

# Community Care North Hastings

Queen's Business Consulting Presentation

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# + Agenda

- Background, Objectives & Methodology
- Financial Performance Analysis
- Revenue Generation Models & Awareness Campaigns
- Demographics of North Hastings
- Decision Matrix & Implementation Timeline
- Forecasting Industry Trends

# + Background on Client

- Established in 1981
- Rural and low income area (Hastings)
- Run under two entities – a non-profit and a foundation
- Organization that supports seniors remaining in their homes, and provides a reliable support system along with relevant programs to help cope with life transitions
- Offers services such as volunteer drivers, handibus, hot and frozen meals on wheels, tax clinics, etc.
- Working with the Director of the Organization
  - Gord MacDonald

# + Objectives

- Our Objective: To provide CCNH with recommendations of various ways to source revenue generation models within the Hastings region.

# + Methodology

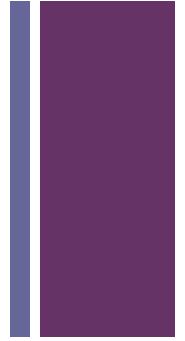
- Discovery Meeting, September 2010
- Understanding of CCNH operations
  - Financial Statements & Budgets
  - Pricing Structure
- Research, research, research!
  - Secondary Research & Best Practices
  - Industry Experts
- Consolidation & Recommendations
  - Demographics & Region Analysis
  - Decision Matrix
- Report & Presentation

# + Financial Performance Analysis

## ■ Key Takeaways

- Organization is strongly dependent on funding (minimal future sustainability – risky to rely on and difficult to plan for long-range initiatives)
- Government funding may begin to interfere with CCNH operations if this is not already the case
  - Hospice House
- New sustainable sources of revenue must be pursued in order to become profitable internally (not based on government funding)

# + Revenue Generation Models



- Nine Models based on:
  - Secondary Research,
  - Industry Experts,
  - Brainstorming
  
- Took into consideration:
  - Demographic variables,
  - Regional variables

# + Expansion of Thrift Store to Maynooth

- Idea: Introduce a third Heritage Shoppe in Maynooth, the “hub” of Hastings Highlands
- Strengths:
  - Already a core competency of the organization
  - Hastings Highlands has an exceptionally high tourist influx
  - Potential for additional government funding from an environmental perspective



# + Expansion of Thrift Store to Maynooth

## ■ Weaknesses:

- Expansion requires extensive capital, and would likely be contingent on government funding
- Difficult to estimate propensity to buy from second hand stores in Hastings Highlands
- Unsure if the additional manpower is available to facilitate expansion

## ■ Revenue Potential: **\$25,000**

# + Recipes of Bancroft

- Idea: Gives the clients of CCNH an opportunity to submit their recipes to be published with credit in a cookbook that can be sold within bookstores and other shops in the community. The best-kept secrets of Bancroft!
- Strengths:
  - Gets clients involved in the initiative (aligns with CCNH's core objectives)
  - Low costs and higher profit margin yield (especially if secure sponsored publishing)
  - Possibility to expand into a series of books if well received
  - Low risk
  - Great community initiative
  - Keeps up public image for CCNH

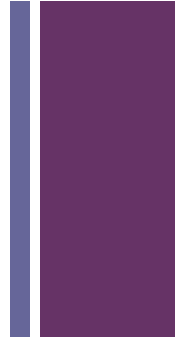
# + Recipes of Bancroft

- Weaknesses:
  - Rely on client involvement and recipe submission
  - Need to secure sponsorship to cover publishing fees
  - Need to secure multiple distribution channels (i.e. bookstore, door-to-door sales, etc.) in order to realize sales estimates
  - Potentially high marketing costs
  
- Revenue Potential: **\$17,100 (subject to demand)**

# + Seniors' Fitness Classes

- Idea: Offer Senior's Fitness classes to the general public. Aligns with core competencies and is an added service for CCNH.
- Strengths:
  - Aligns with core values and mission of CCNH
  - Have pre-existing potential client base to draw from already
  - Potential free rental space available to CCNH
  - High demand & revenue potential
  - Highly sustainable
  - Potential to expand the service

# + Seniors' Fitness Classes

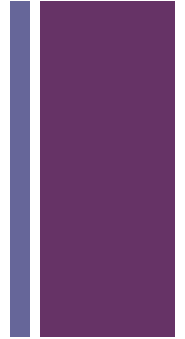


- Weaknesses:
  - Demand dependant on location of the class
  - Need to hire a qualified fitness instructor, preferably with experience in running classes for seniors – finding a suitable person may be difficult
  - Possible competition (i.e. Curves)
  - Amount of profit dependant on space rental costs and availability
  
- Revenue Potential: **\$48,000**

# + Other Potential Solutions

- Newsletter Advertising
- Coupon Book
- Recycling Initiative
- Reoccurring Subscription Donations
- Bookstore & Coffee Shop
- York River Tour Boat

# + Awareness Campaigns



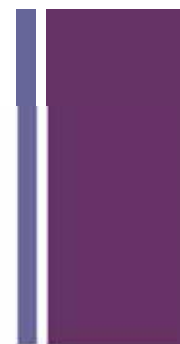
- Open House for potential and existing donors
- Thank Donors
  - Personal Calls (Youth Volunteers)
  - Honouring (RSS Feed, Plaque)
- Donor Round Table
- Tap into Youth Base
  - High school students (volunteers, joint initiatives)
  - Social Media Targeting

# + Key Demographic Variables to Consider

- Tourism Influx
- Aging Population
  - Many younger people leave for post-secondary school after high-school graduation and don't come back
- Relatively low income area
- Geographically remote

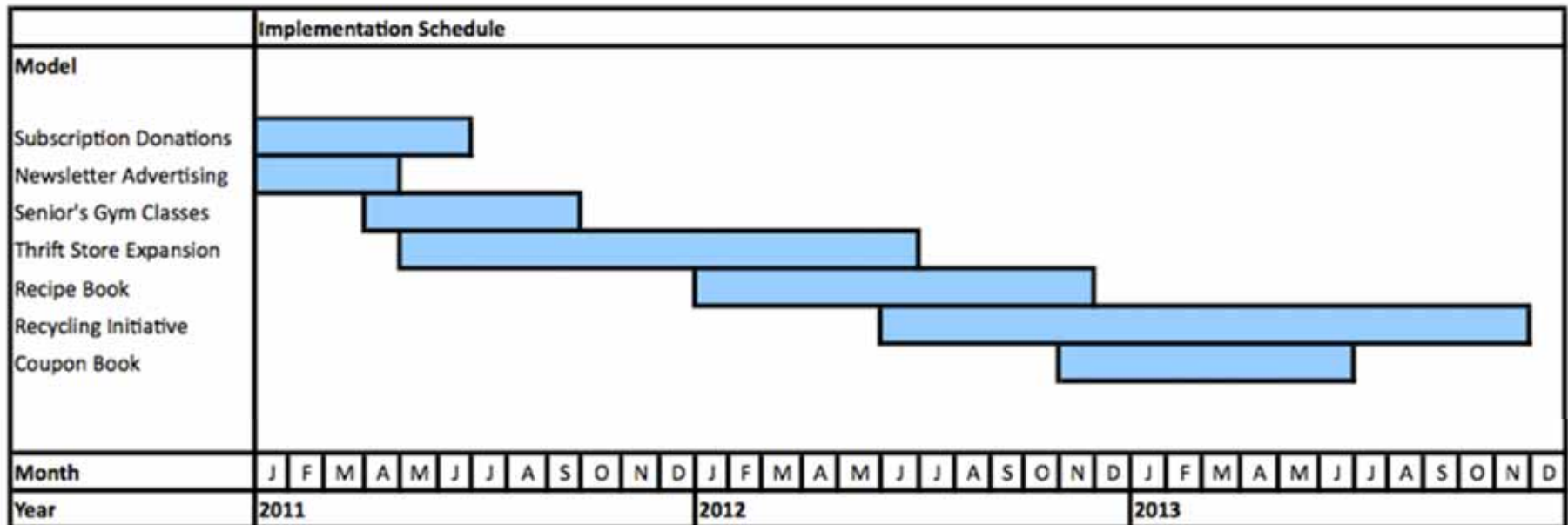
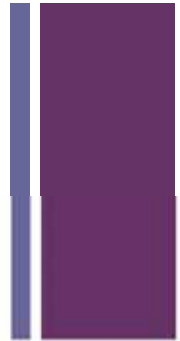


# + Decision Matrix



|                           | Weighting     | Thrift Store Expansion | Newsletter Advertisement Space | Coupon Booklet | Recycling Initiative | Reoccurring Subscription Donations | Senior's Fitness Classes | Recipe Book | Bookstore & Coffee Shop | York River Tourboat |
|---------------------------|---------------|------------------------|--------------------------------|----------------|----------------------|------------------------------------|--------------------------|-------------|-------------------------|---------------------|
| Ease of Implementation    | 20.0%         | 4                      | 7                              | 6              | 5                    | 7                                  | 6.5                      | 7           | 4                       | 4                   |
| Minimal Manpower Required | 15.0%         | 6                      | 9                              | 5              | 5                    | 6                                  | 6                        | 6           | 4                       | 6                   |
| Immediacy of Impact       | 15.0%         | 5                      | 8                              | 6              | 5                    | 7                                  | 6                        | 6           | 5                       | 6                   |
| Potential Profitability   | 30.0%         | 10                     | 4                              | 6              | 8                    | 7                                  | 8                        | 7           | 6                       | 6                   |
| Long-Term Sustainability  | 20.0%         | 8                      | 6.5                            | 6              | 9                    | 7                                  | 8                        | 6           | 7                       | 7                   |
|                           |               |                        |                                |                |                      |                                    |                          |             |                         |                     |
| <b>TOTAL</b>              | <b>100.0%</b> | <b>7.05</b>            | <b>6.45</b>                    | <b>5.85</b>    | <b>6.7</b>           | <b>6.85</b>                        | <b>7.1</b>               | <b>6.5</b>  | <b>5.35</b>             | <b>5.8</b>          |

# + Implementation



# + Industry Trends to Consider

- LHINS pushing to reduce the number of transfer payment agencies
- In terms of organizational structure:
  - Purchase of service agreements with larger entities
  - Trend towards “Hubs”
  - Trend towards Integration

+ Questions?

