



CAPLAW's New Financial Leadership Team Training is a Success!

By Peggy Nagel, CAPLAW

On July 26th, CAPLAW sponsored a new training experience "Powering Up your Financial Leadership Team" in conjunction with the North Carolina Community Action Association. This full-day workshop provided select teams of Community Action Agency (CAA) executive directors, chief financial officers, resource development directors, and board leaders from North Carolina with an opportunity to explore innovative ways to work together to analyze their organization's financial health from the perspective of the whole entity, rather than program-by-program, and to better match their financial resources with their mission and the needs of their community. The hands-on workshop offered tools and strategies to improve communication, facilitate strategic thinking and promote joint problem solving.

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Each CAA leadership team participating in the pilot program committed to building a financial dashboard tailored to their organization. In advance of the training, each CAA shared with Michael Anderson of the *Nonprofits Assistance Fund*, its most recent audited financial statements and information about its financial decision making processes.

With Michael's assistance, in conversations prior to the workshop session, teams began the process of developing meaningful financial dashboards for their CAA. These customized dashboards were then used during the workshop by the teams to analyze their financial situation.

On the day of the workshop, Kay Sohl of *Kay Sohl Consulting* first lead the teams through a discussion of financial leadership roles within CAAs and the key financial and program information needed for each CAA to set financial

goals and think strategically about their organization's long term sustainability. Michael then presented the participating CAAs with their customized dashboards, and Kay and Michael both led the teams through a series of discussions focused on using their dashboards to think critically about financial and programmatic choices that would enhance their CAA's sustainability. The discussions centered on the CAA fully understanding its business model, i.e., the relationship between a CAA's investment in program, management, and fundraising and the income earned or contributed as a result. The CAA also identified factors critical to its long term financial sustainability, including program services provided, size and composition of the CAA workforce, strengthening capacity by building infrastructure, and setting targets for available cash and unrestricted net assets. At the end of the session each team set a goal for using the tools and training presented to implement successful financial decision making and strategies in their organization.



Starting in fiscal year 2013, CAPLAW in partnership with the Community Action Partnership plans to replicate this financial leadership team model on a regional basis by creating a series of interactive trainings for boards, board financial committees and executive staff to analyze their organization's

financial health and create dashboards and tools tailored to their organization. These customized financial dashboards are intended to help CAA leaders work together to effectively build financially healthy organizations.

