develop a menu of services/ brochure and website to clearly direct clients	Staff	Website/ Graphic Designer	Oct-Dec 2013	Edit annually		1.2.2., 1.2.3., 1.2.4.	12/31//13
	1.5.2. Develop a services referral list	Staff		Oct-Dec 2013	On going,		1.2.2., 4.2.1	
	1.5.3. Build an effective screening process	Staff	Other Business TA Providers	Oct-Dec 2013	Once and update	1	1.2.4.	10/31/13
	1.5.4. Establish office hours for call-ins and visits	Staff		Oct-Dec 2013	Yearly	1	1.6.1., 1.6.2	10/31/13
	1.5.5. Create opportunities for clients to interact with mentors (larger contractors) and peers (other minority contractors) ("coffee with a contractor"). More of a marketing function	Board/S taff		Jan – Jun 2014	Ongoing	3	1.2.2., 1.3.1., 1.3.2., 1.4.1.	Set after key priorities are scheduled.
Strategy.1.6. Increase the organizational capacity to provide services and programs	1.6.1. Develop programs for interns and volunteers to provide services to MCIP and it's clients	Staff	Board				1.2.2.	
	1.6.2. Increase capacity of existing staff through training to expand services and programs.	Staff					1.2.2.	
	1.6.3. Develop a recruitment process for new Board members	Board	Staff					

<b>Goal 2: Increase capacity of MBE/DBEs so there are more of them to manage and perform timely and high quality work successfully.</b>								
<b>Strategy 2.1</b> Increase the capacity of MBE/DBEs to manage construction and perform timely and high quality work and make a profit	2.1.1. Increase staff capacity (either by hiring more staff, recruit volunteers or interns, or train existing staff) to screen potential clients, research where the clients are, market to potential clients, and have adequate staff, facilities, and systems to assist potential clients	Staff	Board				1.3.1., 1.6.1., 1.6.2.	
	2.1.2. Develop benchmarks and milestones for clients	Staff	Board					
	2.1.3. Set up computerized system to track assistance and monitor progress	Staff	Board				1.6.2., 5.2.3.	
<b>Strategy 2.2.</b> Increase the pool of viable MBE/DBEs to serve as primes and subcontractors on commercial and infrastructure projects	2.2.1. Set up system to track data on MBE/DBE firms and match	Staff	Board				5.2.3.	
	2.2.2. Identify true disparity study and work collaboratively to measure impact of increased number of firms on disparity.	Staff	Board					
<b>Goal 3: Develop predictable, sustainable, and diverse (restricted and unrestricted) funding sources.</b>								
<b>Strategy 3.1</b> Create a fundraising strategy that could include (a) sponsorships, (b) client fees, (c) donations, (d) grants, and (e) special events	3.1.1. Create a fundraising Board subcommittee	Board	Staff	6/15/13	Yearly	1	3.1.2., 3.1.3., 3.2.1., 3.2.2.	6/15/13
	3.1.2. Recruit a board member with fund raising experience	Board	Staff/Community	7/15/13	One Time	1	2.1.1	7/15/13
	3.1.3. Create an immediate 60-90 day fundraising strategy focused on capacity building and based on strategic plan priorities	Bd Sub Comm.	Staff	7/15/13	One Time	1	3.1.1., 3.2.1.	7/15/13
<b>Strategy 3.2</b> Increase unrestricted funding	3.2.1. Determine unrestricted fund target as percent of MCIP Budget	Bd Com/ Staff	Primes/ Sponsors	Jul-Sept 13	One time	2	3.1.1.	9/15/13
	3.2.2. Develop annual strategy to secure funds			Oct-Dec 2013	Annual	2	3.1.1.	9/15/13
<b>Strategy 3.3.</b> Develop a client fee structure.	3.3.1. Develop an ala carte pricing structure, including updating plan center pricing.	Staff	Bd FR committee	Oct-Dec 2013	Yearly	3	3.1.1.	12/31/13

<b>Goal 4: Facilitate and support current and potential relationships that build upon the MCIP mission</b>								
<b>Strategy 4.1.</b> Review and define relationship with NAMC Oregon.	4.1.1. Meet with the NAMC Oregon Board and determine the relationship between the two organizations.	Staff/Board	NAMC Oregon	Jan-Mar14	Annually	4		Mar 2014
<b>Strategy 4.2.</b> Increase partnerships with other organizations	4.2.1. Develop relationships with other organizations (non-profits, agencies, contracting companies) to deliver joint programs and activities	Staff/Board	Partner organizations		Annually		1.4.1.	
<b>Goal 5: Develop an effective brand, marketing, and direct messaging strategy.</b>								
<b>Strategy 5.1.</b> Conduct a market evaluation that includes internal research.	5.1.1. Conduct a market evaluation to help better understand the competitive advantage of the services MCIP provides.	CSC	Staff	Jun-Aug 2013	Annually	2	5.2.2.	8/31/13
<b>Strategy 5.2.</b> Develop a branding and direct messaging strategy that effectively captures MCIP successes and strengths.	5.2.1. Create a Board committee to develop a branding and messaging strategy	Board	Staff/consultants	Apr – Jun 2014	Yearly		1.2.4., 5.1.1., 5.2.2., 5.2.3., 5.2.4.	6/30/14
	5.2.2. Develop an effective social media campaign (may include Facebook and Twitter)	Staff/Board		Apr – Jun 2014	Ongoing	4	5.2.1.	6/30/14
	5.2.3. Compile and track compelling stories and testimonials that illustrate the influence of MCIP's programs and services	Staff/Board		Apr – Jun 2014	Ongoing	4	5.2.1.	6/30/14
	5.2.4. Investigate new outreach methods	Staff/Board		Apr – Jun 2014	Ongoing	4	1.3.2., 5.2.1.	6/30/14

Source: Community Service Center, 2013

## SECTION 4: IMPLEMENTATION

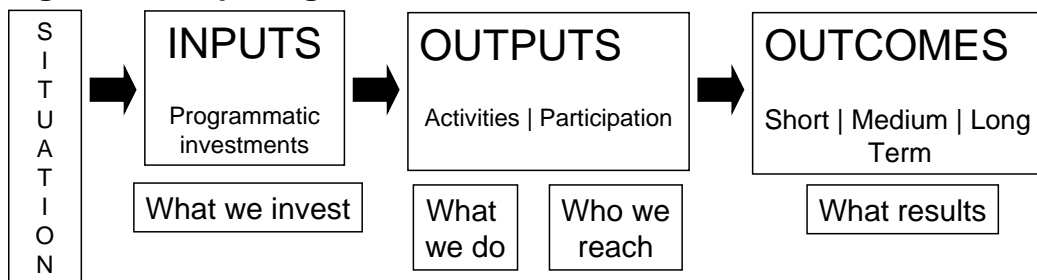
As MCIP implements the strategic plan over the next five years, the question of “how well are we doing?” will inevitably arise. This section provides a framework that MCIP can use to monitor progress towards the strategic plan goals.

### Evaluating progress

At one level, implementation of the strategic plan is simple: use the strategic planning matrix as a checklist. As each action is accomplished, note what was done and check the action off the list. The limitation of the checklist approach is that it does not measure whether meaningful progress is being made towards MCIP’s mission and the goals stated in the strategic plan. Documenting how activities relate to goals, strategies, and actions, say in an annual report, is a good first step in monitoring and evaluating progress towards the goals of the 2013-2018 Strategic Plan.

Most organizations begin evaluations by developing a “logic model.” The logic model is a systematic and visual way to present and share the understanding of the relationships among the resources the organization has (inputs), the activities to be implemented (outputs), and the changes or results the organization hopes to achieve (outcomes). In short, the logic model shows how programmatic activities relate to goals.

**Figure 1. Sample logic model**



Inputs are materials, financial resources, and human resources that the activities take in and then process to produce the desired results. Those inputs include the resources from agencies represented by knowledge, employees, and many more. The inputs make the next level of the logic model possible: activities.

The activities in the MCIP Strategic Plan are designed to strengthen the organization deliver programs and services to minority contractors. Those intended activities are identified as outcomes. Intermediate outcomes are the activities that occur at the individual or organizational level. For example, an output might be the number of people that attend

a workshop. The short term outcome might be that those individuals change their business practices and become more profitable. The ultimate outcomes include changes in business practices and profitability for at least 25 minority contractors.

The issue is how MCIP can monitor progress — how it measures outcomes. MCIP does not have to wait until it is ready to conduct an evaluation to develop a logic model based on the strategic plan and the annual work plan. One approach would be to use performance-based monitoring strategies.

## Performance-based Monitoring

Performance-based monitoring is a technique that involves the identification of “benchmarks”—a set of performance indicators with specific targets. Data on the indicators is gathered and reviewed on a continuous basis.

## Why Benchmarks?

Benchmarks provide the tool for measuring progress towards a vision. In the simplest terms, benchmarks provide numerical measurements of some part of the world in which we live. Whether they measure the number of mentor and mentee contractors, or the number of people in a workshop, benchmarks measure some element of MCIP’s mission that is of value. As a measuring stick, they are vital to the long term visioning process. By assessing conditions in the present, benchmarks help guide policies and activities in the future. Through tracking benchmarks over the long term, benchmarking helps ensure that steps take the organization in the right direction.

## How do Benchmarks Work?

Each goal should have one or more related benchmarks. Each benchmark should have an associated target that defines the desired future outcome. Each benchmark will have one or more indicators (data variables) that allow the benchmark to be measured over time. For example:

**Goal:** Continue to build on the organizations strong reputation by delivering quality services and programs with integrity.

**Strategy:** Define the services and programs that MCIP offers

**Action:** Define a comprehensive list of MCIP and update information on the website, handouts, brochures, and other media

**Benchmark:** Update website, handouts, and brochures.

**Target:** Website, handouts, and brochures are updated.

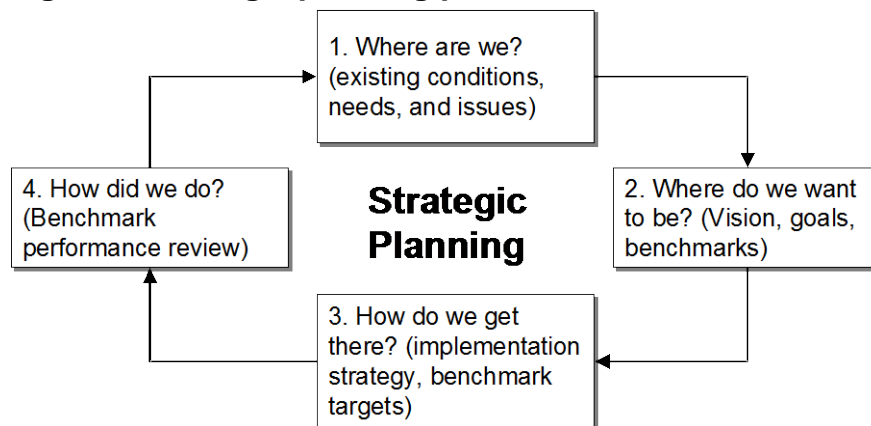
**Data source:** Website, handouts, and brochures.

This example does not necessarily mean that this is an appropriate benchmark, but underscores the types of data issues common in benchmarking. Many goals and benchmarks may not have data sources available to measure them.

## The Relationship between Benchmarks and Strategic Planning

Most benchmarking processes are linked to a strategic planning process. Strategic planning can be thought of as an iterative, cyclical process which shapes the future by committing to a destination and the strategies required to get there (Figure 2).

Figure 2. Strategic planning process



The 2013-2018 Strategic Plan addresses steps 1 and parts of 2 and 3, as shown in Figure 2. The Strategic Plan does not present benchmarks (Step 3 and 4 in Figure 4-1), however, MCIP could choose to take the next steps in the process: translating goals into benchmarks, establishing benchmark targets, and identifying specific data indicators that allow for benchmark performance reviews.

## What are outputs and outcomes?

Outcomes are *results*. Outputs are the *activities* that lead to results. Outcomes are frequently classified as “high-level” and intermediate. A high-level outcome typically represents a societal goal or statement of well being. Intermediate outcomes are steps that are taken to achieve the high-level outcome.

In the previous example, greater awareness and understanding of MCIP’s programs and services among clients, partnering organizations and funders is the desired outcome. An intermediate outcome could be defining the programs and services to improve focus of staff and the Board on those programs and services are most essential to the organization.

Outputs are the building blocks that achieve outcomes. Continuing with our example, outputs might include: updating the website; creating a handout; or working with partner organizations to get the message out.

## How are benchmarks selected?

Many potential approaches exist for selecting benchmarks. At least two criteria are relevant to this process. First, select benchmarks for which data are consistently and readily available or can be easily collected. Because it is important to show trends, it is vital that the data selected for the benchmarks will be available in the future. Second, benchmarks must reflect the goals contained in the strategic plan.

The State of Oregon Progress Board (no longer active, but it conducted important benchmarking for Oregon State government) focused on linking the benchmark process to state programs and budgets. The Progress Board's process also recognizes the linkage between outcomes, goals, and indicators. CSC believes this process could be used by MCIP. The steps that follow were adapted from the Oregon Progress Board process.

- I. Review the goal and make sure it is realistic (or sufficiently ambitious).  
  
Examine current level and historic trends and comparisons with other national programs and countries. (Where are the best practices and results - what goals do we want address.)
- II. If possible, identify the payoffs from achieving this goal in terms of the top-level outcomes identified in the Strategic Plan.
- III. Examine recent efforts to address this problem.  
  
Programs and budgets.  
  
Who have been the key players?  
  
What successes? What setbacks?  
  
Have strategies already been developed to achieve these goals?
- IV. Examine the best practices from other regions/countries.  
  
Look widely for innovative new ways to achieve benchmarks. Don't presume that the goal can only be achieved by spending more money on current programs.
- V. Develop a work program (tasks) to implement the action. It could focus on one or more of the following areas:  
  
Programs



Organizational change

Incentives

Budgets

- VI. Summarize what it will take to achieve the goal and what different levels of effort can be expected to achieve.
- VII. Identify specific indicators (data points) that are appropriate measures for the benchmarks and have data that is either readily available or could be easily collected.

Each benchmark should have an associated target. The target represents the desired value of an output or outcome at a given point in time. Targets should be ambitious but realistic. Targets should also reflect a level of commitment – how high are we willing to aim?

## Summary

The benchmarking process is intended to assist in monitoring the outcomes of strategic planning efforts. As such, it is closely tied to the strategic planning process, which requires organizations to make a number of normative decisions about future conditions. Benchmarks should reflect realistic goals and require data sources that are easy to obtain and, at minimum are published annually.