Financial Sustainability Shifts

NORTHSTAR EDUCATION PARTNERS

If you have any questions or need help customizing this tool, please reach out to support@northstaredpartners.com

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Grounding

Before launching into examining your financial sustainability, take a moment to ground yourself.

- What does financial sustainability mean to you?
- Why is it important?
- What cultural or historic values or experiences do you hold when it comes to money and finances?

The following pages outline 11 shifts that support model sharers to move towards a financially

From	To
Misalignment on core strategy	**Alignment on core strategy**
Team members are unclear or mis-aligned on the organization’s purpose, beliefs, and strategy, leading to fragmented efforts and reduced impact.	Team members are deeply anchored in the organization’s fundamental purpose and intended impact of model sharing, with a clear, shared strategy and concrete goals that drive all actions.

From

To

Disconnected from the end-user experience

Deep connection to the end-user experience

Team members have minimal ongoing engagement with the communities served, resulting in offerings that may not fully meet their needs or adapt to changing

Team members actively engage with the communities served to understand their experiences, unmet needs, and changing contexts, ensuring relevant and impactful

From

To

Low relevance & market fit

High relevance & market fit

Offerings experience low or declining adoption rates due to a poor fit with or misunderstanding of the market and end-user needs, inability to encourage the field to move beyond industrial-era

Offerings are highly relevant to buyers and target communities and beyond, fueled by a strong alignment with community needs and the ability to inspire the adoption of more innovative

From

Limited evidence of impact & satisfaction

Offerings fail to achieve desired outcomes or reach high levels of stakeholder satisfaction or poor systems in place to collect data or measure impact.

To

Strong evidence of impact & satisfaction

Offerings show promising evidence of strong impact, results, and high stakeholder satisfaction, commensurate with the organization’s stage of growth.

From	To
Limited understanding of financial drivers	**Strategic implementation of desired financial drivers**
Financial drivers are not fully understood, with little clarity on key revenue sources, major expenses, and financial health. There is a lack of established financial metrics, leading to uninformed and reactive financial decisions.	Financial drivers are well understood, with established financial metrics that provide clear insights into key revenue sources, major expenses, and financial health. Financial metrics guide informed and strategic financial decision-making across

From

Limited investment in earned revenue

Earned revenue opportunities are underexplored, leading to an over-reliance on philanthropic revenue. The pricing strategy is underdeveloped and misaligned with market value, equity

To

Mission-aligned investment in earned revenue

A strategic, mission-aligned approach to earned revenue is established or in development, supporting financial sustainability. A clear pricing strategy is in place that aligns with market value,

From	To
Reactive fundraising	**Strategic fundraising**
Fundraising efforts are ad hoc and reactionary, lacking a coherent strategy aligned with long-term financial sustainability goals.	Strategic fundraising efforts are in place or in development that are proactive, build long-term relationships with donors, and are aligned with the organization’s mission and financial sustainability

From

Reactive growth

New client relationships develop idiosyncratically and/or through word-of- mouth with limited strategy, focused marketing or cultivation processes.

To

Strategic growth

Longer-term growth and cultivation goals are set, implemented and evaluated, often considering geographic and other intentional growth opportunities.

From

To

Inefficient offerings management

Expenses are excessively high due to a lack of visibility into costs, inefficiencies in designing and delivering offerings, high overhead, and other contributing factors, leading to unsustainable financial costs and reduced overall financial sustainability

Efficient and well-managed offerings

Expenses are aligned with organizational goals, closely monitored, and managed through regular process improvements, thorough cost analysis, and benchmarking to drive efficiencies and reduce overhead, supporting overall financial sustainability

From

Outdated financial systems

Financial tools are outdated and inefficient, resulting in disorganized or hard-to-analyze financial data that obscures visibility into the organization's operations and financial performance. Consistent processes for reviewing and utilizing financial data are lacking.

To

Modern and efficient financial systems

A comprehensive set of modern financial tools and reporting systems provide clear, actionable insights into expenses, revenue, and overall financial health. Consistent organizational processes are in place to effectively utilize financial data for decision-making.

From

Emerging financial culture and capacity

Staff and leadership have a limited understanding of financial sustainability principles and rarely prioritize sustainability, leading to inconsistent financial decision-making.

To

Strong financial culture and capacity

Staff and leadership cultivate a culture of financial awareness and sustainability, with ongoing education and transparent sharing of financial information, supporting long-term

View the full infographic here

Transcend

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Financial Sustainability Shifts for Model Sharers

Transcend and NorthStar Education Partners collaborated to develop an initial framework that identifies key "shifts" to support a model sharing organization's financial sustainability journey. Built on lessons learned from past partnerships, this framework is a starting point that will evolve as we receive feedback from the community and continue engaging in more projects.

The framework is organized into two sections. The first section focuses on the Financial and Organizational Foundations that we've found are essential for long-term sustainability. We have found that only when these foundational variables are well-developed, do the explicitly financial variables found in Section 2 of the framework have a strong basis upon which to build. Therefore, you'll notice an invitation to pause and reflect after this initial section.

	From	To
	Section 1: Financial and Organizational Foundations *Shifts to consider before embarking on deeper financial sustainability initiatives*	
1	**Misalignment on core strategy** Team members are unclear or mis-aligned on the organization's purpose, beliefs, and strategy, leading to fragmented efforts and reduced impact.	**Alignment on core strategy** Team members are deeply anchored in the organization's fundamental purpose and intended impact of model sharing, with a clear, shared strategy and concrete goals that drive all actions.
2	**Disconnected from the end-user experience** Team members have minimal ongoing engagement with the communities served, resulting in offerings that may not fully meet their needs or adapt to changing circumstances.	**Deep connection to the end-user experience** Team members actively engage with the communities served to understand their experiences, unmet needs, and changing contexts, ensuring relevant and impactful offerings.
3	**Low relevance & market fit** Offerings experience low or declining adoption rates due to a poor fit with or misunderstanding of the market and end-user needs, inability to encourage the field to move beyond industrial-era methods, or other factors.	**High relevance & market fit** Offerings are highly relevant to buyers and target communities and beyond, fueled by a strong alignment with community needs and the ability to inspire the adoption of more innovative approaches.

[Infographic Link]