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Big Theories in Small Places:

Lean/Six Sigma in the Small to Medium Size Nonprofit – Can they work?

A Dissertation Presented in partial fulfillment of the requirements for the degree

Doctor of Public Administration

John Lochner

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October 2018

Committee Members

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### Dedication

This dissertation is dedicated to my wife Dana, without whose support and encouragement this would not have been possible. She is my rock. I would also like to sincerely thank my committee, who encouraged me to stay focused and provided needed counsel in that regard. As well, I would also like to thank the broader Hamline School of Business faculty for their encouragement and guidance; they are truly dedicated to their profession and to their students.

John Lochner

Soli Deo Gloria

### **Abstract**

The non-profit sector comprised 5.4% of the United States' GDP in 2013, the most recent year for which statistics are available. (Urban Institute, 2015). There is an increasing emphasis by donors and the public towards accountability and demonstration of results. Quantitative measures are increasingly expected from donors of the nonprofit organization, whether individuals or larger foundations, to demonstrate value and generate further support. As such, there have been many efforts to introduce practices of private sector management theory, specifically performance management theories, to the non-profit sector. Enterprise Performance Management (EPM), Business Process Management (BPM), Total Quality Management (TQM), Balanced Scorecard (BSC), and other programs of this type are all the trend to enable the more agile, responsive, effective organization. These initiatives have however focused on the larger organizations that pattern after private sector organizations. There has been perhaps a reluctance on the part of the smaller nonprofit organizations to take on these seemingly large initiatives, to either see the applicability or perhaps be unwilling to undertake the investment in dollars and time required for such programs, which can be tied only indirectly to mission objectives. This may be for a variety of reasons, which this research will explore. Correspondingly, there is a gap in the literature regarding application of performance management approaches to smaller nonprofit organizations.

This study will look at two specific performance management programs – Lean and Six Sigma – in small to medium size nonprofit organizations to better understand forces creating resistance to these programs, the degree these programs have been attempted

and, perhaps more importantly, the factors which affect the success of the initiatives at small to medium size organizations in general and public charity nonprofit organizations more specifically. Is there evidence of Lean and Six Sigma programs being effectively used in smaller nonprofit organizations? If so, this information can be used to then inform other organizations in their journey towards a more effective approach to their mission.

The overwhelming majority of public charity nonprofit organizations are small by any definition, with 94.8% by count taking in less than \$10 million in revenue each year; 91.5% less than \$5 million; and 66.4% less than \$500,000. (Urban Institute, 2015).

While there is no standard definition for what constitutes a “small” or “medium” sized nonprofit, several reference points can be used to establish a cutoff. Light (2002, 139) classifies organizations between \$500,000 and \$1,000,000 of annual revenue as small, and between \$1,000,000 and \$10,000,000 as medium sized. The Urban Institute (2016) and Minnesota Council of Nonprofits (2017) use \$5,000,000 as a cutoff point for reporting nonprofit activity, while not labeling each classifying cutoff. While perhaps then an arbitrary cutoff point, a view of organizations under \$5 million serves as a useful cutoff, as it is a common breakpoint for many reporting organizations. In comparison, Gartner Research (2017) defines small to mid-sized businesses (SMBs) by two metrics, number of employees and annual revenue. Mid-size companies generally employ fewer than 1000 employees and have less than \$1 billion annual revenue. Private sector definitions clearly will not prove useful for the nonprofit sector.

This study will use a grounded theory approach using case study interviews to define a set of variables or factors that strongly affect the use or acceptance of such performance management programs, the success or failure of such programs, and the longer-term sustainability of such programs. The objective is to better inform leaders towards a more effective organization.

Keywords: Lean, Six Sigma, nonprofit, performance improvement, quality, efficiency, effectiveness

## Table of Contents

<b>Dedication .....</b>	<b>2</b>
<b>Abstract.....</b>	<b>3</b>
<b>Table of Contents .....</b>	<b>6</b>
<b>List of Tables and Illustrations .....</b>	<b>10</b>
<b>Chapter I: Background of the Study .....</b>	<b>11</b>
<i>Problem Statement.....</i>	<i>19</i>
<i>Purpose of the Study.....</i>	<i>21</i>
<i>Contributions to Theory.....</i>	<i>22</i>
<i>Definition of Terms.....</i>	<i>23</i>
<i>Hypothesis .....</i>	<i>25</i>
<i>Research Questions .....</i>	<i>25</i>
<b>Chapter II: Literature Review .....</b>	<b>27</b>
<i>Background.....</i>	<i>27</i>
<i>Performance Management Programs.....</i>	<i>28</i>
<i>Theoretical Foundations.....</i>	<i>43</i>
Contingency theory. ....	44
Four Drive Theory.....	46
Expectancy Theory.....	47
Change Management Theory. ....	48

Organization Conflict Theory.....	51
<i>Best Practices</i> .....	53
What are “Best Practices”?.....	53
Best Practices within a Lean Six Sigma context. ....	57
The Baldrige Framework.....	62
Change Management. ....	64
Themes and commonalities. ....	66
<b>Chapter III: Methodology .....</b>	<b>69</b>
<i>Subject Selection and Instrumentation</i> .....	70
<i>Data Collection Procedures</i> .....	72
<i>Data Analysis</i> .....	72
<i>Limitations</i> .....	73
<b>Chapter IV: State of the Sector; Findings from Surveys .....</b>	<b>74</b>
<i>Survey Responses</i> .....	74
<i>Does Size Matter?</i> .....	92
<i>Respondent Comments</i> .....	93
Positive Signs. ....	93
Room for Improvement. ....	94
Challenges. ....	96
<b>Chapter V: Case Study Findings .....</b>	<b>97</b>
<i>Participants</i> .....	97
<i>Organizational Experiences</i> .....	99



Asian Women United of Minnesota.....	99
Episcopal Homes.....	101
Greater Mankato Growth (GMG).....	104
Leading Age Minnesota.....	108
Twin Cities in Motion.....	111
Valley Outreach.....	114
Volunteer Lawyers Network.....	117
Youth Performance Company.....	120
<i>Common themes.....</i>	<i>123</i>
Leadership buy-in is essential.....	126
Keep it simple.....	127
Manage the pace of change.....	127
Culture matters – get everyone aligned.....	128
Approach matters.....	129
Take advantage of outside resources.....	130
Look at what works well now, and put a structure around it.....	131
Just start.....	131
<b>Chapter VI: Discussion and Recommendations.....</b>	<b>133</b>
<i>Research Questions.....</i>	<i>137</i>
Research question 1:.....	137
Research question 2:.....	139
Research question 3:.....	142
Research question 4:.....	143
<i>Findings and conclusions.....</i>	<i>145</i>
There is a lack of awareness.....	145

Quality improvement practices are informal .....146

Quality and process improvement practices are a function of organization size.....146

Semantics and culture matter.....149

Processes are not well documented. ....152

*Recommendations and Future Research* .....154

    Create a culture of continuous improvement .....155

    Create awareness.....156

    Be intentional, deliberate, and take a cautious approach.....156

    Assessment tools can help.....157

    Author’s perspective.....157

    Future research. ....158

**References.....159**

**Appendix A: Survey Questionnaire.....184**

*Email Solicitation* .....184

*Survey Instrument, Summarized Responses*.....185

**Appendix B: Case Study Questions .....191**

**Appendix C: Survey Results.....192**

**Appendix D: Wilcoxon Mann Whitney Rank Sum Test .....217**

### **List of Tables and Illustrations**

Respondent Organization Size .....	74
Considered or Used Formal Programs.....	76
Considered or Used Formal Programs by Size.....	77
Respondents by location, size .....	77
Actively Seek Feedback .....	79
Feedback Used for Ongoing Improvements.....	79
Service Incident Data .....	80
Process Definition .....	81
Data Collection for Improvements .....	83
Clear Understanding of Value-add Activities .....	86
Complexity of Processes .....	87
Sufficient Resources.....	88
Organizational Benchmarking.....	89
Quality Index.....	90
Process Index.....	91
Quality Index.....	149
Process Index.....	149

## **Chapter I: Background of the Study**

Nonprofit organizations are defined as “a body of individuals who associate for any of three purposes: 1) to perform public tasks that have been delegated to them by the state; 2) to perform public tasks for which there is a demand that neither the state nor for-profit organizations are willing to fulfill; or 3) to influence the direction of policy in the state, the for-profit sector, or other nonprofit organizations” (Hall, 1987, 3) and are contrasted with the for-profit sector and public sector as the three legs by which one defines corporate organization. The sector as a whole comprised 5.4% of the United States’ gross domestic product in 2013, the most recent year for which statistics are available. (Urban Institute, 2015). We as a society care about this sector because of its size relative to our overall economy and because it is such a vital part of our identity as a culture; we are by nature a culture of volunteers. Almost 63 million people volunteered through or for a nonprofit organization for the twelve months ending September 2015, according to the Bureau of Labor Statistics (2016). “Over 1.4 million nonprofit organizations were registered with the IRS in 2013, an increase of 2.8 percent” from 10 years prior. (Urban institute, 2015), with approximately \$1.73 trillion in total revenue. Of this total, approximately 293,000 are classified as public charities, those organizations focused on human services, in contrast to organizations focused on arts and humanities, higher education, or health care, as examples. These 290,000+ organizations nevertheless assumed over \$1.4 trillion in revenue. (NCCS, 2014). Nonprofit organizations work to provide needed social services, organize activities for public good, educate, reform, promote the arts, oversee professional activities, provide medical care,

and support a myriad of activities and services. They vary in focus and size, with some being purely voluntary with very modest recorded income, “Jacket Hoop Boosters” in Cambridge, MN, with 2015 income of \$49,000 (Charity Navigator, 2016) as one example, to United Way Worldwide with 2014 revenue of almost \$5.2B. (United Way, 2016, p.42).

Volunteerism as an activity has a long history in American culture and is considered an integral part of our cultural fabric. While formal and legal incorporation of voluntary associations gained traction only in the latter half of the 19<sup>th</sup> century (Hall, 2006, 36), volunteerism, the pooling of a community’s resources to aid one another, has long been a part of our culture. Tocqueville observed that “In no country in the world has the principle of association been more successfully used or applied to a greater multitude of objects than in America; ... associations are established to promote the public safety, commerce, industry, morality, and religion. There is no end which the human will despairs of attaining through the combined power of individuals united into a society” (Tocqueville, 1835, 220). He recognized voluntary action on behalf of the common good, writing “I must say that I have seen Americans make a great deal of real sacrifices to the public welfare; and have noticed a hundred instances in which they hardly ever failed to lend a faithful support to one another.” (Tocqueville, 1835, 594).

That proclivity towards joining together for a common objective manifests itself not just in action, but in how we manage our finances and economy. Charitable giving exceeded \$358 billion in 2014 (NCCS, 2017). We organize and associate for very focused and local objective; of the 293,000 nonprofits designated as Public Charities in

the United States, 278,000 of these organizations, 94.8%, had less than \$10 million in total revenue; breaking down further, 268,000 / 91.5% had less than \$5 million in revenue. (Urban Institute, 2017). There is a clear predominance of smaller organizations; we as a society do not generally rely on large organizations and public sector governing authorities to address all of our societal issues; we form up groups who share a passion for solving a particular problem and take action. Of course, tax policy certainly creates some incentives to do so, understanding those incentives are only partially efficient as marginal tax rates do not approach 100%.

Both the size of the sector and its growth over the last decades have increased the competition for donor funds and support from volunteers, which in turn has focused the public's attention on effective use of donor funds, both in terms of measuring outcomes and in monitoring program expenditures directed to services. This follows a broad and general trend across all organizations towards increasing levels of efficiency and effectiveness, of higher levels of quality, whether manufacturing goods or provision of services, and towards quantifying these objectives via metrics. This has led to an evolving set of programs developed over the years to increase quality, focus on customer needs, and increase efficiencies (hence lowering costs); in short, to do more with less. These program models were developed in the private sector and adopted for use in the public sector and in large nonprofit organizations, including Total Quality Management (TQM), Continuous Improvement programs (CIP), Balanced scorecard (BSC), Business Process Reengineering (BPR), Six Sigma, and Lean. "Accountability and performance measure have become urgent" for nonprofit organizations as they compete for both donor

dollars and volunteer resources. (Kaplan, 2001, 353). Measuring performance however in a service-based human services organization can be somewhat problematic. Two primary issues follow: organizational ‘effectiveness’ as a concept is not something that has a standard definition; it cannot be clearly defined in a quantitative manner. It will obviously vary by organization, by its purpose and mission, but also by its culture, by its approach, by its context in the community. It is not a thing to be counted, as a widget, but is a goal with subjective criteria. Secondly, performance improvement as a concept often conflates concepts of organizational performance with efforts to reduce headcount, increase throughput, or detract from the care provided clients / customers. Organizational performance, efficiency, and effectiveness can be loaded concepts in the nonprofit environment, intimating an uncaring focus on hard metrics, on quantity over a quality of service. As such, these ideas of increasing or improving organizational performance have somewhat lagged efforts in the private sector. While quality of service (QOS) concepts very much apply to the nonprofit sector, ideas of efficiency and effectiveness carry connotations of profitability, which clearly does not apply to nonprofits. Nevertheless, more is expected from the nonprofit sector with regard to accountability. In response to this expectation, several programs have taken root and produced desired results, including large organization use of the Balanced Scorecard at Duke University Children’s Hospital (Niven, 2008), Lean Management at Children’s Hospital of Minnesota and 2<sup>nd</sup> Harvest Heartland (author interviews); and smaller organization examples including Child and Adolescent Treatment Services (CATS) of Buffalo, NY using Six Sigma to reduce wait times and increasing capacity (Drury, 2011) and Goodwill of Los Angeles’

use of Lean Value Stream Mapping techniques to increase revenue and reduce between-process inventory (Tranholt-Hochstein, 2015), and a Washington State food pantry using Lean processes to better manage the organization's growth in size and scale across multiple locations. (Tranholt-Hochstein, 2015).

The private sector has long embraced the idea of focusing attention on ways of improving performance, of exploring new ideas and methods of enabling more and better quality output for a given set of inputs. This emphasis on Performance Management can be traced back to the late 19<sup>th</sup> century and Wilson's administrative state and Frederick Taylor's Scientific Management in 1911, progressing through Deming and Juran's focus on quality in post-war Japan, picking up steam in the 1960's and 1970's with Business Process Reengineering, Motorola's introduction of Six Sigma in the 1980's, and Toyota's TPS (Toyota Production System), now commonly referred to as Lean Manufacturing Processes. Scattered in between are various programs and approaches such as Business Process Reengineering, Enterprise Performance Management (EPM), Business Process Management (BPM), and use of tools such as a Balanced Scorecard (BSC). These initiatives work to focus attention and energy on improving efficiencies, increasing quality, and enhancing profitability of the firm.

More recently Six Sigma and Lean processes have consolidated as a performance management practice in order to extract the benefits of each while overcoming those areas that each does not on its own address. Six Sigma is a quality-focused endeavor, using statistical process control to reduce variation and eliminate defects. Lean focuses on processes improvement, standardization, increasing velocity by recognizing value-



add activities as distinct from non-value-add activities, and then reducing the time and labor focused on non-value-added activities. These techniques complement each other nicely and have been brought together into a consolidated technique; one rarely sees Lean or Six Sigma implemented today in a standalone manner without the other. Accenture has gone so far as to rebrand Lean Six Sigma as “Operational Excellence”, (Price et al, 2011, 11).

Lean Six Sigma has especially resonated this last few years, with an abundance of research and literature regarding these practices and application beyond the manufacturing context. Application of Lean Six Sigma in the Public Sector, services sector, small manufacturing environment, and larger non-profit world has been well received. Examples include public service organizations such as the Columbus (GA) Consolidated Government Office (McNary, 2008) and the City of Ft. Wayne, IN (George, 2003); at large banks such as Bank One; at Lockheed Martin to streamline accounting functions (George, 2003); at large healthcare organizations such as Stanford University Hospital (George, 2003) and Children’s Hospitals and Clinics of Minnesota (de la Torre, M., 2017; Carbasho, T. 2009). There is however a distinct gap in the literature regarding application of these practices in smaller non-profits; organizations that are largely human-services oriented and lacking the infrastructure and internal operations strength of a large organization. The focus of this paper is towards that small to mid-size nonprofit organization. With the preponderance of organizations being very small in comparison the private sector organizations, can these “large organization” programs and “big theories” of Performance Management from the private sector be

applied on a smaller scale in order to aid these smaller organizations in their mission? As these programs gain more attention and adherents, the question then becomes whether the performance management programs and methods used in the private sector firms and larger nonprofit organizations have applicability in the smaller nonprofit organization. Can programs that originated in very large private sector corporations be effective in enhancing the value and capabilities of smaller service-based nonprofit organizations? Are the practices and lessons learned in the private sector of value in applying the programs in the nonprofit sector, with the goal of improving organizational performance and increasing efficiencies? A common theme pushing back against such initiatives regards the nature of the nonprofit sector itself, that efficiency is not and should not be an objective, that outcomes cannot be measured the same way widgets of output are measured in a manufacturing company, or customer satisfaction is measured in a services company; that productivity and value are measured in people's lives in a subjective manner and cannot be quantitatively measured. This is especially important because of the pressures on nonprofits to accomplish more with fewer resources and to do it better than could be done by a similar for-profit or public organizations. A demonstration of the viability of these programs can persuade other organizations to take up similar programs, thus improving the sector as a whole. This paper will work to both quantify what is being done with these programs and also qualify via case study examples.

There is an extensive set of research, articles and books focused on applying performance metrics in non-profit organizations, encouraging the reader to measure performance and collect data, informing us to specific metrics that might be meaningful,

and emphasizing the importance of leadership. Saul (2004), Kaplan (2001), Moss Kanter (1987), Sawhill and Williamson (2001), Letts et. al. (1999), and Poister (2003) as examples address what to measure, and to a lesser degree how to measure, metrics related to strategy, outcomes, finances, volunteerism, employee engagement. None address the practices, habits or cultural changes that actually enable higher degrees of performance or efficiency or effectiveness. There appears overall very little written to how one would implement performance management practices, to the factors which affect both the immediate success of the program as well as the longer term sustainability of the program. Research on Lean and Six Sigma tends to fall into two general orientations: categorizing the focus on the manufacturing firm or the service organization, or distinguishing between public sector service-provision and the for-profit private sector organization. There is little written that speaks to the unique challenges of the smaller services-oriented nonprofit organization, addressing the applicability of and barriers to use of these programs, nor the success or lack thereof in implementing performance measurement systems in these type organizations, regarding initiatives to introduce these constructs, or on the results of having implemented these type initiatives. Nevertheless, there is evidence of Lean and Six Sigma producing positive results in smaller organizations, but that evidence is largely focused smaller manufacturing companies. Elbert (2013) cites success in implementing Lean and reducing waste while improving throughput at Beckman Coulter Inc. and Allsteel, both small manufacturing companies; while Enterprise Minnesota, a nonprofit focused on promoting manufacturing companies in Minnesota, cites many examples of Lean being effectively used to improve processes

at many small manufacturing companies. The lessons learned at these private sector companies, while not an exact parallel, can nevertheless serve as examples for the smaller services-oriented nonprofit organization to the implementation issues and benefits of these programs.

### **Problem Statement**

There is abundant evidence of the value of performance management programs such as Lean and Six Sigma in large organizations (George, 2003; Modig, 2013; Price et al, 2011); there is conversely a gap in our understanding of these practices in smaller nonprofit human services organizations. Can performance management programs such as Lean and six Sigma, which are commonly used in large organizations, deliver positive results at small to medium-sized non-profit service organizations? If they can be applied, what can be learned about the methods used to implement and sustain these programs that can then be used to inform other organizations? Said in other words, what factors affected the success of the programs that can then inform future implementations?

This research is an extension and continuation of research into the applicability and effectiveness of Lean Six Sigma in environments outside the original focus of these programs. Lean techniques grew out of Toyota Production Systems, a very large automotive manufacturing environment. Six Sigma was developed at Motorola with the purpose of increasing quality and reducing defects in a large-scale electronics manufacturing. While both programs then were designed in that large-scale manufacturing environment, the concepts were seen as applicable to other situations, and there is a significant body of knowledge regarding the application of these techniques in

other contexts. Lockheed Martin applied Lean Six Sigma concepts throughout the organization, achieving \$4 billion on cost savings in less than two years through process efficiencies, including improved material requisition and procurement processes with suppliers. One very tangible outcome was the ability to deliver a next generation cruise missile in one third the time and at half the cost as the prior missile. (George, 2003). The City of Ft. Wayne IN implemented Lean Six Sigma thinking into their operations, resulting in, as examples, the fire department's ability to do 23% more re-inspections with the same staff; 98% of street pothole reports repaired in less than 24 hours, an improvement from the 77% repair rate within 24 hours prior to Lean Six Sigma. (George, 2003). Stanford University Hospital saw a reduction in ICU hours per patient and a material cost savings of \$25 million per year, largely by reducing complexity. (George, 2003).

Elbert (2013) and Connor (2009) demonstrate the applicability of Lean Six Sigma concepts in small manufacturing environments, enabling efficiencies and higher levels of productivity resulting from a change in attitudes and culture, in how people approach their work. What is lacking however is an exploration of these programs in small to medium size non-profits in the literature; organizations driven largely by a contingent of volunteers and generally seen as lacking the financial or resource capacity for large-scale programs. As such, this appears an unmet need.

Specific benefits of implementing performance measurement systems also seems lacking in the literature, as results are presented in large and more generalized terms, almost in an anecdotal manner, rather than quantified in a methodical and repeatable

manner for comparison. There is much written on the tasks to be carried out, the approach to implementing performance management processes, but little articulation and rigor of quantified benefit.

### **Purpose of the Study**

The results of this research will be a better-informed sector regarding the applicability of these programs, barriers to consideration of these programs, and the factors that positively and negatively affected both the implementation of the programs and their on-going viability. The objective is to help ensure the organization is better prepared for the changes that naturally come with the implementation of any new programs and has set up the organization, expectations, infrastructure, and responsibilities such that programs are successful, sustainable and deliver the expected results. This is expected to be of particular interest to both organizational leadership and stakeholder patrons. If there is a hesitance to consider such programs because of their genesis, cost to implement or perceived irrelevance to the small organization, this research can provide insight to clarifying specific benefits, better preparing the organization for such programs, and reducing the risks of failure. As well, this research will be attentive to the broader implications of performance management practice and theory, to the question of adoption and fit of these practices in the context of the smaller organization. Stakeholder patrons can be encouraged the organization is working to be efficient – in ways that support and do not detract from the mission, and that the organization is better able to quantify the quality of its services – in ways that are meaningful to that organization and its mission.

### **Contributions to Theory**

Management trends can oftentimes be followed in a herd mentality; successes experienced in one setting, the overwhelming success of Six Sigma at General Electric for example, drive other organizations to adopt these practices in order to preserve a competitive position. This can at times be done with modest regard for applicability to the context of the organization being affected. Benefits can be left subjective with minimal quantifiable return to stakeholders, whether shareholders, donors, employees, or customers. As the trend for a more accountable and professional non-profit sector increases (Kaplan,2001, 353; Moxham, 2008, 740; Kong, 2010,284) alongside pressures to focus more attention on service delivery and less on administration and fundraising, it is instructive and important to prove out the value and benefit of these type initiatives. If they indeed bear out as helping the organization by enhancing its mission, then much can be gained by broadening the implementation of these initiatives. If they however, do not bear fruit and at best provide a minor distraction to the organization, then the sector as a whole can benefit by knowing this, by constructing performance measurement systems that are distinctly aligned to a nonprofit organization, and by building processes and systems that do yield quantifiable benefit. Barnett and Cole (1995, 217) state that empirical evidence to the consequences of change programs such as TQM are “fragmentary and occasionally contradictory”. While organizational change programs “rarely deliver on their explicitly stated goals”, they oftentimes did indeed add value by helping the organization induce focus on certain objectives, helping to “avoid complacency”, adding value in “unexpected ways”. (Barnett and Cole, 1995, 232).

Langabeer, et al (2009, 14) found a lack of data-driven analysis with such programs and a corresponding loss of momentum.

This research will add to our understanding and knowledge regarding the efficacy of these programs in nonprofit organizations in general, and at the small to medium size services nonprofit more specifically, and help us better understand those factors which best contribute to a successful program as well as pose risks to success, as learned from other implementation contexts.

### **Definition of Terms**

Performance management is used as a generic term for those activities and processes that can, if done well, increase the quality of an organization's work product by reducing defects, reduce the time and effort needed to accomplish a certain task, provide more and better information towards a more-informed set of decisions, and focus attention on those tasks and activities that have the largest contribution towards organization objectives. There are many programs that can be labeled as performance management programs; of particular interest to this research are Lean and Six Sigma.

Performance Improvement as a term is used here synonymously with Performance Management. The term "performance management" is often used within the context of managing the performance of individuals rather than organizations as a whole; the terms are interchangeable for purposes of this paper.

Lean focuses on "maximizing customer value while minimizing waste. Simply, lean means creating more value for customers with fewer resources." (Lean Institute, 2016). An emphasis is placed on understanding value from a customer's perspective and



focusing key processes towards “continuously increasing it”. (Lean Institute, 2016).

Lean changes the focus of an organization from optimizing functions and departments towards one of focusing on process flow across organizational subunits, optimizing the overall flow. Six Sigma on the other hand focuses on quality improvement and defect reduction. It has as its objective a well-controlled process with a quality level that is  $\pm 3$  standard deviations, hence 6 sigma, from the mean. It includes tools and practices to manage and predict how processes will perform.

Nonprofit organization is used here to mean a service organization incorporated as a 501(c)(3) entity under U.S. IRS regulations. The focus of this research is small to mid-size nonprofits. By their very nature, nonprofits are small and locally led, with 91.5% of organizations in the United States less than \$5 million in annual revenue. (NCCS, 2015). For purposes of this research, organizations with annual revenue in the range \$100,000 to \$5m will be included, simply for purposes of focus and manageability. While there is no standard definition for what constitutes a “small” or “medium” sized nonprofit, several reference points can be used to establish a cutoff. Light (2002, 139) classifies organizations between \$500,000 and \$1,000,000 of annual revenue as small, and between \$1,000,000 and \$10,000,000 as medium sized. The Urban Institute (2016) and Minnesota Council of Nonprofits (2017) use \$5,000,000 as a cutoff point for reporting nonprofit activity, while not labeling each classifying cutoff. While perhaps then an arbitrary cutoff point, a view of organizations under \$5 million serves as a useful cutoff, as it is a common breakpoint for many reporting organizations. In comparison, Gartner Research (2017) defines small to mid-sized businesses (SMBs) by two metrics,

number of employees and annual revenue. Mid-size companies generally employ fewer than 1000 employees and have less than \$1 billion annual revenue. Private sector definitions clearly will not prove useful for the nonprofit sector. Many organizations are purely voluntary, with programs like Lean and Six Sigma simply not relevant. To contrast that with the private sector, Small-to-Medium (SMB) size business are generally described as having less than approximately \$1 billion in revenue. (Gartner, 2017). The nonprofit sector would clearly fit a more narrow profile and smaller footprint with regard to those considered small-to-medium size.

### **Hypothesis**

The hypotheses of this research is two-fold: 1) Lean Six Sigma programs, or their equivalent, have not been adopted or embraced by the nonprofit sector as a whole, and especially so in the small to medium size nonprofit; and 2) There are specific lessons learned from organizations which have implemented these programs that can be applied to the small to medium size nonprofit.

These programs have applicability to organizations of any size and do not contradict a nonprofit organization's mission. Successful implementation and adoption of such programs are a function of change management programs more so than the relevance of the Lean Six Sigma program itself. In other words, the success of the program depends on how the program was presented to stakeholders, the manner in which the program was implemented, and the degree to which follow up processes and accountabilities were included as part of the implementation.

### **Research Questions**

Both content and process factors need to be examined when evaluating organization change (Barnett & Carroll, 1995, 219). This research seeks to better understand the following:

1. Do smaller non-profit organizations use performance management programs or initiatives?
2. What are the barriers to consideration of performance management program or initiatives in smaller organizations?
3. Where performance management programs such as Lean Six Sigma were undertaken, what factors contributed to the success or failure of the initiative?
4. When performance management initiatives were successfully implemented, what then were the results, and can those results be applied to other organizations? Said in other words, can the benefits be quantified in such a manner as to make a case for other organizations to undergo the perceived pain of the effort?

## **Chapter II: Literature Review**

### **Background**

The desire to increase productivity, to increase efficiency by using fewer input resources, and to improve the quality of the product or service rendered is not a recent phenomenon. Trade guilds centuries ago formalized the apprenticeship and teaching of younger workers as they acquired tacit knowledge through observation, intuition, and experience. An obvious objective was a consistency in type and quality of goods produced by master craftsmen; a certification to the expertise and skill that went into the making of that item or performance of that task. It was not until the late 1800s however that methods of studying and formalizing the work itself were developed, making the increase in skill level of the workman more than intuition and one-on-one teaching, directing the performance of work to be done according to prescribed methods rather than by rule-of-thumb methods, to use Taylor's phrase. (Taylor, 1911, 7). Frederick Taylor is credited as a key initiator and contributor to the development of performance management as a discipline. He was by training and experience an engineer (Person, 1972, v), intent on increasing the quantity and quality of the work performed so as to increase the lot of both the employer and the employee, the worker producing more output, collecting higher pay, and doing so with less effort.

That work as a springboard, many different approaches and theories have been developed over the last hundred years to explain and understand individual motivations and performance as well as organizational performance. Post-war economic growth and expanded trade created a more competitive business environment further driving the

desire for organizations to deliver higher quality, reduce costs, and deliver more value to their customers. Most recently there has been a joining together of the Six Sigma quality-focused program with Lean efficiency-oriented approaches in the manufacturing sector; an application of Lean and Six Sigma beyond the manufacturing world where they developed into services organizations; further application of these principles to Public organizations such as the cities of Charlotte, NC and Ft. Wayne, IN, and then to nonprofit organizations, predominantly health care and education.

There are two primary foundations relevant to the context of the research questions: The theoretical foundations of organizational behavior – both individual behaviors and organizational patterns; and the practical application of processes and approaches developed with a focus on the tactical work itself, largely distinct from organizational theory. These performance management practices have been developed in the private sector and subsequently applied to public and nonprofits

### **Performance Management Programs**

While the formal study of performance and the methods to improve performance can be traced back to Taylor's "one best way", through the 1920's with increasing use of statistical process control to measure and increase quality in mass manufacturing systems (Metaxas, 2014, 496), attention from both academics and practitioners significantly increased in the post WW II timeframe as Japan's industry was rebuilt. An increasing emphasis on quality and formalization of quality management gained popularity and more widespread adoption with the work of Deming, Juran, Crosby and Feigenbaum; Juran and Deming in particular as key participants in helping rebuild post-war Japanese

manufacturing. Initial drivers in Japanese post-war manufacturing focused on reducing costs in response to overall economic situations (Liker, 2004, 18), with a high emphasis on producing “innovative high quality products” (BPIR, 2017) in order to move away from perceptions of Japanese goods as cheap and shoddy imitations of western products. Quality control as a focus point, Japanese automobile quality increased to rivaling and exceeding quality of American cars in the early 1980’s.

That as a starting point, a number of programs developed over the years aimed towards the objective of increasing quality, lowering costs, and enhancing the competitive position of organizations. The term ‘Performance Management Programs’ will be used as an overriding term for those programs and processes that help align resources, systems and processes toward strategic objectives. These programs generally had their genesis in the quality programs of the 1950’s, and today encompass both manufacturing and service industries, used in for-profit corporations as well as public-sector service providers and non-profit organizations, industries as diverse as insurance, education, hospitals, and state agencies. The term is not to be confused with ‘performance management’ as used from an individual human resource performance evaluation perspective.

Focused initially within manufacturing companies, the drive towards production of higher quality goods at lower costs for competitive position continued, both maturing in how ‘quality’ as a concept was approached and moving beyond the shop floor to envelop other aspects and functions within the company. (Damrath, 2012, 7). The term ‘Total Quality Management’ first came into use in the 1980’s, with Feigenbaum first

using the term ‘Total Quality’ in 1969 (BPIR, 2017). Total Quality Management (TQM) is an evolving term however, with no single standard definition of what is included or prescription of how to do it. (Sila and Ebrahimpour, 2003, 235; Schroeder et al, 2008. 537; Sila, 2003, 235). Across definitions, there are however common elements: a focus on the customer, involvement of all employees and integration into the entire organization, the idea of continuous improvement, and absence of errors / defects in produced output. It conceptually applies to a range of strategies, programs and techniques; all quality-related, but not “cookie cutter” (BPIR, 2016); a value-based management philosophy”. (Ingelsson, Eriksson, Lilja, 2012, 1).

Several challenges to sustained quality improved however became apparent in the mid-1990s as more organizations adopted TQM practices and literature began addressing implementation results. Because of its importance, there was a large set of literature addressing the efficacy and effectiveness of TQM implementations, but very little research regarding the capability of an organization to implement TQM, to understand how and why and when these techniques could be successfully used. (Nasim, 2014, 1395). Chang (1993, 23) classed TQM failures in many companies as being due to the onset of “excessive activity syndrome.” He argued that a lack of focus, both towards desired outcomes and in regard to the range of initiatives and activities undertaken, could only result in a failure to achieve objectives. It is logical that a lack of focus towards a desired outcome can only lead to an inability to achieve that objective. Likewise, Harari (1997, 38) articulated a list of 10 reasons why TQM fails to achieve the desired outcomes. “Quality operations often become so cumbersome that they overshadow the

real reason a company is in business.” He goes on to state that “one fifth to at most one third of all TQM programs fail to achieve significant improvements.” Many companies, he argues, considered quality and therefore TQM initiatives as an “orderly, sequential, linear and predictable process” (Harari, 1997, 40) when in fact program initiatives are messy, chaotic, disruptive, conflict-generating efforts. What subsequent authors point out is the importance of considering “soft factors”, culture, employee engagement, managing organizational change, effective communications, organizational support and employee/organization fit – beginning with recruitment processes. (Metaxas, 2014, 495; Ahmad and Schoeder, 2002).

The emphasis on quality led to further refinement in approaches, and one very significant outcome began at Motorola Corporation in 1986 as an initiative titled ‘Six Sigma’, an attempt to drive towards zero defects, moving beyond statistical defect counts per thousands of events towards counting defects per million events, with the goal being a quality level defined by six standard deviations of acceptance, that is, no more than 3.4 defects per million opportunities. (Green, 2006, 1282). It is characterized by five key activities for driving total quality: Define, Measure, Analyze, Improve and Control, commonly referred to by the acronym DMAIC. Six Sigma is argued by Green as the logical extension of TQM, a formalized methodology for disciplined quality management that serves to increase the likelihood of producing anticipated results. It is a comprehensive approach with a high degree of structure and discipline to establish focus and accountability, working to overcome organizational problems by providing common metrics around which multiple functional groups can align. (Green, 2006, 1282).



Harari (1997, 41) finds common issues in TQM and Six Sigma success consistent with Chang, that organizational and implementation issues were primary reasons for failure of TQM and Six Sigma initiatives to deliver expected benefits. This finding is an interesting launching pad for this research paper regarding the efficacy and practicality of implementing programs such as Six Sigma and Lean in smaller organizations, what factors affect the success of such programs? Due to its importance, a large body of literature discusses the efficacy and effectiveness of TQM implementation (Aghazadeh, 2002; Dahlgard-Park, 2012; Li, Markowski, Xu, & Markowski, 2008; Sila, 2007; Yusuf, Gunasekaran, & Dan, 2007). However, as the subsequent review of literature shows, there is hardly any model to explain how an organization can develop its capability to successfully implement TQM and successfully handle the resistance to change that hampers its implementation (Nasim, 2014,1395).

Continuous improvement processes as a general term involves implementing methods and processes to monitor and encourage ongoing efforts to improve products and services, by increasing quality and reducing costs. These efforts seek incremental improvements over time. One of the most used tools is the plan-do-check-act (PDCA) cycle, also known as Deming Cycle or Shewhart Cycle. This set of steps is basic at its foundation: **Plan:** Identify opportunities for improvement and plan for the changes creating the improvement; **Do:** Implement the change, first on a small scale; **Check:** Collect data and assess the results of the change – did they produce the expected improvements? and **Act:** Implement the change on a broad level, if it was found to

successfully increase value. A critical step is the inclusion of monitoring methods to continuously assess results; beginning the cycle again if results do not continue.

TQM, Six Sigma, and Lean can be considered Continuous Improvement Programs (CIP) – emphasizing employee involvement and teamwork; measuring and systematizing processes; and reducing variation, defects and cycle times. That said, CIP programs oftentimes as implemented as standalone initiatives without the overarching large-program attention that comes with an overall TQM, Six Sigma or Lean initiative. When done outside the jurisdiction of large programs, CIP initiatives often have a more narrow perspective, addressing department level or functional group level improvements. While value can be found in doing so, tethering CIP to larger organizational initiatives such as Lean can generate broader and more systematic improvement. A key distinction between many earlier performance management processes and Lean is the span of attention or focus of the programs. Many programs seek to optimize sub-components of an organization, without a view to the whole system or environment. Lean however is a total-systems view. One anecdote related by Ashkenaz (2012) regards a CIP project at a global consumer products firm which “spent a great deal of time streamlining information flows between headquarters and the field sales force, but didn’t question how the information was ultimately used. Once they did, they were able to eliminate much of the data and free up thousands of hours that were redeployed to customer-facing activities”.

Lean is the more common and ubiquitous name for Toyota Production Systems, first developed in the 1950’s. Rather than its primary focus being on quality, Lean focuses first on removing waste – non value-added processes and activities, improving

efficiency and increasing value through a set of specific processes and tools. Lean is an entire system, a focus on the complete environment in which an organization operates; it is far more than optimizing a department or a function within an organization. Liker (2004, 11) calls it a “pervasive cultural transformation”. At its root, Lean is about two things: removing waste from a system, and continuous improvement. From those primary objectives a set of principles form, such as a focus on root cause problem solving rather than symptomatic or short term problem resolution, and a drive towards continuous organizational learning in order to fuel continuous improvement in processes and quality. Specific tools and techniques are then used to focus attention, such as the idea of gemba walks; gemba being the Japanese idea problems are visible, and the best way to identify issues and problems is for leaders to literally walk around; Heijunka value-stream mapping; and Just-in-Time (JIT) Delivery.

Gemba as a concept is far more than and different than the idea of MBWA – Management by Walking Around, popularized by Peters’ *In Search of Excellence*. MBWA in practice either involved superficial acquaintance with workers and the work they do, or focuses attention on finding problems, on the superiority of the manager; it does not emphasize team work. Deming stated “management by walking around’ is hardly ever effective, ... the reason is that someone in management, walking around, has little idea about what questions to ask, and usually does not pause long enough at any spot to get the right answer.” He went as far as stating MBWA “was not only extremely ineffective, but could be extremely damaging for team morale.” (Deming, 1992, 22). Gemba on the other hand, as a technique is a time of observation, input and reflection,

not a time for finding fault, problem solving or making changes. Personal observation is a core principle of the tool, observing processes on the shop floor rather than an after-the-fact discussion about an issue in a large conference room; it is the teaming of the people and process in a total philosophy of continuous improvement. (Liker, 2004, 24).

Heijunka value-stream mapping is a technique for production leveling, going hand-in-hand with Just-in-Time delivery, having parts and materials available when needed on the shop floor, and not before; and certainly not later than needed. It is a “pull” system, whereby downstream processes signal the need for new inputs, thus reducing handling turns and thus increasing efficiency; the emphasis on reducing wasted time resources. It is used to smooth out the production flow across all departments as well as materials flows with suppliers over an extended period of time. (Toyota, 2016).

While developed by and for the manufacturing context, Lean principles have been applied successfully in the services sector and continue to be the dominant performance management approach used today by organizations. Lean is about developing principles specific to the organization at hand, each organization practicing them in their unique context to achieve high performance, towards ultimate objectives of adding value to customers and to society. Lean as an approach requires all of a systems’ elements to work together as a whole; the objective being an optimization of the system rather than a sum of optimized components. It focuses on people and the related partners of an organization) as much as the internal processes of an organization. Lean is unique in that as a system it calls for constant reinvigoration. As stated by Fujio Cho, former president of Toyota, who learned Lean from one of its inventors: “The key to the Toyota Way and

what makes Toyota stand out is not any of the individual elements.... But what is important is having all the elements together as a system. It must be practiced every day in a very consistent manner, not in spurts.” (Liker, 2004, xv)

Lean concepts for efficiency have been tethered to Six Sigma quality concepts as the outcomes of each method are logically related – Six Sigma focuses on quality, but does not address efficiency or process speed; Lean focuses on efficiency and reduction of non-value-added activities / waste, but does not directly address quality and statistical control. Together, there is a reinforcement of each other’s objective (George, 2003, 8), resulting in faster benefits and increased benefits to the organization. Lean as used in the services sector can in many respects be considered as a further refinement to Business Process Reengineering (BPR), popularized in the 1980’s by Michael Hammer and James Champy. BPR likewise focused on processes and increasing efficiencies, but lacked a formal approach, lacked specific tools, and was generally a set of changes imposed on workers without their involvement or input. Lean on the other hand requires the full attention and participation of workers involved in the processes; it cannot be executed without their involvement. While not contradictory, Lean can be considered a much more mature incarnation of BPR. Other programs have been developed in recent years that focus attention on specific ways of improving performance. Business Process Management (BPM) views the business as a set of processes which can then be modeled, executed and monitored in order to optimize each process. A key characteristic and differentiation in BPM is the use of software technology as the driver of the business process. Computer software drives the process workflows and business rules such that

those processes can be changed as the business changes, providing an automated flexibility. BPM allows business processes to be monitored and metrics to be collected with immediate feedback to anomalous situations, providing a constant feedback loop. The Balanced Scorecard was introduced by Robert Kaplan and David Norton in 1992 to focus attention on a small number of metrics representing four primary contexts of the organization in order to maintain an integrated, holistic view of the organization. It was not about any “one thing” as it was about optimizing the organization as a whole. As such, the Balanced Scorecard was easily adopted by service organizations, including nonprofit organizations, as it helped provide a view of how well the organization as a whole was performing.

Over this same period there was a parallel attention to government and how the business of government itself was carried out. The effort to reform the spoils system towards a more stable and professional administration gained momentum after President James Garfield’s assassination, one of the results being the passing of the Pendleton Civil Service Reform Act in 1883. The act transformed federal government employment from a political affiliation / patronage spoils system to one based on merit. Three years after passage of this act, Wilson’s essay called for efficiency and formalization of the administration of government.

Wilson noted the value of the civil service reform, acknowledging that it addressed the challenge of *who* does government – improving the quality and stability of those doing the work, and then went beyond that to stress the importance of continued effort to address the question of *what* government should properly do as well as the

question of *how* government does its work “with the utmost possible efficiency and the least possible cost either of money or of energy”. (Wilson, 1887, 22).

Wilson advocated the formal study of administration as a science “which should seek to straighten the paths of government, to make its business less un-businesslike, to strengthen and purify its organization.” Expertise should be the objective, to administer the law “with enlightenment, with equity, with speed, and without friction...” (Wilson, 1887, 23). While this may seem in today’s light to be fairly standard and not particularly enlightening, a push towards a centralized and professional administration was a significant departure from then-current thought patterns. There had to that point been an antagonism towards bureaucracy. One of the charges in the Declaration of Independence was that King George had “erected a multitude of new offices, and sent hither swarms of officers to harass our people, and eat out their substance.” (Thorson, 1989, 22). In exploring the back story to Wilson’s essay, Thorson (1989, 22) captures the sentiment of the attitude by quoting a comment made to Max Weber by a working man he had talked with during a 1904 visit to the United States, “we prefer having people in office whom we can spit upon, rather than a caste of officials who spit upon us, as is the case with you in Germany.” (Weber, 1958, 110). Wilson was advocating a professionalized bureaucracy with specific expertise, separated from policy and from politicians, able to perform the duties of government in an effective manner. It is expected then that quality programs such as TQM, CIP, and Six Sigma, as well as efficiency programs such as Lean would find their way into public organizations. There are several examples of these programs in the literature – Balanced Scorecard at the city

of Charlotte, NC, San Diego County, Bridgeport (CT) Hospital (Gumbus and Wilson, 2004, 230); Lean Six Sigma at the city of Ft. Wayne, IN and Stanford Hospital and Clinics (George, 2003); very few however address empirical findings to the efficacy of these programs. Much of the literature about these programs and outcomes regards the constructs of what to include and the mechanics of implementing them; there is less written about the empirical results. This especially so in small to medium size organizations (Demirbag et al, 2006, 830; Greiling, 2010, 535). Greiling (2010, 536) states there is an overall lack of comparative results looking across various organizations. Anecdotal evidence can however be found: Antony et al (2006, 298) reported one utility services department experiencing a \$1.5m cost savings per year from implementation of TQM processes; George reports that Ft. Wayne experienced \$3 million in cost savings overall, a 23% increase in re-inspection rate by the Fire Department without an increase in staff, street repair timeliness improved by 27% and a 33% reduction in complaints to the Parks Department. This may in part be a result of the nature of the public and nonprofit sectors, where clear indicators of performance such as net income and stock price are not relevant, and where quality is a more subjective term as “each organization has its own definition and boundaries” (Holzer, Charbonneau, Kim, 2009, 403), leading to challenges in quantifying and comparing across organizations. It may also be in part due to the lack of resources available to assist leaders in developing measurement systems (Poister, 2003, xvii).

That said, there is evidence of performance management programs delivering positive results, both large and small to medium sized organizations. George (2003)



reports \$4 billion in cost savings over a 4 year period at Lockheed Martin with that largely done in material requisition and procurement functions; and reduced lockbox processing cycle time of 35%, as well as overall reductions across all functions, at Bank One (now part of JP Morgan Chase), including a more than 50% reduction in service failures. Pande (2000) reports \$2 billion in annual savings from Six Sigma process improvements at General Electric. Hendricks and Singhal (1997) in a meta-analysis find an overall 107% increase in annual operating income and 64% increase in annual sales over a 10 year period by firms implementing a TQM initiative over a control group. There are then clear indications of positive impact of performance management practices outside of the manufacturing sector in which they were developed. This research seeks to better understand the applicability to smaller organizations.

So if there is evidence of performance management programs producing results, why is it that questions remain to their adoption, success, and sustainability in organizations? There are two aspects to this discussion, and this research seeks to better understand both perspectives. There is a wide body of literature and research into the management of change in organizations, made more prominent in practice with Kotter's 1996 book "Leading Change". That book and most literature focuses on the practice of "doing" change – how an organization introduces and manages the process of making changes. While each organization and context carries its own "signature", there are certain basic elements necessary for change to be successful and sustained. Kotter (1996) identifies the following: a sense of urgency, with the majority of leaders and managers understanding the status quo as a non-viable option; a guiding coalition in

place to oversee, foster, support, and communicate the necessity of change; a vision for the future that is shaped by the changes being implemented with a set of strategies designed to achieve that vision; communication of that vision to ensure all members of the organization hear and understand the vision for that end state and how the change facilitates that goal; an empowerment to act that encourages people to remove and change systems and structures that undermine the vision; planning for short term wins that recognizes and rewards employees for contributing to the vision – incentives matter; consolidation and production of more change – creating a feedback loop that encourages more change and improvements from earlier smaller steps; and institutionalization of the changes into the organizational culture and fabric. These actions and practices apply across organization size, sector and structure; they may be needed in different quantities in different organizations, but they are basic to sustaining change in any type organization.

Organizations do not however get to the point of leading or managing change until the change has been introduced and initiated. An additional interest of this research concerns the barriers to getting to that point – what is it that inhibits or prevents an organization, specifically the small to mid-size nonprofit, from considering or from taking on the challenge of performance management programs. Mayne (2007) looked at common components of these challenges between public and nonprofit organizations and found three key barriers: performance management programs require “significant and often fundamental change” in how an organization is managed. These behavioral changes require “complete mental reorientation.” He also found time and cost as factors

acting as barriers; it can take years to effect changes, and concerns over cost in terms of resource time and monies available to support the programs. A focus on primary organization objectives, sometimes in terms of outputs rather than outcomes, deemphasizes practices that cannot be directly connected with outcomes. Hannon and Freeman (1984) identified structural inertia as a primary response to threats and opportunities; slowing down the rate of change and inhibiting anything seen as aggressively moving away from the status quo. There is a substantial part of the organization's resources invested in maintaining and reproducing what they currently do; to effect change would require a re-focusing or redeployment of those efforts. Reliability and therefore expectation-setting, understood as meeting a certain minimum level of quality, is deemed more preferable than efficiency. "Rational actors may be willing to pay a high process for certainty" and reduced variation / variance in output in exchange for more output. Thus there is a "drag", or inertia, biasing against any action perceived as upsetting that sense of reliability or stability. Lorsch (1986) adds the idea that there is a certain amount of emotional commitment to an existing belief about how work is to be performed and decisions made. That emotional attachment to "the way we've always done things", to use a common phrase, inhibits the progression to "do things", or operate in a manner different from the status quo. These ideas will be explored in the initial broad survey in an attempt to understand barriers inhibiting broad acceptance and use of performance management approaches and practices in nonprofits.

## **Theoretical Foundations**

Organizations are complex and there is no one theory that can explain how organizations as a whole behave, nor the individuals within the organization as discrete actors in a system. Our attempts to understand behaviors and how to make them more efficient and more effective span decades of research, before there was a label for Organization Theory. Hatch (2013, 19) conceptualizes the organizations as culture, social structure, physical structure, and technology existing within and responding to an overall environment, with power “infusing” all 5 of these elements. Morgan distinguishes organization theories into 8 distinct metaphors, each metaphor functioning as a category, if you will, describing that aspect of the overall context being addressed, presenting a multidimensional view of organizations and behaviors within organizations. These two approaches to understanding the place for and limitations of theory help explain the need to view behaviors from multiple perspectives. Several approaches are useful for this research in understanding how and why certain change initiatives might be successful and others less so. There are many opportunities to reference existing theories of organizational behavior, individual motivation, and process changes towards understanding whether and how Lean Six Sigma processes could be effective in the specific situation of smaller service-oriented nonprofit organizations. Existing theories point us toward examination of varied and specific variables that may play a role in the success, or lack thereof, of a particular initiative. Several are of particular interest when looking at specific, short term, tactical initiatives.

**Contingency theory.**

Contingency Theory was first put forth by Lawrence and Lorsch (1967) and Thompson (1967) as an attempt to bring general systems theory together with organizational theory. (Cole & Scott, 2000, xiv). It is a way to look at organization processes and work differentiation in a different context and manner that goes beyond design. While design is important, there is more to organizational effectiveness and efficiency than work and process design; the manner and degree to which individuals and the organization as a whole adapt and respond to design matters as well. There is no “one best way” to organize; the different ways of organizing are not equally effective under various and differing conditions. “The greater the uncertainty of the task, the greater the information that must be processed during task execution to achieve a given level of performance.” (Galbraith, 1973, 4). Contingency theory shifts the focus to task and team interdependence, to the relationships between organizational components. It emphasizes the importance of environmental factors in driving responses to processes and structures in place, both in the present and the historical context of the culture that inform the present. It is a more formal construct to looking at the why and how an organization performs. Early views of organization behaviors and effectiveness stressed ways to reduce the effect of the environment, to isolate activities so they could be optimized at a sub-unit or sub-task level; each task or team independent from the other. Contingency emphasized the connection points and inter-relatedness of activities as affecting discrete task efficiency and productivity as well as overall organizational productivity. A Contingency approach “recognizes the complexity involved in managing modern

organizations but uses patterns of relationships and/or configurations of subsystems in order to facilitate improved practice” (Kast and Rosenzweig, 1972, 463)

Organization theory is in general an attempt to formalize the patterns of behavior observed and the mechanisms that affect those behaviors. Contingency theory introduced and formalized a contextual approach to understanding those mechanisms; that response behaviors were dependent upon context and culture, beyond the mechanism itself. It is in this way consistent with General Systems theory, which emphasizes the interaction of components, that system component processes do not exist and operate indistinct from the system(s) they are part of. Rather than restricting the approach of driving towards understanding productivity to a reductionist approach of looking at each subsystem separately, one can and should, according to Contingency, also take a holistic view, looking at the organization as a whole, and a functional approach to look at each subsystem and the role it plays in the larger system. A General Systems approach emphasizes the principles of organization and the dynamic nature of the system; neither the system as a whole nor its subcomponents are static or rigid. In this way Contingency supports and is consistent with General Systems Theory.

Contingency is not without its criticisms. Schoonhoven (1981, 350) declares it “not a theory at all, ... more an orienting strategy or meta-theory.” Miner (1984, 300) states it has low scientific validity and has questionable usefulness in application. Tosi and Slocum (1984, 24) argue that contingency cannot be tested empirically, and therefore cannot become a dominant model; an ability to replicate results or find consistent patterns is absent.

Contingency does however inform us to the variability and range of factors that can affect the success of a particular initiative. Both the process and the content of an organization change or method need to be looked at to understand effectiveness, as well as its environmental context – what else is going on in the organization? Organizational change management research (Lorsch, 1986, 109; Kotter, 2007, 8) states that follow thru and culture are important to long term change; that seems intuitive enough. Lean informs us of the need for on-going and permanent continual improvement as part of the culture, a CIP program, for successful program implementation; Lean must be understood as a way of thinking, not a one-time discrete event (Liker, 2004, 11). Lorsch (1986, 95) emphasized that culture affects not only the way managers behave within the organization, but also the decisions they make about the organization's relationships with its environment and its strategy. Smith & Nichol (1981, 86) find that tradition, affiliation to the organization, and organizational history has a “very strong impact” on efforts to change or standardize processes. Contingency theory by definition informs us that tighter control through greater standardization of process is not always the appropriate policy. One must understand the environment and variables, the culture and history of prior initiatives, in order to better plan for changes such as performance management techniques.

#### **Four Drive Theory.**

As one examines how organizations adapt to change and the individuals within an organization behave vis-à-vis the cultural norms of the organization, Lawrence's (2002) 4-Drive Theory provides a useful construct for understanding the reactions individuals

will have when programs or initiatives are imposed on them. By definition the implementation of a performance management program involves changes to an organization; to work processes, to performance standards, to quality metrics, to those factors that define what it is people do in their day to day job tasks. Lawrence's Four Drive model defines employee motivation in terms of primary drivers of behavior – the desire (drive) to Acquire & Achieve, to Bond & Belong, to be Challenged & Comprehend and to Define & Defend. These categorizations serve then as guideposts to managing change within an organization, identifying aspects of the change that should be addressed to align employee motivations and behavior with organizational objectives. Misalignment then of these motivations and objectives can then be understood as risk factors of initiative failure.

### **Expectancy Theory.**

Vroom also addresses motivation in his Expectancy Theory, tying together multiple ideas into a general term he labeled “valence”, consolidating varied ideas of preference to include incentives, attitude, expected utility, need, motive, value and interest (Vroom, 1964, 15). An important characteristic of Vroom's model is the need to distinguish between the valence of an outcome – the desire for the outcome, and the value of that outcome to the individual; an individual “may desire an object but derive little satisfaction from its attainment...”. (Vroom, 1964, 15). Motivation then becomes a function of valence and Instrumentality – the perception employees have of whether the outcomes they expect will indeed occur, that promised rewards will be fulfilled. While Vroom focuses his conclusions on job performance / worker productivity, the idea of



instrumentality as employee engagement and affinity to the organization, especially in a nonprofit setting where motives are generally not financial remuneration need to be considered. This concept of expected outcomes then ties into an overall change management framework, affecting and regarding both the individual role in his/her station and the organization as a whole.

There are several other foundational theories that inform the reactions of organizations as a whole as well as individuals to change. Implementation of programs such as Lean and Six Sigma by definition are a change and people's norms of behavior in the workplace change; how will they react individually? Will they feel threatened; perhaps encouraged by the change and instilled with a positive anticipation; angered or excited; or have a reaction somewhere amidst a range of possible responses? More so, of primary interest are the ways in which an organization can plan for, organize and communicate in such a manner as to increase the likelihood of the program's success, in regard to both short term tactical

implementation and long term sustainability and value-generation of such programs.

### **Change Management Theory.**

The term Change Management theory in this paper is used in reference to the broader body of knowledge concerning the effective implementation of changes to an organization. Change can come in the form of changes to business processes, to the introduction of new computer systems, to a change in organizational structure or leadership; in many varied forms. It is differentiated from what is commonly termed

Theory of Change in that Theory of Change is typically used in the context of nonprofit and public sectors to refer to international development, sustainability, education, human rights and social change. (Center for Theory of Change, 2018).

Kotter is generally considered the primary expert with regard to introducing change into organizations, beginning with his 1995 Harvard Business review article, followed by his 1996 book *Leading Change*. Kotter articulated eight critical practices necessary for the effective and sustained implementation of changes to an organization:

- Establish a sense of urgency
- Form a powerful guiding coalition
- Create a vision
- Communicate the vision
- Empower others to act on the vision
- Plan for and create short term wins
- Consolidate improvements and produce more change
- Institutionalize new approaches

Key among these practices is the establishment of a reason for the change, articulating why the change is needed and what the beneficial outcomes will be. That shared vision reduces some of the resistance natural in our tendencies to gravitate to the status quo. That shared vision has been at times described as the articulation of, or creation of, a “burning platform” issue; the understanding that while the change itself might be uncomfortable or create “pain”, it is far more preferable than the status quo, that the status quo can be clearly understood to be detrimental to the organization’s existence. This is consistent with Lorsch’s (1986) findings regarding the enormous impact of organizational culture on strategic change. He stated that people are emotionally

committed to their beliefs and understandings of how things are done, thus requiring a break in that emotional attachment in order to effect change. This is a difficult task and often underestimated to the strength of that bond and the energy required to do so. He also used a life cycle development metaphor to point out the ongoing need for change; as an organization grows, structural transformations are needed (Lorsch, 1995, 220) to accommodate dynamics of its market presence, volumes of throughput and goals.

Barnett and Carroll (1995) emphasized the need to consider both process and content factors with regard to change. The clarity and efficacy of the desired change is not enough to ensure success; the process by which it is communicated and deployed carry large impact on the receptivity of staff to change, both regarding their perceptions of motivation behind the change as well as their understanding of how it affects them as individuals. They state the issue is not so much a function of managing the change, but a function of leadership – of leading change. This may seem a semantic issue, but is a paramount challenge with regard to effective and sustained change. In order to anchor the change in the organization there needs to be a clear vision of why the change is needed, and that is a leadership issue. It is also an ongoing need, not a one-time “communicate a vision and then disengage” issue for leaders. Lorsch admonishes that leaders should “never underestimate the magnitude of the forces that reinforce complacency and help maintain the status quo”; complacency must be avoided and a visible challenge or crisis of some sort is necessary to do so.

The challenges to change success can be found represented in the oft-quoted figure that 70% of change initiatives fail. While that number can easily be challenged,

that this fail rate number is used so often indicates a widely-held perception to the difficulty in introducing change to an organization. This is so across sectors, across project types, and across industries. The implication on this research then is that change itself presents a challenge to the role of formal performance improvement initiatives in small to medium size nonprofit organizations, separate from the efficacy and place of those initiatives themselves.

### **Organization Conflict Theory.**

Pondy (1966) describes four subsystems, or areas, that contribute or describe as the source of organizational conflict – informational, political, functional, and social. His central hypothesis is that the major determinant of conflict is differentiation in participant's goals for the organization, that conflict is not limited to the realm of interpersonal conflict. "Conflict can be conceived as a social variable, a cognitive variable, a political variable – inability to resolve differences and form viable coalitions, or a structural variable having to do with job descriptions". (246). It can arise because of differences in how people define organizational goals; goal definitions are sometimes used to legitimate functions – the goal of the organization is to, for example, provide food to needy families; or goals can be defined as motives for action – the goal is to eliminate hunger; or the goal can be defined as a specific objective or target – the goal is to distribute 1500 lbs. of food per week to needy families. "Goal" in each of these contexts refers to a "criterion of decision" according to Pondy. These conceptions create the opportunity for conflict, as each understands the objective of the organization differently. This perhaps is a greater risk in the nonprofit sector, as there is more ambiguity with

regard to objectives and goals than perhaps exists in the private or public sector; there is no overriding profit motive or public services direction, thus inviting varied contextual differences.

The introduction of change to an organization by definition introduces opportunities for conflict; structural conflict results from changes to roles and responsibilities; social conflict as individuals and groups vie for power and personalities assert themselves in new and different ways; access to and availability of resources creates a competition. It is important then to think through these challenges and identify the sources of specific conflict and the associated contexts or perspectives of various stakeholders to adequately understand how to manage change.

Rahim (2002) found that while conflict is understood in the theory to be an expected part of organizations, there are no clear understandings or guides to when conflict ought to be maintained at certain levels, when it should be reduced, when ignored, and when enhanced. It is understood that conflict is used to increase organization learning and effectiveness; the absence of clear guidelines to the appropriate level of conflict however creates opportunity for destructive conflict. Rahim argues the emphasis should not be on resolving conflict but rather to manage conflict. Conflict resolution as a term implies reduction, elimination, or termination of the conflict, which does not allow us to benefit from the positive aspects of this dynamic. Conflict management does not imply avoidance; it involves “designing effective macro-level strategies to minimize the dysfunctions of conflict, enhancing the constructive functions to enhance organizational learning and effectiveness.” Organizational learning can be

enhanced then with effective conflict management strategies; Rahim found tension and conflict to be essential characteristics of the learning organization. (Rahim, 2002, 208).

This understanding of organizational conflict then guides leaders in better setting expectations and knowing the sources of potential conflict and the motivations of staff towards supporting, endorsing, and driving forward organizational and process changes flowing out of a performance improvement initiative. Taking on a performance improvement initiative or program by definition involves change; change to roles, perhaps to responsibilities, changes to the way staff is expected to accomplish their duties – to the operational processes of an organization, changes to the culture of an organization. As such conflict is a natural by product and to be expected; a broad understanding helps ensure that conflict is used and channeled in a constructive manner, enhancing organizational effectiveness.

### **Best Practices**

#### **What are “Best Practices”?**

The term “best practices” is often used to describe those tasks, activities, and patterns that an organization should take on in order to perform better, to excel. The phrase is however often used quite casually, left with a degree of ambiguity to what specifically it might require in practice. As well, there is no one authority to which one can refer to understand best practices in a specific situation. There is no common definition of “organizational effectiveness”. (Light, 2002, 29). While there are many specific techniques, actions, approaches, methods that can be used to improve performance in an organization, there is no precise set of practices or tasks to be followed

as a recipe that define Six Sigma, Lean or other performance improvement programs. Organizational context differs and the practices necessary or useful in one organization may not work well in other organizations. A quality circle in a large manufacturing factory may have no applicability at all in a small manufacturing enterprise or a social services nonprofit.

There are, rather, generalized characteristics and standards used to focus attention on elements common to well-run, effective organizations. Preliminary scans and interviews found no small to mid-size nonprofit organization even modestly considering formal performance improvement programs such as Lean or Six Sigma, and most not even aware of such programs. That understood, it cannot be said that smaller nonprofit organizations lack concern for improving performance, for being more efficient or for delivering better outcomes. In fact, there is significant pressure on the sector as a whole to do more with less, to quantify the delivery of more and better outcomes, to be more efficient. (Morino, 2011, 41; Light, 2004, 21; Saul, 2004, viii). Standards in the form of guidelines and best practices are “not about finding perfection, but about encouraging nonprofits to aspire to higher performance.” (Light, 2002, 34).

The challenge then is to use a generalized set of best practices as indicators or markers of a focus or attention on performance improvement. While broad statements, Six Sigma as a program can be summarized as improving quality through reducing variation; Lean as a program can be summarized as improving efficiency by reducing waste; that is, non-value-add activities. These themes of Quality and Process

Improvement then are used are summarized themes for Six Sigma and Lean for this research.

But what indeed are best practices, and how does one distinguish a best practice from a “not-best” practice? The Minnesota Council of Nonprofits (MCN, 2014) published its updated *Principles & Practices for Nonprofit Excellence* that articulates 11 accountability principles that distinguish nonprofit organizations from public sector or private sector organizations, these principles further providing 192 specific management practices with specific guidelines or operational practices for each principle. Principles as defined by MCN are categorized as:

- Governance,
- Transparency and Accountability,
- Financial Management,
- Fundraising,
- Evaluation,
- Planning,
- Civic Engagement and Public Policy,
- Strategic Alliances,
- Human Resources,
- Volunteer Management, and finally
- Leadership & Organizational Culture.

While at their core each and every of these 192 practices are focused on improving the organization’s performance, several closely mirror Lean and Six Sigma principles for continuous improvement, including:

- having clear performance measures and comparisons to other organizations when possible;



- providing regular and consistent opportunities for constituents to interact with and provide input to the organization's leadership;
- measuring constituent satisfaction;
- measuring operational efficiency and effectiveness;
- continually training and developing staff;
- developing a culture of information sharing and having a positive environment; and
- most directly connected to Lean and Six Sigma – having an ongoing continuous improvement program in place, a defined, ongoing and systematic process for improving services, programs and processes.

Rather than providing a checklist the reader is has a set of practices and characteristics that can be applied in a variety of contexts in distinctive ways somewhat unique to each organization. Paralleling Minnesota's lead, the Maryland Association of Nonprofit Organizations published its "Standards for Excellence" in 2014.

Significant parallel and overlap exists across authors defining best practices. Dean and Bowen (Cole. R, Scott, W.R., 2000, 5) set out three principles for total quality: Customer Focus, Continuous Improvement, and Teamwork. Price et. al. (2011) likewise emphasize focusing on the customer and the importance of feedback, and the criticality of organizational culture in effecting change and improvement. Hietschold, Reinhardt and Gurtner (2014) likewise identified parallel critical success factors for Total Quality Management (TQM) initiatives in a meta-analysis, including cultural characteristics (recognition and teamwork, staff training, and learning); a focus on the customer; measurement and collection of metrics as well as process improvement; and senior management commitment and leadership to the program. Sila and Ebrahimpour (2003) in their meta-analysis found a similar and parallel set of critical success factors in TQM

implementations. Light (2002, 89) found 7 structural characteristics common in high performing organizations: authority pushed down in the organization with staff authorized to make routine decisions; technology being exploited; a high degree of teamwork; internal collaboration; availability of contingency funds / reserve funds; a consistently flat organization structure with three or fewer layers from top to bottom; and lastly the recruiting of a diverse staff.

### **Best Practices within a Lean Six Sigma context.**

The foundational question of this research regards the applicability of certain operational practices developed in for-profit corporations in the context of the nonprofit organization. The following discussion then focuses then on Lean, Six Sigma, and the more broad Baldrige Framework of Quality. There is significant overlap in techniques used in these programs; process mapping, for example, is a technique to better understand a process. It is used to better understand a process's workings in quality programs such as TQM and Six Sigma as well as in efficiency-oriented programs such as Lean. There is no exclusivity or strict demarcation between the various programs, hence the evolution towards Lean Six Sigma as a unified program, and Baldrige incorporating aspects of Lean, Six Sigma, BPR and TQM.

Performance Improvement initiatives can often be seen as a set of revised work methods or set of approaches or tools that will yield the desired results; these approaches being in some regards the “end thing”, the objective of the initiative. While there are certainly some approaches involved with Lean, it cannot credibly be described as being comprised of a set of practices to be checked off a list. It is rather understood as a

philosophy, a culture of thinking, a “system of interconnected processes and people” rather than a set of prescribed practices. (Liker, 2017, xiv). Lean is not mechanistic or tool-based processes to be implemented; it is a way of thinking embedded in an organization’s culture, with continuous improvement and respect for people as foundational pillars. As a philosophy then, there are certain principles that guide one to “Lean Thinking”, applied in a manner suitable to each organization in four related but distinct threads: Philosophy, Process, People, Problem Solving. (Liker, 2017, xiv). Liker (2004) articulates 14 principles that define “Lean Thinking”:

**Philosophically**, it calls for a long term thinking.

From a **Process** perspective, principles revolve around elimination of non-value add activities and ensuring work is done well – the processes work to accomplish their objective. Principles include:

- creation of a continuous process flow
- using pull systems – subsequent tasks pull work forward rather than being pushed from prior tasks
- leveling of workload to avoid overburdening people
- building a culture of empowerment; stopping to fix problems rather than simply allowing errors to continue
- standardizing tasks as a foundation for continuous improvement, engaging employees to improve processes
- using visual displays to help ensure problems are visible and not hidden, and
- the use of reliable technology to enable workers.

Regarding **People**, principles are to

- grow leaders who thoroughly understand the work, live the philosophy and teach it to others
- develop exceptional people and teams, and to

- respect the extended network, such as vendors, partners, and related organizations

And from a **Problem Solving** thread, principles are to

- engage senior leadership in problem situations, having decisions based on a personally verified understanding
- make decisions slowly by consensus and to
- become a learning organization (Liker, 2004, 38ff)

These principles cannot be used in a checklist manner; they are a way of approaching the situation and thinking about the organization as a whole. The focus is to take a holistic perspective and view the system as a whole, rather than towards optimization of individual processes. It is systems-thinking versus machine-thinking. (Liker, 2004, 61). An emphasis on resource efficiency focuses on the utilization of specific resources, while flow efficiency focuses on how a particular flow unit moves through the process. (Modig, 2013, 21). The goal is not to implement specific tools as part of a Lean initiative, but to inculcate the culture as a whole with a Lean philosophy. The emphasis then is not on implementation of the tool as the end goal; it is important to have clarity regarding the end goal, and the role of the tools or practices as the means to achieving the goal. The principles are used to apply the model to fit the specific context of the organization (George, 2003, 95).

Common to all quality programs is a problem-solving approach; Lean initiatives generally following a PDCA approach (Plan, Do, Check, Act), with TQM and Six Sigma programs following a DMAIC pattern (Define, Measure, Analyze, Improve, Control). The differences can be understood as distinctions without a significant difference; these approaches are simply a way of communicating a pattern of thinking, of aligning a team

of people to an approach to viewing a problem, examining alternatives, and resolving issues, and they are as applicable in a services setting as they are in a manufacturing context.

While there are many techniques or ways of putting the above principles into action, one particular technique is particularly worth mentioning as a best practice, as it is universally used by Lean practitioners, value-stream mapping. (Liker, 2017; Liker 2004; Connor, 2009; George, 2003). A value-stream map simply articulates each individual step in a process, from initiation through to that point when the customer has been satisfied; the request is completed. In one exercise the author participated in, a service request that was perceived to be only modestly complex but took an elapsed time of three weeks to complete the customer request was value-stream mapped and found to actually be comprised of literally hundreds of steps, with the actual value-add steps requiring about 3 hours of time, the remaining 2 weeks, 6 days and 5 hours being wait time between steps. After analysis the process was reduced to an elapsed time of 2.5 days. A case participant went through a modest value stream mapping exercise and was able to significantly reduce client wait when coming in for services, simply by having a better understanding of client needs and removing those steps in the process that did not contribute to satisfying those needs. Value stream mapping as an exercise is not limited to manufacturing companies or large corporations; it has applicability wherever there are processes.

It should be understood that neither Lean or Six Sigma should be understood as end-states; they are not a static state to reach (Modig, 2014, 149) but rather a dynamic

state characterized by constant improvement. And that sense of continuous improvement is perhaps then the best practice takeaway from Lean or Six Sigma as a performance improvement practice.

Six Sigma is a quality-oriented program, and one characteristic of Six Sigma thinking is the reduction of variation. It is a data-driven approach, traditionally using statistical process control to measure quality and variation and best understood therefore as suited more to a manufacturing environment. It is more and more however being applied to a services setting (Omar & Mustafa, 2014; Antony et al, 2006; Laureani, A., 2012). There are indeed defects to be measured in the services sector, albeit perhaps not with statistical process control techniques as the method of measuring.

Tools and techniques used in quality programs / performance improvement programs are common across the literature, and there is little sense of exclusivity of a tool to a particular “brand” of performance initiative. Some of the most commonly used tools and techniques (Antony et al, 2006) include process mapping, brainstorming, root cause analysis, run charts, benchmarking, pareto analysis, and use of change management tools. (Antony, 2006, 301). While sometimes phrased a bit differently by authors, the core concepts or themes run across programs. In a meta-analysis Coronado and Antony (2002) identified several critical success factors (CSFs) related to the successful implementation of Six Sigma programs:

- Management commitment and involvement
- Understanding of six sigma methodology, tools, and techniques
- Linking six sigma to business strategy
- Linking six sigma to customers

- Project selection, reviews and tracking
- Organizational infrastructure
- Cultural change
- Project management skills
- Linking six sigma to suppliers, and
- Training

Omar and Mustafa (2014) likewise, found very similar critical success factors in

their meta-analysis of Six Sigma programs in the services industry:

- Top management commitment
- Education and training
- Cultural change
- Customer focus
- Clear performance metrics
- Attaching success to financial benefits, and an
- Organizational understanding of work processes
- 

#### **The Baldrige Framework.**

The Baldrige Framework provides the framework and an assessment tool for understanding organizational strengths and opportunities for improvement. When followed, the Baldrige Framework ensures there is a clear understanding of the organization itself and its environment within its context. It combines elements of Porter's Five Forces, use of a nonprofit logic model, Total Quality Management and Lean's Voice of the Customer, Six Sigma's Measurement and Analysis, Workforce engagement from Kotter's change management principles, Process improvement and Benchmarking from Lean. It remains quality-oriented and very much emphasizes

process management, but perhaps carries less emphasis on waste reduction and the importance of a cultural philosophy than does Lean.

The Baldrige Framework is an all-encompassing (and in that sense patterns Lean's emphasis on culture and philosophy) approach to establishing a systems perspective of performance. It is a process of understanding and evaluating the integration distinct contexts of the organization – its Leadership, Strategy, Customers, Workforce, Operations, and Results. Each are measured and analyzed in context of overall organization objectives towards the objectives of delivering more value to customers and stakeholders, improving organizational effectiveness and capabilities, and promoting organizational and personal learning. It would be difficult to attempt to boil Baldrige criteria and framework into a list of best practices, as the framework is better understood as a tool itself to reflect on and think about how the organization functions. It is a framework that can be applied in many ways, using many approaches, focused on better understanding what is going on in an organization and working through upstream causes and downstream implications for the way certain things are done.

Hobcraft (2018) states that one of the values of the Baldrige is that it is intentionally non-prescriptive; it does inform us to how to manage organizations, as organizations differ in many ways, most prominently in cultures. Organizations assess their own system against the detailed material available from foundation criteria of performance excellence. It is compatible with and can be incorporated into ISO 9000, Lean, and Six Sigma. Patterning after Lean and Six Sigma, the fundamental concepts of Baldrige include (Hobcraft, 2018):



- Results orientation
- Customer focus
- Leadership and constancy of purpose
- Management by processes and facts
- People development and involvement
- Continuous learning, innovation and improvement
- Partnership development
- Public responsibility

#### **Change Management.**

An oft-cited statistic informs us that over 70% of all change initiatives fail.

(Aiken & Keller, 2009; Hughes, 2011; Mosadeghrad & Ansarian, 2014). While there is a distinct “absence of valid and reliable empirical evidence in support” of this abysmal failure rate (Hughes, 2011), it does inform us to the general pessimism in the ability of organizations to implement changes in their processes, to how they operate. Projects do fail, that is understood, and there is significant research to inform the reader to underlying contributing factors. Mosadeghrad & Ansarian (2014) identified the following as the top reasons for change management failures:

- Insufficient education and training,
- Lack of employee involvement,
- Lack of top management support,
- Poor leadership and management, and
- Lack of an appropriate organizational culture.

Alsher (2018) identifies a similar set of factors, including:

- Attempting to Implement Change Without Sponsorship; Sponsorship identified as the most critical success factor in ensuring a successful implementation of any type of business change.

- Being Seduced by Activity; busyness and activity does not equate to progress or success; there needs to be a focus on the right actions at the right time.
- Viewing Change Management as Separate from Project Management; Change management plans should not be separated from the implementation project plan; they need to be incorporated into a cohesive and coherent plan.
- Assuming a Change Will Occur in Isolation; changes are impacted by other projects and activities in an organization, and as well have impacts on other activities; this needs to be understood. Staff perceptions are shaped by past experiences; this needs to be understood.
- Mistaking a Communication Plan for an Implementation Plan; Communication is important, and it is quite different than an implementation plan.
- Relying Too Heavily on Tools and Checklists; Principles and culture inform the organization; checklists without the underlying philosophy and direction will not generate support.

Towers Watson (2013) reports that “[77% of workers](#) at ‘high effectiveness organizations’ say managers explain the reasons for change well, versus only 7% at ‘low effectiveness organizations’.” Change is hard, communicating is difficult, and changing human behavior is quite difficult. Given the challenges, can practices and processes then be effectively changed? Kotter (1996) articulates a set of principles for effective change:

- Establish a sense of urgency
- Create a guiding coalition
- Develop a vision and strategy
- Communicating the change vision
- Empowering broad-based action
- Generating short term wins
- Consolidating wins and producing more change
- Anchoring new approaches in the culture

Ashkenas (2013) simplifies the understanding of effective change as:

- Ensuring there is a common framework, language, and set of tools for managing the change.
- Integrating change plans into overall project plans, as also found by Alsher; change plans are not separate but rather part and parcel of an overall approach.
- Establish a clear accountability for effective change management in the organization – who owns what? And then ensuring they have the proper skills and training to effectively lead and communicate.

All relate to personal interactions, communications, and establishing a purpose for the change. The contributing factors to change failures stated above ignore these principles Kotter gives us. At the end, it can be stated that “it’s always all about people”.

#### **Themes and commonalities.**

Across background theories of organizational behaviors and performance as well as best practices, there are several common themes found, so much so they can be understood as fundamental to the success of any organizational change initiative.

- Culture matters; change, whether perceived to be small changes or large and significant, can have impact on employees and staff at a very personal and emotional level. For the changes to be successful and sustained requires trust and an attention to the human dynamic.
- Train and educate; the importance of training staff and educating them to the why of a change is emphatically stated in all best practice literature as well as organizational behavior research. It would be quite difficult then to overstate its importance given the frequency of its mention in the literature.
- Pay attention to change management factors; effective change initiatives are complex in the many dynamics involved. As such, success is not solely

determined by the appropriateness or correctness of the specific activity / change being implemented, but a function of the broader dynamic to the organization as a whole. Senior leadership sponsorship; effective communication; use of change agents to help drive messaging; taking smaller, pilot steps; clarity of the message and objectives; communicating clear rationale for the change – the “burning platform” issue; consistency and modeling of behaviors – all affect the success of the initiative.

- Establish clear performance measures and accountabilities; ensuring there is clear articulation of “how does one know” if the organization is doing what was said would be done; achieving the expected results; and ensuring clear roles and responsibilities are established, communicated and understood are all critical aspects to be attended.
- Communicate, communicate some more, and then do it again; no further articulation is needed here.
- Decide what’s important in your organization and tailor the approach to your organization; do not follow a cookie cutter approach; this theme is perhaps less discussed, but nevertheless critical to ensuring buy-in and avoiding a “flavor of the month” perception. There are many great programs and approaches from which to choose with regard to a quality initiative. The culture and personalities and specific constraints in each organization will factor into the manner in which a quality initiative is approached; the aspects of a program that need to be emphasized and aspects that can be deemphasized, the approach taken. This

tailoring of approach helps ensure the applicability of the change to that specific organization and as a critical step cannot be overlooked.

### **Chapter III: Methodology**

The objective of this research is more than academic interest; it is to uncover practical and meaningful criteria by which a nonprofit organization can make decisions regarding the applicability of a Lean Six Sigma program to its operations, and then to better understand how to go about such a program, if they move forward, in such a manner to increase likelihood of both a successful implementation and on-going sustainability and value-add. A broad collection of data by means of survey allows us to cast a wide net for experiences, both positive and negative.

Preliminary discussions with several nonprofit organizations and funding organizations indicated little to no participation by small to medium sized nonprofit organizations in formal performance management practices such as Lean and Six Sigma. As such, research was conducted in a two-step process: 1) a broad-based survey to understand patterns of participation in performance management programs in general, whether labeled or branded as Lean Six Sigma or otherwise, focused on quality and efficiency, the hallmarks of Lean and Six Sigma programs. 2) And then follow-up case study interviews with select organizations to understand barriers or resistance to programs, challenges in adopting Lean Six Sigma programs, and benefits of such programs. The power of data is in the story it tells. Case study examples were used to highlight critical success factors and lessons learned, targeting a successful implementation as well as an example of a “less than successful” initiative in order to “tell that story” in a more meaningful manner than data. As such, a mixed approach using both quantitative and qualitative methods was used.

### **Subject Selection and Instrumentation**

The Minnesota Council of Nonprofits (MCN) member database was used as the source for survey candidates, selecting for public charities, without filter to organization size. This was intended to help establish patterns of participation across all organizations, regardless of size. MCN is nationally recognized for developing viable systems of education and support for nonprofits in the state, with many practices then becoming national standards adopted by other states. (MCN, 2014,4). Of the approximate 6,300 public charitable organizations in Minnesota, over 2,000 are members (MCN, 2014,4), with non-members overwhelmingly the very small organizations of less than \$25,000 in annual revenue; MCN provides the largest representation of the nonprofit sector in Minnesota, and hence has credibility as a contact data source.

MCN categorizes nonprofit size by four revenue categories: under \$200,000 annual revenue, \$200,000 - \$1,000,000, \$1,000,000 - \$5,000,000, and over \$5,000,000. Other researchers and organizations use different cutoffs; Light (2003, 139) for example, classifies organizations between \$500,000 and \$1,000,000 of annual revenue as small, and between \$1,000,000 and \$10,000,000 as medium sized. Nationally only 96% of nonprofit public charity organizations or less than \$10,000,000 in annual revenue; and approximately 82% are less than \$1,000,000 in size (NCCS, 2017). Reporting organizations use different size parameters in their nonprofit reports; the National Center for Charitable Statistics and Independent Sector, for example, use different size classes, going from \$250,000 to \$499,000, and then up to \$1,000,000 and \$10,000,000. This differs from classes used by the Minnesota Council of Nonprofits (MCN).

There are over 1700 nonprofit organizations in Minnesota in that revenue size range, as of January 2, 2017, per the Minnesota Council of Nonprofits. (MCN, 2017). A response sample rate of 10% (156 organizations) provides a 7.45% margin of error; a response level of 65 organizations (a 4.15% response rate) provides a 90% confidence level with a 10% margin of error. That is a reasonable expectation for a response rate, and can be expected to provide meaningful results even at that low rate. A broad range of activity areas are included in this set of organizations, from mental health and crisis intervention to mutual benefit organizations, arts groups and social services. As such, findings can be expected to have applicability across a wide range of organization mission. It is expected a large number of organizations have not attempted a Lean Six Sigma initiative. Of interest are the rationale for such reticence; are there patterns to be found, related to cost, to applicability to the sector / organization, to the value to be derived, or something else. The survey will be constructed to collect that information, as well as results from attempts at such initiatives, using a 5 point Likert scale with additional free-form text responses.

The final survey instrument can be found in Appendix A.

Subjects for inclusion in case study analysis were identified first from the broad survey; organizations that have implemented formal performance management programs. Should representative organizations not be identified in the broad survey, representative organizations will be identified and targeted that do not fall into the “small to medium size nonprofit” profile. It is understood that not all nonprofit organizations are members of the Minnesota Council of Nonprofits. MCN however is representative of the sector.



### **Data Collection Procedures**

Survey data was collected via an online survey tool. Emails were sent to candidate organizations which are members of the Minnesota Council of Nonprofits. A formal email introduction letter was sent to organizations from Hamline University requesting their help and directing them to the survey response site. Candidate organizations, Executive Director and/or Chief Operating Officer names, and organization email addresses were obtained from the MCN member database. Organizations were offered a summary copy of results and findings if they respond and provided a return email address. The survey was constructed in Google Forms and was available for analysis with modest preparation.

Case Study data was developed from a 2-3 hour direct interviews with key organization leaders. While three case examples were anticipated, eight organizations were included. Case Study data was collected via personal interviews using open ended questions to allow participating organizations to “tell the story” of what worked and what did not work. Comments and observations were recorded and then categorized or encoded in order organize into normative patterns.

### **Data Analysis**

It was important questions were constructed in a manner that aligns with underlying theories of employee behavior and motivation as well as aspects of Change Management as a practice. As such, three primary foundation theories were used to form questions: Vroom’s Expectancy Theory, Lawrence and Nohria’s 4-Drive Theory, and Quin and Rohrbaugh’s Competing Values Theory. Along with that, Kotter’s framework

for managing organization change was used as a template for tactical implementation processes. Questions were posed as open ended, with responses then encoded and analyzed as related to:

- Alignment of the initiative to organizational objectives and mission
- Communications processes and aligned purpose
- Degree of clearly defined expectations and clearly defined structures in place
- Employee motivation and engagement
- Rewards and recognition
- Organizational Culture
- Management of Change

### **Limitations**

The risk of researcher bias is a factor in all qualitative studies. Interpreting respondent answers in an objective manner to enable accurate encoding of factors is an important aspect to the credibility of the findings. Social desirability bias is a parallel risk in respondent answers, as they seek to portray their organizations in the best possible light. As such, questions were asked in a very open-ended manner with encoding verified by research assistants.

There is also risk regarding the respondent's role in the organization and their role with regard to the initiative at question. Targeting organization leaders precludes the candid response of lower level employees as well as a normalized overall finding within an organization, and assumes the responder accurately represents the true situation without undue bias. It is hoped and expected that a large response set will minimize that inherent bias and defect in the approach.

## **Chapter IV: State of the Sector; Findings from Surveys**

### **Survey Responses**

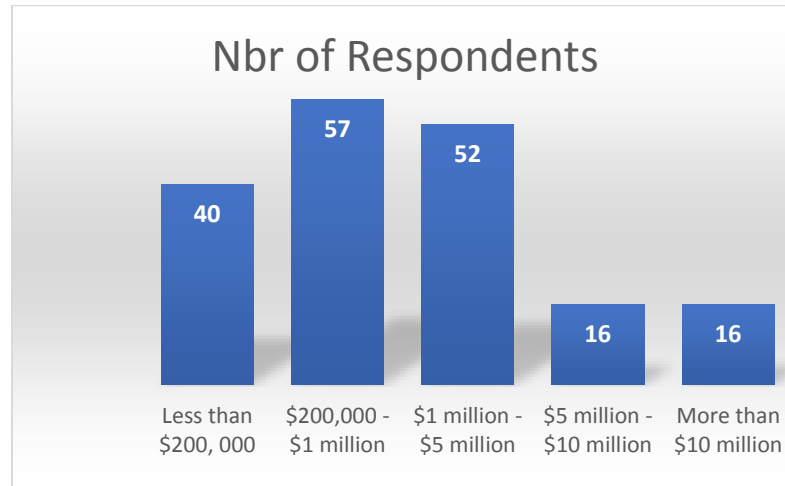
This chapter reviews findings from survey responses, and discusses patterns within the responses. 1654 nonprofit organizations were included in the initial email solicitation, identified as members of the Minnesota Council of Nonprofits in February 2018. 182 survey responses were received; an 11% response rate. This research is interested in larger patterns from the responses – what can be learned from these respondents? Regarding statistical reliability, this is largely a qualitative research study and as such basic descriptive statistics will be used to describe response patterns. That stated, the response rate is large enough to allow certain conclusions to be drawn about the population as a whole with a 95% confidence level and a 7% margin of error. Reasonable conclusions can therefore be established about quality and process improvement behaviors and practices of the population of nonprofit organizations in Minnesota from these results. Recipient organizations were not filtered; members of the Minnesota Council of Nonprofits were targeted regardless of size or mission.

It should be understood when viewing response counts that not all questions were answered by all recipients. Hence there will be differences in counts between questions; these are not errors, counts reported here are as responses were presented.

### **Respondent Organization Size**

The overwhelming majority of respondent organizations are smaller in size by revenue, as expected per previous discussion of the sector profile. Over 91% of nonprofit organizations in the United States are smaller than \$5 million in annual revenue.

Responses to this survey followed that pattern, with over 82% of respondents being under \$5 million in annual revenue, falling into the small to medium size nonprofit category.

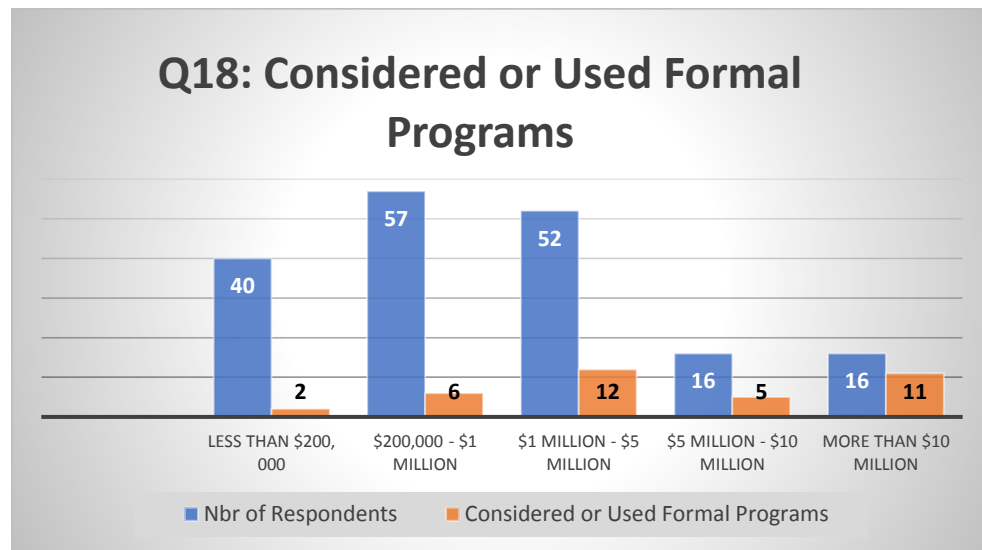


If looking at respondent organization size by the number of employees, 74% have fewer than 30 people; paralleling size by revenue.

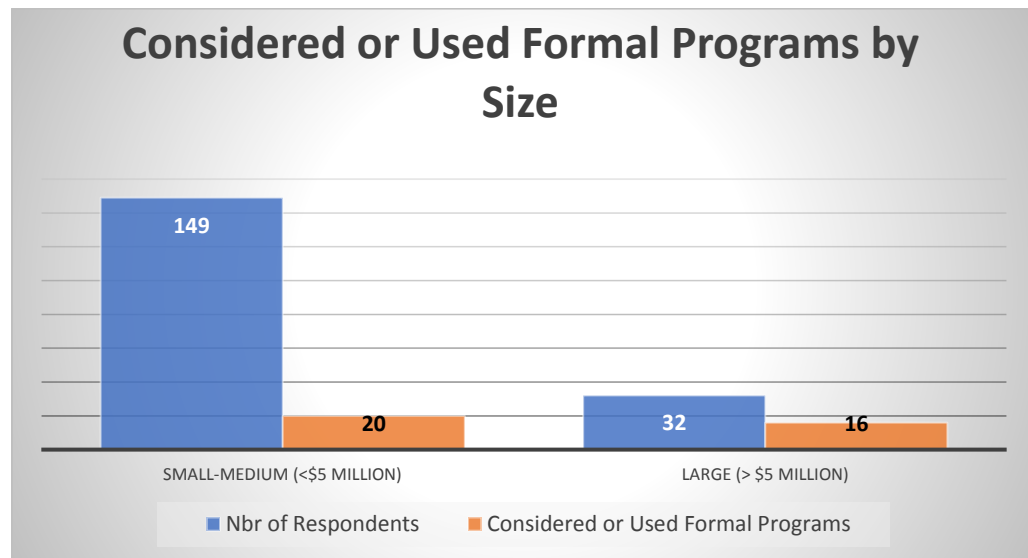
One of the primary research questions regards the use of formal performance programs in nonprofit organizations. Perhaps not surprising, few nonprofit organizations have considered or used formal performance management programs, such as Lean or Six sigma. While Lean and Six Sigma are the primary programs initiating this research, the survey instrument was left open to included options for other programs, such as the Baldrige Framework, Total Quality Management (TQM), and Balanced Scorecard (BSC). 36 organizations have considered or used formal programs at all; 19.8% of all respondents. Given that preliminary anecdotal interviews generally produced the response “What is that?” when asked about performance improvement programs, the 20% rate is encouraging regarding the sector’s awareness and use of formal programs. To the question regarding organization size as a factor, 20 of 149, or 13.4%, of small –

medium size organizations considering or using formal programs, and 12 of 24, or 50%, of respondent large organizations considering or using formal programs. Given the large disparity in the total number of organizations by size, the question to statistical reliability must be addressed. A Chi Square goodness of fit test yields a p-value of .000003 at a .05 significance level. A two-sample test of population proportions gives a p-value of less than .00001. The conclusion then can be established with confidence there is indeed a quite different propensity to consider or use formal programs between large nonprofit organizations and the small to medium size organization.

**Considered or Used Formal Programs**



### Considered or Used Formal Programs by Size



It would also be instructive to understand if there is a different pattern of use by location; is there a higher propensity to consider such programs in the 7-county metropolitan area of Minneapolis - St. Paul versus outstate areas.

### Respondents by location, size

As can be seen in the following cross tab tables, there is twice the propensity to use formal programs in the larger metropolitan areas than in outstate counties. This is not however not statistically significant, having a p-value of .343; and one cannot conclude that geography plays a role in an organization considering such programs.

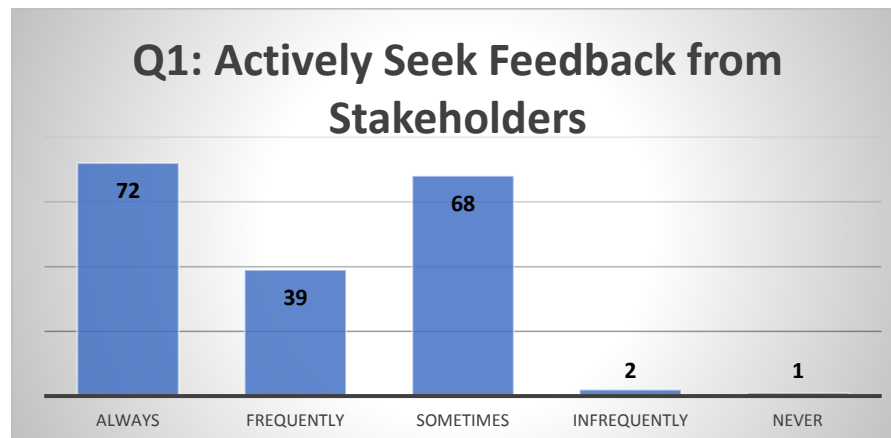
Annual Revenue	Outstate		Metropolitan Area	
	Total Nbr of Respondent Organizations	Considering or Using Formal Programs	Total Nbr of Respondent Organizations	Considering or Using Formal Programs
Less than \$200,000	23	2	17	0
\$200k - \$1 million	25	2	32	4
\$1 million - \$5 million	17	4	32	8
\$5 million - \$10 million	6	2	9	3
\$10 million and above	6	2	10	9
	77	12	100	24

Annual Revenue	Outstate		Metropolitan Area	
	Total Nbr of Respondent Organizations	Considering or Using Formal Programs	Total Nbr of Respondent Organizations	Considering or Using Formal Programs
\$5 million or less	65	8	81	12
More than \$5 million	12	4	19	12
	77	12	100	24

Use of formal programs as one perspective of the sector’s attention to continuous improvement, this study is also interested in looking at quality practices separate from formal programs. Are there other indicators of an organization’s attention to performance improvement that help us understand the degree that these programs have influenced practices and behaviors? Whether one is adhering to a formal program or categorizing a less formal initiative as a quality programs, continuous improvement

programs, or other banner, one of the primary and most prominent practices of all performance improvement programs is the active attention to customer feedback, sometimes labeled as “voice of the customer.” As such, this study is interested in asking whether respondent organizations actively solicit for and use that feedback from stakeholders. Questions 1 and 2 in the survey addressed these issues, and it is interesting that the overwhelming majority of respondents do indeed solicit for feedback from stakeholders. 111 organizations do so “frequently” or “always”, while 68 only do it “sometimes”. So while this is a strong indicator, there is room for improvement.

### Actively Seek Feedback

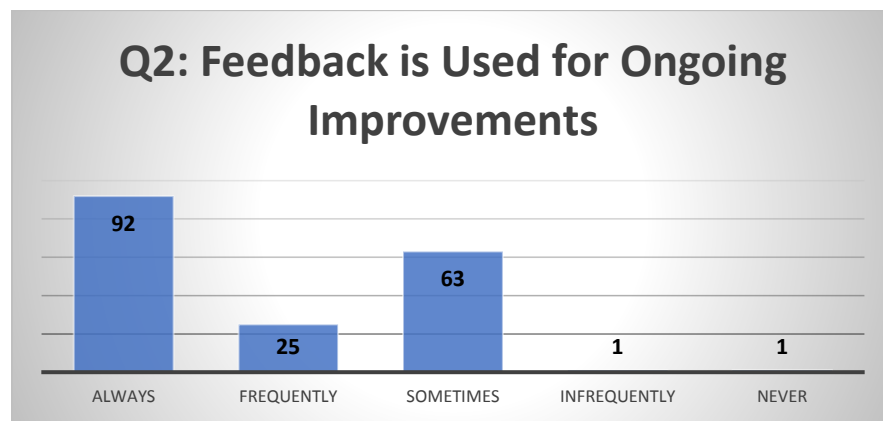


### Feedback Used for Ongoing Improvements

Somewhat encouraging is that over 64% of respondent organizations use that feedback for ongoing improvements on a frequent or always basis. That 2 organizations responded with “infrequent” or “never” is a bit puzzling, and we’ll leave those responses as outliers rather than deleting responses that seemed to be done with a less than serious approach. With fully 35% of respondents only using that feedback “sometimes” again

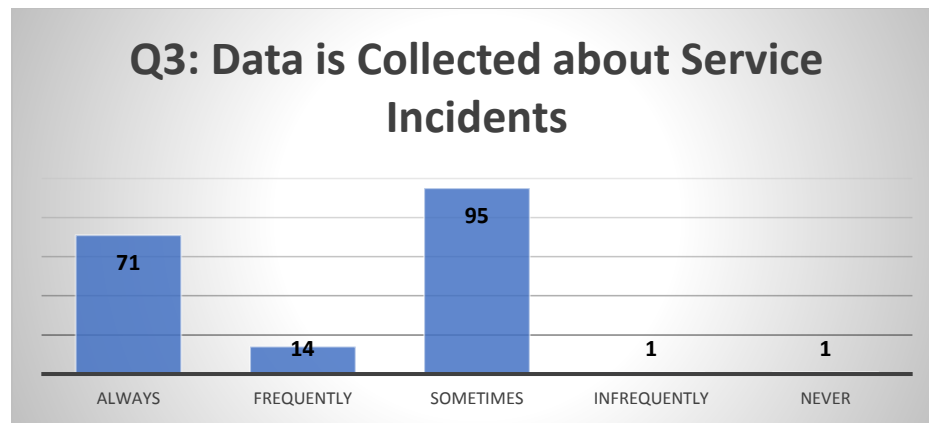


leaves some room for improvement. That 20 more organizations “always” use that feedback for improvement than “always” solicit for or collect feedback would indicate an attention to making improvements when there is information available with which to make improvements. The takeaway would seem to be the value of soliciting for and collecting feedback in order to inform improvements; a deficit of feedback information inhibits improvement actions.



### **Service Incident Data**

Perhaps telling, fewer organizations collect data on issues or miscues as seen in question 3. The definition of a “service incident” was left to the respondent; no prescribed definition was given that might affect responses. If indeed quality is important, and quality improvement a desired objective, one would expect that information about those times when quality was jeopardized to be of interest to an organization, and the findings indicate quite inconsistent attention to collecting this type data. This finding presents an area of concern and an opportunity for improvement.

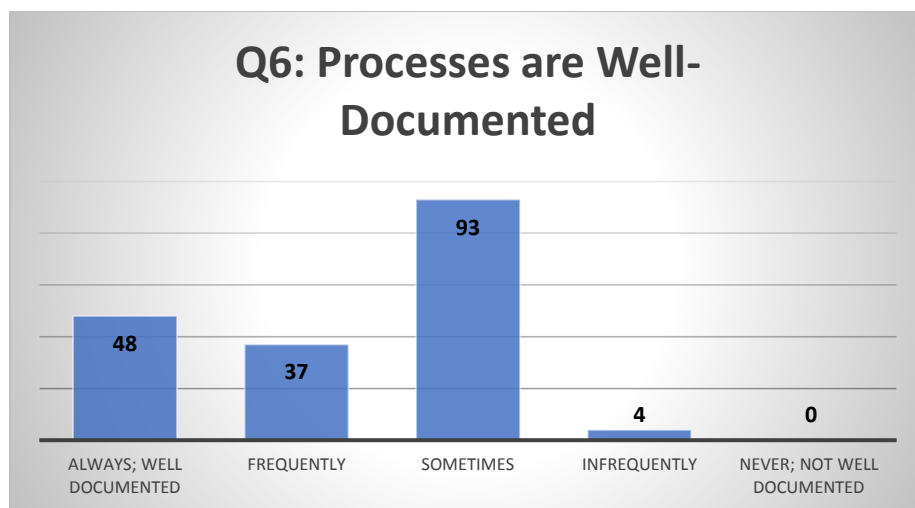
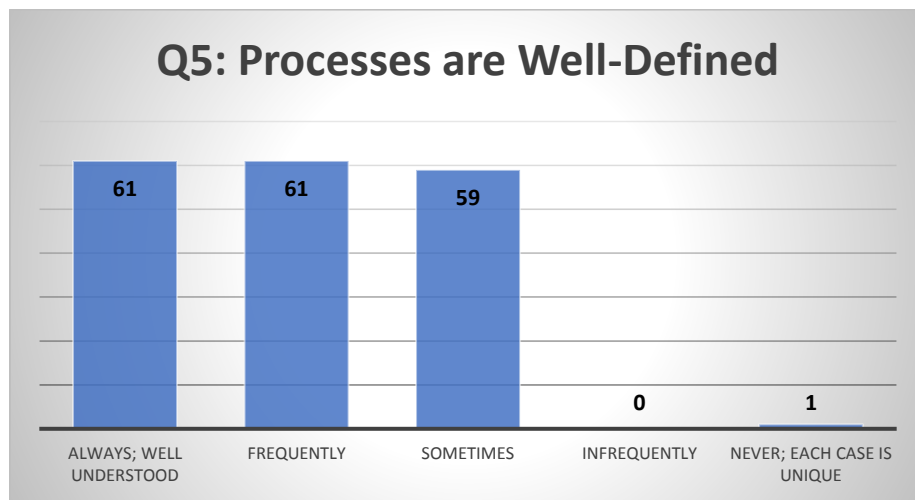


### Process Definition

As previously stated the application of performance improvement programs such as Lean and Six Sigma do not presuppose the regimentation of process that is expected in a manufacturing setting. Service delivery with human beings involved clearly brings about a degree of variation in meeting a client's needs. That said, the provision of services will follow certain protocols and proven approaches as a matter of course; processes will be defined to a certain level with flexibility or variation introduced or accounted for at that point where the client's individual and unique needs require. Case study participants confirmed this understanding, acknowledging the desire for consistent approaches to service delivery. While there is a range of types of services provided by respondent nonprofit organizations, 67% of respondents believe their processes are well-defined, 32% reporting their processes as only "sometimes" well-defined. It is reassuring that 67% consider their processes well-defined, with the 32% reporting only "sometimes" there is room for improvement.

The finding of 46.7% of respondent organizations reporting their processes as well-documented highlights an inconsistency and potential source of challenge for

organizations. Absence of written process steps forces an organization to at best rely on tribal knowledge, that tacit understanding of how the organization operates, and perhaps worse, to allow each new individual joining the organization to create their own unique or distinct processes based on prior experience outside the organization. Absence of documented process creates opportunity for variation and failure regarding meeting a client’s expectations.

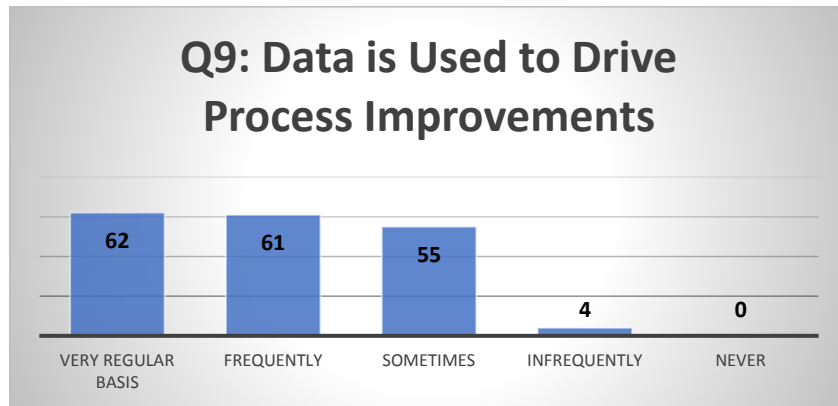
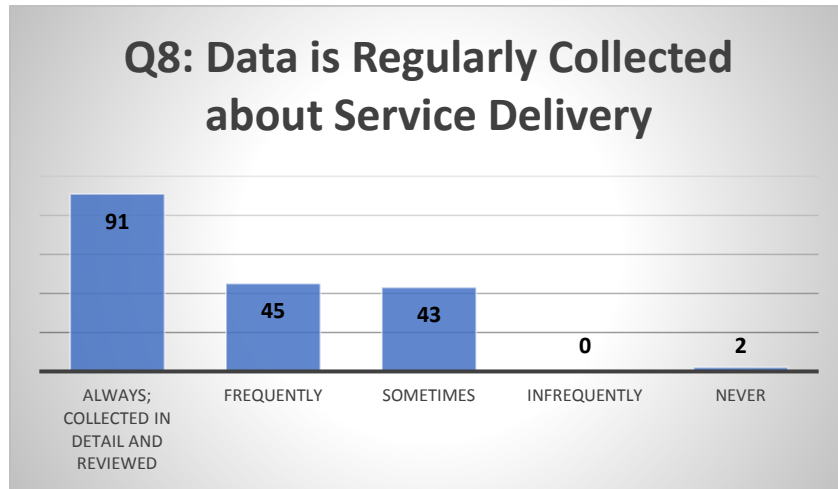


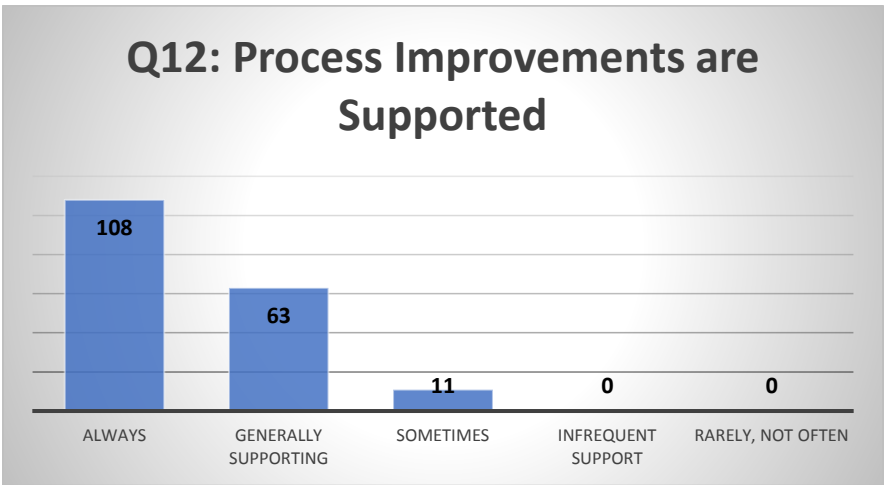
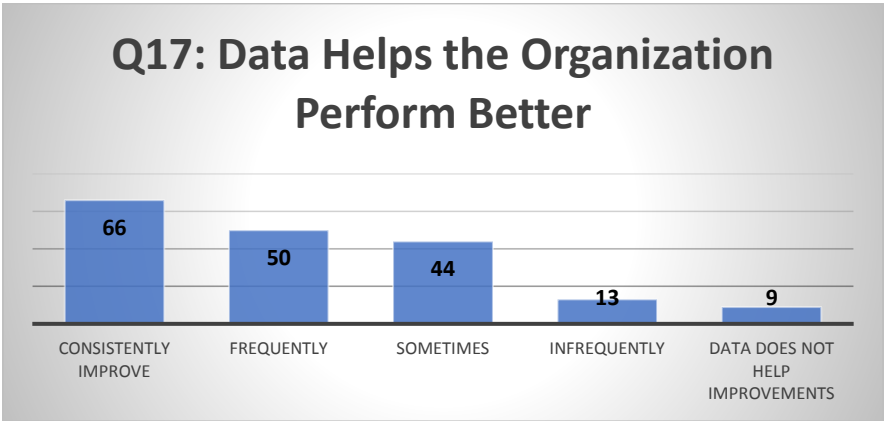
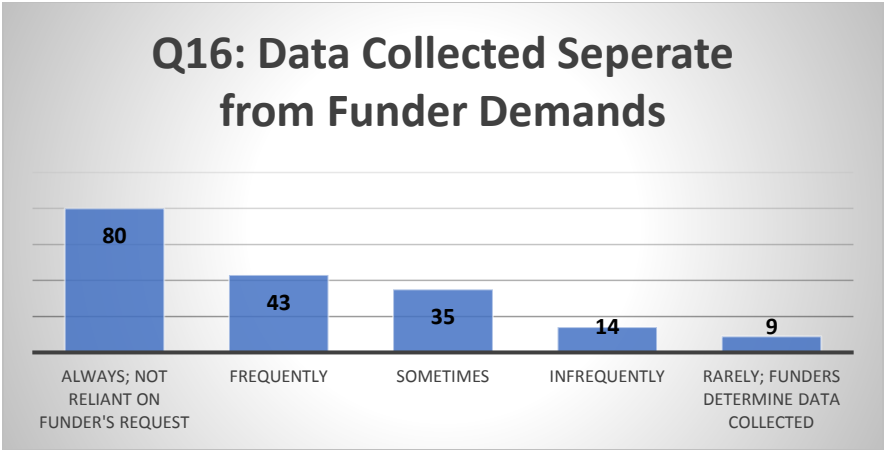
### **Data Collection for Improvements**

The phrase “what gets measured gets done” has in various incarnations been attributed to Tom Peters, to Lord Kelvin, and to Peter Drucker. Regardless the provenance, Questions 8, 16 and 17 help give us a sense of the degree data is collected and used to drive performance improvements. 25% of respondent organizations only collect data “sometimes” or “never”; this is concerning as the question was framed as the most basic level of data collection – “data is regularly collected about the number of clients / customers served, and the time required to deliver those services.” Planning, staff scheduling, throughput and wait times, resource requirements as just the start of those operational activities put at risk without an understanding of who is going to show up.

With 68% of respondents indicating they frequently or always collect data separate from funder demands is encouraging, but leaves 32% with at best a partial understanding of organizational performance. 64% of respondents indicated that data is used to help the organization perform better over time, mirroring the responses regarding solicitation of feedback from stakeholders. While that finding of almost two thirds of respondents use data to drive performance improvement is encouraging, there remains 36% of respondents not using data to improve performance, a bit discouraging. That said, 94% of organizations support process improvements. To actively support process improvement, but doing so outside of having data to inform the improvement begs the question “how does one know” a process has been improved? It would be instructive to have asked the more basic question of whether the organization strives to improve

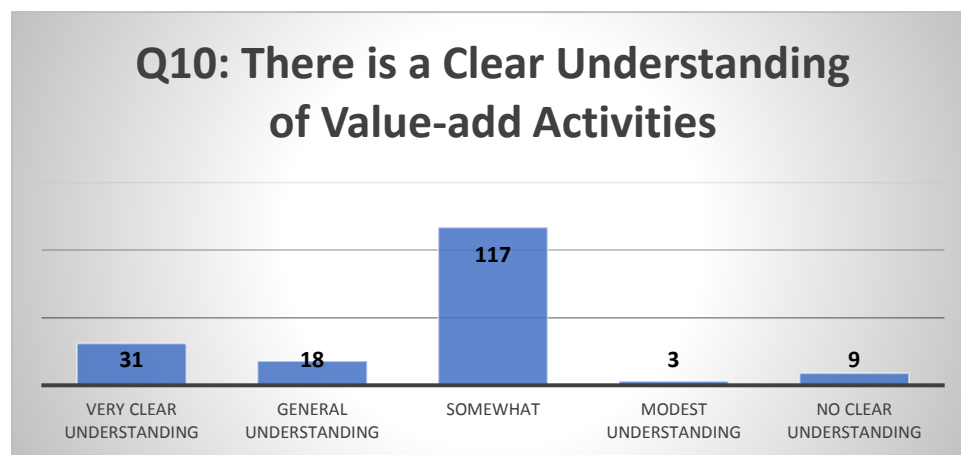
performance at all, with or without data – does performance improvement matter to an organization, and then to probe into how the organization discerns improvement.





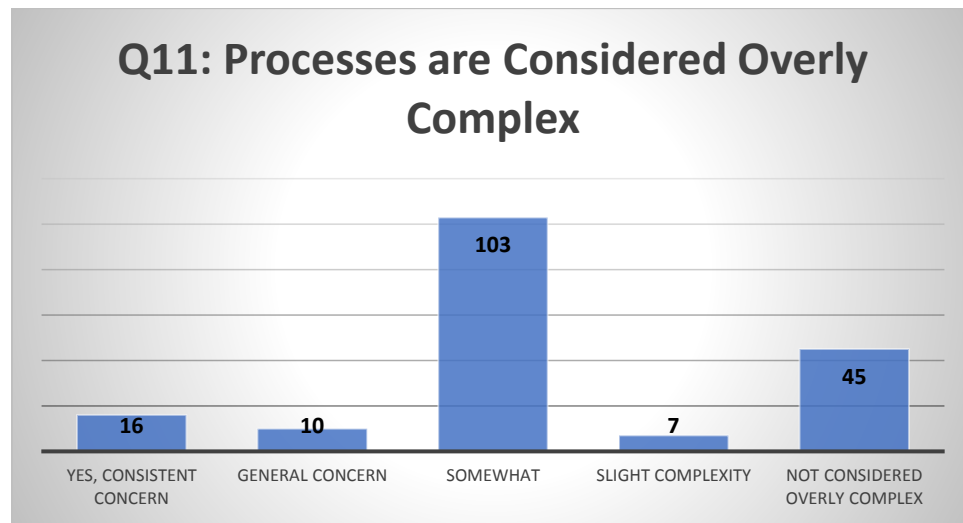
### Clear Understanding of Value-add Activities

A cornerstone of an overall process improvement program is an awareness of those activities which directly affect mission-focused outcomes, activities which are directly adding value to the customer or end result. While of course there is value in improving any process activities, overall effectiveness is increased by improvements to those that directly affect outcomes. 27% of respondent organizations have a general or clear understanding of what constitutes value-add activities, a concept core to process improvement. 66% stated they have “somewhat” of an understanding. The observation that organizations are supportive of process improvements yet generally lacking an understanding of what constitutes value-add activities perhaps is an indication of an inability to focus on the right activities; organizations desire to improve but are inhibited from doing so by not having a clear understanding of what they should be focusing on.

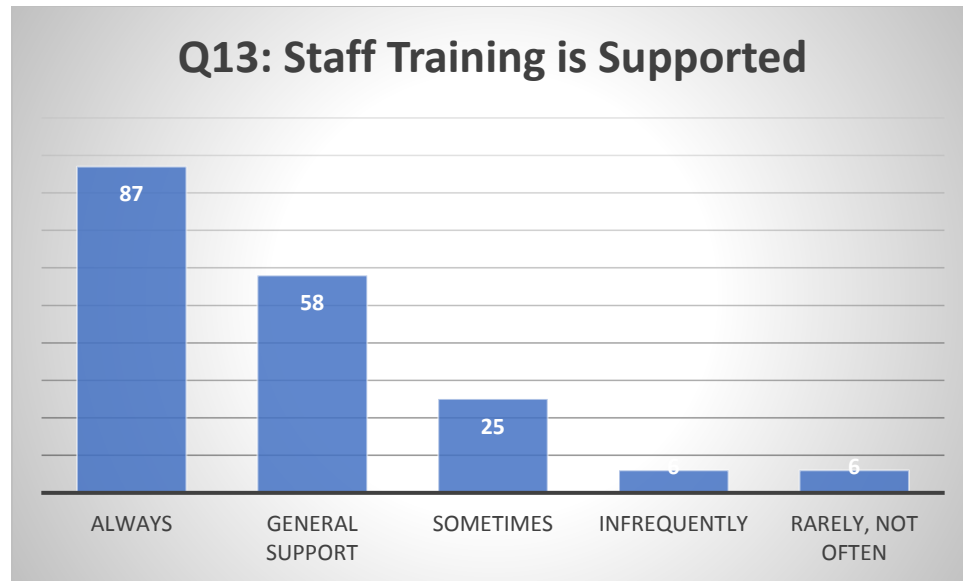


### Complexity of Processes

71% of respondent organizations indicate staff has at least somewhat of a concern to the complexity of processes. No definition was provided to the term “complex”, left to the respondent’s understanding. While processes are seen as complex, senior leadership is supportive of process improvements and for staff training. This can be seen as a positive signal, with clear opportunity for organizations to improve.

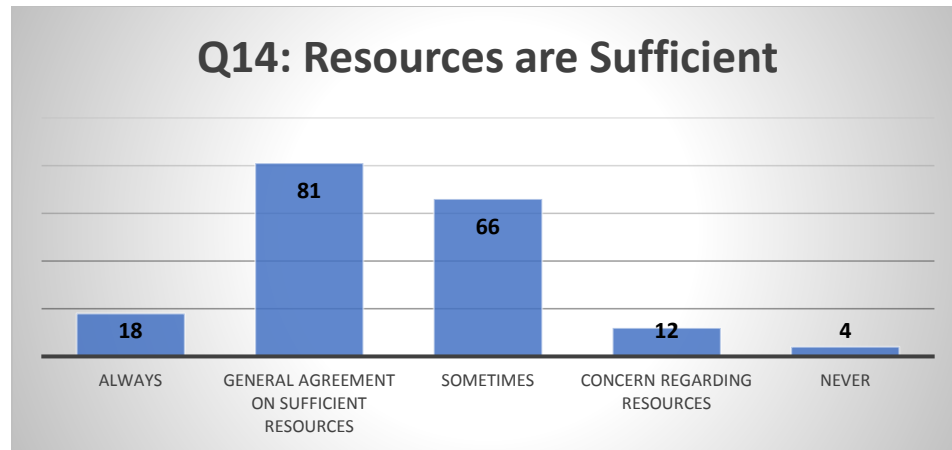






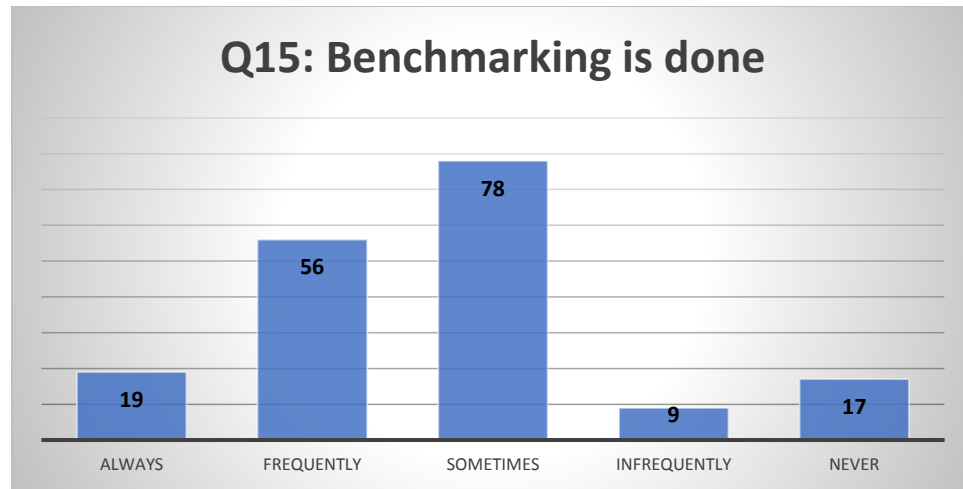
### **Sufficient Resources**

While processes are seen as somewhat complex, 55% of respondent organizations indicate there are sufficient resources to do their job. Another 36% report there are “sometimes” sufficient resources; perhaps an indication of variability in service needs by clients. That only 9% report significant concerns of resource availability is somewhat of a surprise. A consistent theme heard in case study interviews and echoed in generally literature about the nonprofit sector is that “there are never enough resources to do our job.” Lack of resource availability is stated as a primary reason for nonprofits not participating in many of the formal performance improvement programs, for holding back from capacity building efforts. The apparent contradiction to that perception is worthy of further study.



### **Organizational Benchmarking**

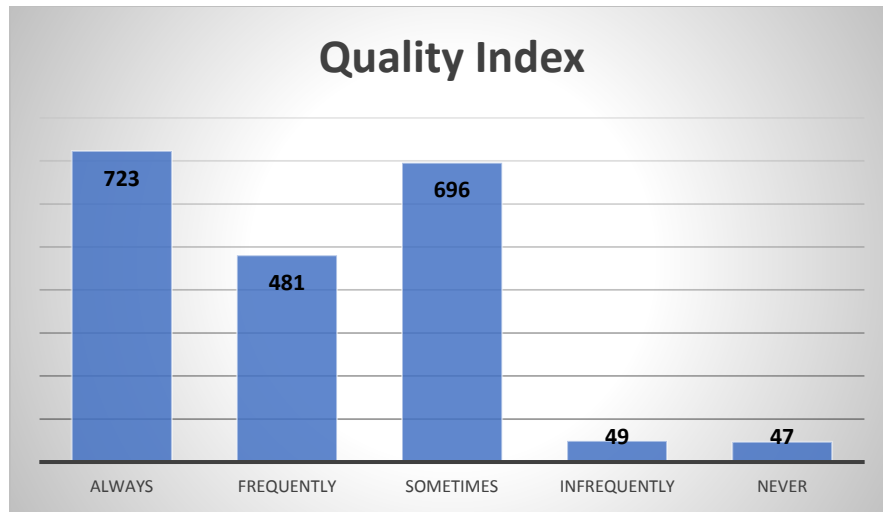
One indication of a focus on quality is the benchmarking of outputs, outcomes, and activities against other like-organizations. This helps ensure realistic goals are set, helps drive focus to those activities that are true differentiators, and identifies gaps in performance that need attention. Survey respondents report somewhat inconsistent patterns of benchmarking, with 42% reporting they often or frequently benchmark, 44% doing it sometimes, and 15% benchmarking minimally or not at all. With almost 85% participating in benchmarking activities to some degree, there appears a desire to compare and measure against other organizations; to reflect on what the organization is doing against other organizations. This is quite an encouraging signal regarding an emphasis on quality in the respondent organizations.



### Quality Index

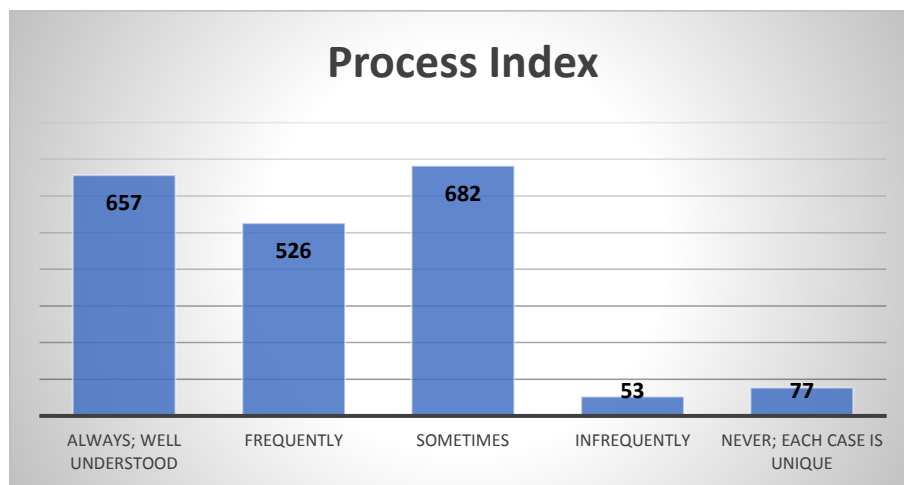
This research started as a question regarding two specific performance improvement programs – Lean and Six Sigma. Six Sigma is understood as a quality improvement program, while Lean is understood as focusing on process improvement. Survey questions were coded as predominantly quality-focused or process-focused, with some questions framed as both measures of quality and process orientation. A composite quality index and process index is generated then by consolidating questions to these two themes.

60% of respondent organizations always or frequently have in place practices that indicate an emphasis on quality. 5% state they infrequently or never have these practices in place. 35% have some characteristics of a quality focus, but inconsistently so. The 60% positive response is encouraging as it demonstrates awareness and focus on quality as an important attribute, regardless of whether it is done under the banner of a formal quality program or not.



**Process Index**

The Process Index parallels the quality index, albeit with slightly less optimistic results. 6.5% of respondent organizations infrequently or never have in place process-oriented practices. It is interesting to note the slide from 723 reporting organizations always having on place a quality practice to 657 always having a process improvement practice in place.



Overall organizations frankly give themselves a “good grade.” They are interested in and have actions in place to pay attention to quality as well as improving processes.

**Does Size Matter?**

A dominant focus of this research concerns not just the place for formal performance improvement programs in the small to medium size nonprofit organization, but also the question of whether differences between organizations of different sizes can be found. Previous sections have discussed survey responses in aggregate; following is a discussion of response differences between different sized organizations.

Using a Wilcoxon-Mann-Whitney Rank Sum test of significance (see Appendix D for results), statistically significant differences in responses to three key questions can be found:

- “Our approach to understanding a client’s individual needs is consistent; we have a consistent set of processes that are followed”
- “Processes and methods for carrying out our primary mission are well-defined”
- “Has your data allowed your organization to perform better today than it was last year, or the year before? That is, is it doing more with less?”

On these three questions there are statistically significant differences based on organization size. This is perhaps indicative of the less formal nature of the smaller organizations; closer and more proximate communications obviate the need for more formal processes. Consistency however is a desirable trait regardless of size, and that less consistency is found in the smaller organization is a concern. Statistically significant differences on other questions is not found.

Survey questions have been consolidated into two distinct indices: a **Quality Index** and a **Process Index**, each an aggregation of questions indicative of that orientation. It is in these indices that statistically significant differences between the small organization and the larger organizations is observed. Larger organizations scored higher on the Quality Index than smaller organizations at a 5% significance level, and score higher on the Process index at a 10% significance level. These findings are consistent with prior comments to the informality in the way the smaller organizations are operated, and are consistent with findings to the scarcity of formal performance programs in the smaller organization. Whether these findings of informality are cause or symptom cannot be adequately responded to from this research.

### **Respondent Comments**

The complete list of respondent comments are included in Appendix A. Following are selected comments that provide some insight to how the individual respondents are thinking about quality and process issues.

#### **Positive Signs.**

Several comments are quite encouraging as they demonstrate an understanding of the dynamics involved in quality and process improvement as a cultural artifact in an organization.

- “Attendance data and demographic data in particular help us to adjust processes to ensure more consistent and ongoing engagement in programming.”
- “By streamlining processes, we are doing better and saving some money.”
- “Data helps us identify and fill gaps in service.”
- “I don't think we are doing more with less, but we are doing more by resourcing (with people and money) appropriately to get work done. We use data to inform

strategy and tactics of our major initiatives and in many but not all cases, we are performing better.”

- “Yes, we continue to drive productivity into the organization through data analysis, technology, strategies and staff competencies. However, optimal productivity is undetermined and we seek to define it.”
- “Our organization was on the brink of collapse in 2012 and fully restructuring through technology and stripping away all extras, the absence of waste cleared the way for new growth. This mentality has continued, even while gaining more financial stability. Each addition is to increase the ability for staff and volunteers to maintain excellence while remaining agile to meet changing needs and resources.”
- “We are a "continuous improvement" organization and always look for ways to improve”
- “We have committed to capturing more data over the past two years. The impact is not yet clear, but we'll keep on that path for now. In our case, the increased data means increased expenses too. We are budgeting for that...”

#### **Room for Improvement.**

Several other comments however indicate the need for more education about the role of data in informing an organization to how it is performing, and the objectives and approach to have quality improvement and process improvement mindsets made a part of the culture. Anecdotal conversations suggest the concerns expressed in these comments are more widespread.

- “At what point do you need more to do more? How do you measure performance? What does "value-add" mean -- does it mean we provide better service to the client or we use less resources? Some of the question on this survey are not clear.”
- “Doing more with less can actually be a detriment to non-profit work. We work to also make sure we are providing adequate resource to the work we want to do. Performing better is not necessarily the same as doing more with less.”
- “Doing more with less is not a goal, but we are always getting better based on insights from staff and clients.”
- “I'm not sure I agree with the presumption that data allows an org to do more with less, although it can certainly ensure smarter deployment of resources. “

- “There is no real attempt to use data to impact service offerings”
- 

The following comment echoes the previous few comments, and goes into a more lengthy explanation of the respondent’s concerns. “Data” is understood by this respondent in the context of detail, hard metrics and demographics; data can also include anecdotal observations, loose trends and patterns, and qualitative observations. That this perception remains in place will exasperate any attempt to collect outcome data beyond output data, or put in place improvement programs. It is an example of the need for more and better education.

- “I think you needed to define "data" better. If, as I suspect based on what I've seen in the nonprofit field, you think of data as info from formal surveys, web stats, clicker counts of visitors, and full-on formal analysis of programs and events (numbers you can put into a spreadsheet and perform sophisticated analysis of), we consider that only part of the story. Much of the feedback we get is informal, such as frequent positive comments on our newsletter or people who enjoy our customer service or love our facility. Because we are operating with a staff of about 2 1/2 full-time equivalents, we do not have time to record all of this informal data, but we most certainly use it to shape what we do. I am very concerned that this major push to put everything into numbers is going to backfire eventually. People will get tired of having their every move quantified and their every identifying marker (age, race, gender, occupation, hobbies, address, products they buy, health issues, etc. etc. ) tracked. While nonprofits are attempting to use this information to provide better service and reach more



diverse audiences, commercial & political concerns are also collecting this data, but not necessarily to a positive end. (Think Facebook & the throwing of the U.S. election.) Nonprofits have to consider that milieu when collecting data.”

### **Challenges.**

The following comments highlight the common challenges of resources with which to apply to quality and process improvement. Funding for operational capacity building is often seen as a challenge, with funders desiring to fund direct mission-focused activities.

- “It is so challenging to know what data to track, how to track it, and how to use it effectively.”
- “Our data collection doesn't always translate into doing more with less. It has driven us to update our records, plus caused us to increase the amount of data we collect and the time spent in tracking and measurement.”
- “Very limited time for program evaluation beyond funder requirements due to high demand for services and insufficient funds for management/development activities”
- “We do not have time or resources to do this”
- “We would love to do more with analyzing data but we need new software. Very few funders focus on this important program support/infrastructure.”

## Chapter V: Case Study Findings

### Participants

Case Study participants were identified and selected based on first their involvement with the Performance Excellence Network (PEN), a Minnesota-based nonprofit focused on advancing and sustaining quality and performance improvement in the upper Midwest. PEN was formally called the Minnesota Council on Quality and is heavily aligned to the Baldrige framework. Other case participants were included from the author's personal knowledge of the organization, with their relevance based on their interest and focus on improving operations and quality. Participant organizations and interview subjects include:

- Asian Women United of Minnesota (AWUM), Claudia Waring (Executive Director)

AWUM seeks to end domestic violence and trafficking by offering programs for domestic violence victims and their children, promoting safe and healthy relationships, primarily within the Asian-Pacific Islander community.

- Episcopal Homes, Marvin Plakut (President and CEO) and Tom Henry ((CFO)  
Episcopal Homes provides a range of care facilities and services for seniors.
- Greater Mankato Growth (GMG), Jonathan Zierdt (President and CEO)

GMG is a civic, nonprofit organization formed as a consolidation of the chamber of commerce and the Mankato economic development organization. Its purpose is to promote, support and serve as a catalyst for economic development.

- Leading Age Minnesota, Julie Apold (Vice President of Quality and Performance Excellence)

Leading Age, MN is an association of senior care facilities with over 1,000 member organizations. It provides resources both to families needing care for elderly members and to member organizations.

- Twin Cities in Motion (TCM), Virginia Brophy Achman (Executive Director) and Terry Ryan (Director of Operations)

TCM organizes and runs the Twin Cities Marathon and related activities throughout the year.

- Valley Outreach, Traci Maki (Executive Director) and Laura Frederickson (Board Member)

Valley Outreach is a Stillwater, MN-based social services organization primarily providing food shelf assistance to residents of Independent School District 834. Ancillary services include a clothing shop, school backpack programs, and emergency funding.

- Volunteer Lawyers Network (VLN), Delaney Russell (Education & Impact Director, on sabbatical)

VLN provides civil legal services to low-income people through volunteer attorneys.

- Youth Performance Company; Jacie Knight (Founder and Artistic Director) and Sherilynn Howes (Associate Director)

Youth Performance Company is an award-winning theatre company, seeking to empower youth and inspire social change through theatre.

The range of services offered by these organizations offers an opportunity to compare and contrast across a range of service-oriented nonprofit organizations. All have expressed an interest and desire to put in place quality improvement processes, and there are some common themes to the challenges. The organizations are at quite different stages of their quality initiative, with varying experiences, and some interesting lessons are learned from each of them.

Interviews were conducted in July 2018 in-person, with the exception of Greater Mankato Growth, which was conducted via telephone. Appendix B contains a set of case study guideline questions, used not as a script, but as an approach to probing the organization's experiences. Questions were not applicable to every organization and experience, and thus were used as guidelines.

### **Organizational Experiences**

#### **Asian Women United of Minnesota.**

Asian Women United for Minnesota (AWUM) is a Minneapolis-based nonprofit working to serve women and their children who have been subject to abuse or trafficking. They provide counseling services, temporary emergency housing, legal referral, and a 24-hour crisis line. The Executive Director has been in place for over 8 years, previously working with Pillsbury United Communities. Perhaps partly a result of her prior experience in a mature, metrics-driven organization, the E.D. is very focused on striving for improvement in how the organization carries out its mission. This is evidenced by

active collaboration and coordination with other organizations directly and through the Minnesota Coalition for Battered Women (MCBW), membership in the Performance Excellence Network, and active networking / training in quality-related events. The Executive Director regularly meets with and collaborates with women's shelters across Minnesota.

AWUM staff members work with each participant on an individual basis to define the participant's goals and desired outcomes. They serve as mentors and advocates, training women for the circumstances to come after the severing of a bad situation. Children are very critical to the situation as well, with staff working to maintain a normalcy and stability for the children, especially with regard to their school situation.

Because of the very individualized nature of the support services, outcomes definitions are not standardized, quality cannot be measured as a narrow metric. AWUM has developed in-house best practices that guide approaches at a high level. Staff learn from each other and from each case and those learnings inform quality. The unique outcomes specific to each participant direct "quality" as a broad concept rather than a specific outcome. Each case is well-documented and discussed in standing weekly case meetings to review cases and status; case workers collaborating for best ideas and open to other's ideas, including discussion of which participants might be ready for moving on to next steps. Collaboration is the tool by which quality is enhanced rather than imposition of defined processes towards the goal of a common outcome.

Feedback is solicited from participants on a consistent basis but is optional. When provided it is used to inform best practices and approaches. While there is an

acknowledgement that some participants leave AWUM services dissatisfied, this is not common, and their feedback would be helpful; it is not often collected today.

Availability of resources was stated as a common challenge, as with most nonprofit organizations. They operate “by the seat of their pants”, and a challenge remains in knowing if they as an organization are doing well. Each situation is unique, and with each participant defining success and objectives in their own context, outcomes for participants vary. With indicators changing, how do they know how well they are doing? Success in AWUM’s context is a participant in a more stable environment; that is an outcome, while funding agencies remain output-oriented. A large portion of AWUM’s funding is from government agencies, including the Department of Justice, and as a result there is a variety of inconsistent metrics collected, each agency defining how they want data collected. A significant amount of data is therefore collected, but it is outputs-oriented rather than outcome-driven.

### **Episcopal Homes.**

Episcopal Homes provides a range of senior living and care services, including short term [rehabilitation](#) / transition care, long-term care, assisted living and memory care facilities, home care services, senior care and intergenerational child care. They have in the last two years experienced a significant growth, with over 100 new staff in that time. They are in the preliminary stages of a quality and process improvement initiative and understand they need new systems and new processes. They became aware of the Baldrige Framework through a PEN one-day conference and became very interest in its use, as it seemed to be applicable to a range of organization sizes across many industries,

providing a broad framework for quality initiatives. The Baldrige Framework is seen as a “way of organizing ourselves” for intentional process design per the Executive Director.

The last two years has been a period of “finding the weak spots”, gaining an understanding of where inefficiencies and challenges exist in their processes in order to set priorities and create focus. Initial enthusiasm for using the Baldrige framework is now grounded in a much deeper understanding and appreciation for what it is as a framework and how it can be applied, and they are now at a stage where resources are being invested in quality initiatives. They have engaged with PEN for evaluators to survey staff and operations in the “next couple months” to identify an initial set of opportunities for improvement (OFI). The CFO has been designated for primary quality program responsibility and will lead the survey effort. He is attending training with the objective of him becoming both the in-house expert on quality improvement methods, but also to become a Baldrige evaluator which will provide additional opportunities to gain insights and learnings from other organizations. Other staff will be assigned and organized into focused sub-teams for improvements.

Executive leadership of Episcopal Homes is very enthused and supportive to quality improvement processes. The approach being taken is characterized as methodical and deliberate, not getting ahead of themselves in order to build cultural alignment to program objectives. He is focused on the initiatives providing meaningful improvements, avoiding added bureaucracy. Measures of success are understood to be by necessity quantitative in nature and are being defined, they are still in the early stages of their quality initiative. An early example provided regards financial closes, now expected to

be completed within 15 to 20 days after period-end. The organization is in process of looking for and identifying process improvement indicators such as this.

An especially effective strategy being used at Episcopal Homes focuses on those practices that are working well and putting a structure around it to ensure it is sustained, in contrast to focusing on processes seen as not working well. An example of this regards their senior housing facilities, which are heavily regulated, having oversight come from the U.S. Department of Housing and Urban Development (HUD). With little direct imposition of processes and practices by leadership and very modest written documentation of processes or methods, that business unit is nevertheless seen as very successful, doing well and doing things well. One indicator of that success is that they have a one-year waiting list for new residents, contrasted with other senior care facilities in Minnesota which are experiencing serious occupancy issues because of the overabundance of senior facilities in the state. Systems and processes are in place, but it is largely tribal knowledge with little actually documented. The challenge then is not to change what's working, but to codify what is being done to help ensure it is sustained.

With the understanding of taking a deliberate approach, the Executive Director has conducted a small number of what he describes as cheerleading sessions to build awareness. It is understood that "communications are messy" and a caution issued by the director is the importance of laying a foundation of awareness and creating alignment to objectives before a full rollout, working to avoid the perception of the initiative being temporary or inconsequential. They desire the message and approach to have substance.



Challenges include the very common one of resource availability; day-to-day task pressures carrying an urgency that longer-focused quality initiatives do not have; instituting a longer term focus and a systems focus, “raising the periscopes” to a longer time horizon. Additionally Episcopal Homes, as stated, has multiple business areas with varying degrees of regulatory oversight; therefore calling for different approaches to process change and quality. They desire to have an organization-wide quality improvement program, but it cannot work exactly the same in each unit; how then do they define varying approaches or methods? They are “doing a lot of things right”, but they cannot always substantiate that success.

Lessons learned and advice are to “just start”; there are many reasons to avoid considering or starting a quality program; Episcopal Homes had to reach of point of simply deciding to start the initiative. That said, they are being careful of disruption and are building a foundation of terminology and aligning people to its purpose. They are also carefully managing communications and using meta-themes with one theme being predominant for a year-long period, establishing focus for staff, and working to avoid overwhelming staff with too much change all at once. The initial theme will be communications, with each business unit and functional area working in their context to apply specific changes.

#### **Greater Mankato Growth (GMG).**

Greater Mankato Growth was formed in 2007 as a consolidation of the Mankato Chamber of Commerce and the Mankato area Economic Development Organization. It further is organized into business units, consisting of Greenseam, focusing on the

agribusiness sector; City Center Partnership, focusing on downtown Mankato development; Visit Mankato, the Convention and Visitors bureau; and Greater Mankato Growth, serving as the consolidated Chamber of Commerce and Economic Development Organization. Process and quality as both characteristics and objectives feed into their mission to enhance the Mankato area's commercial competitiveness and attractiveness as a destination. They work to leverage resources, removing redundancies and overlap between business units and related organizations outside GMG. While there are accreditations from the U.S. Chamber of Commerce and the International Economic Development Council, those accreditations are not seen as highly valuable; this especially so in comparison to quality-oriented accreditations such as the Baldrige award and programs such as the Performance Excellence Network. PEN's quality orientation is focused around the Baldrige framework and is viewed as of high benefit to GMG.

GMG intends to use the Baldrige framework as it advises its participant member organizations, as well as apply for Baldrige recognition itself. It will do so using internal staff to lead the effort, relying on PEN to get the training and understanding in how to do so. They are currently in process of building awareness and helping staff get used to the lexicon of quality and improvement, in order to increase interest and buy-in. GMG is in process of assessing all of their programs and services as a function of validating / revalidating relevancy to the mission. In that course approximately 80 member constituents met in the fall of 2017 to begin that review and help GMG understand their (the member's) perspectives on programs and events. This important exercise is helping maintain focus on the mission and objectives for the organization, and is being used as

input to forming a long range plan of how and when to update / change programs and events. The long range plan is anchored to that stakeholder feedback from the fall '17 focus groups and the mission statement.

Feedback and input from stakeholders is formal, regular, and largely verbal; there are frequent conversations about both strategy and tactics to achieve objectives – economic growth and an enhanced regional quality of life. Two key characteristics of these conversations are that they are a safe environment – contrary opinions and comments are welcomed, and that staff works to listen to stakeholders rather than ‘telling’ – comments are welcome without judgement. GMG does not use outside facilitators during focus groups, and that has not presented an issue, due to the positive and open setup of the discussions.

Staff time availability has been and remains a key concern. GMG staff has however bought into the approach laid out to ensure the relevancy and quality of GMG initiatives. The CEO set a clear sense of purpose which aligned staff, motivating them to make time to devote extra time and focused time to program evaluation and review. To that end, staff participates in a monthly meeting with the first hour dedicated to staff development; a learning opportunity to grow in their roles. There is in addition a standing commitment to meet as a group every 2 – 3 weeks for up to 3 hours to bring together findings and discuss approaches with regard to program evaluation. The board of directors is in practice the voice of the customer, and the frequent interactions with the board provide timely feedback and education opportunities for staff, as the board, while the primary stakeholders, lacks the in-depth understanding of issues that staff has. In

order to better respond to new ideas GMG has learned to execute trial programs on a small scale, in order to inform the viability on the larger scale. It is often difficult or awkward to reply in the negative to board ideas, as they are the primary stakeholder, so the idea of smaller pilot programs allows information to be collected with a minimum investment of time or resources.

GMG remains aligned to following the Baldrige framework and through the frequent meetings identifies process inefficiencies and non-value add activities; quality is assessed as standard procedure via interactions with members and the board of directors. The consolidation and organization into non-overlapping focused business units speaks to the desire of civic leaders in Mankato for an organized efficiency of these functions.

Some key observations and conclusions from their experiences include:

- the establishment of a clear sense of purpose by the CEO, thus aligning staff and board leadership to common objectives
- creating a safe environment for criticism and discussion, thus empowering the free flow of ideas
- taking small steps / going slow, thus allowing stakeholders to adapt to change at different paces
- understanding that words matter, building a common lexicon within GMG that did not threaten; they avoided acronyms the sense of quality processes being another “flavor of the month”
- finding ways to both respect that staff is already quite busy yet making quality and process efficiency a priority, setting up a cadence of standing meetings as a less obtrusive way of getting people to focus
- using pilot proof of concept projects as a way to respect member requests and new ideas without deviating staff time and resources from primary day to day activities.
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**Leading Age Minnesota.**

Leading Age Minnesota is an association of elderly care facilities, working to enhance quality of care, share knowledge, drive excellence in their member organizations, and represent them as a constituency. It is interested in quality and process improvement in two different contexts – within its member organizations so they can be better performing organizations, and within itself as it goes about its mission of serving member organizations. As such it views the objectives of quality and improvement differently in each context. The Quality and Performance Excellence position is newly created and has only been in place for two years. It has adopted the Baldrige framework and works closely with PEN to provide training and learning opportunities. Member organizations are encouraged, but not required, to attend PEN classes. One advantage seen by the Vice President of Quality and Performance Excellence in their participation with PEN is the opportunity for cross-industry exposure; she can collaborate with other quality-focused leaders outside her industry, in both private sector and public sector organizations. This “cross pollination” provides a broader range of ideas and approaches than what might otherwise be available should they limit their exposure to nonprofit sector partners or restricted further to senior care organizations. Because of the role and purpose of Leading Age as an association, the culture is focused on and aligned to improving quality; it is their mission, rather than being a part of their mission.

As such, work towards quality initiatives within Leading Age as an organization can be more direct, aggressive and intentional than when working with association members. Association members, while valuing quality, are more constrained to

resources, less agile with regard to change, and perhaps less enthusiastic to new initiatives, as they are more directly focused on resident and elderly care, their primary mission. Key in the approach with members is to remove jargon, simplify acronyms and generate leadership support in order to avoid being seen as “flavors of the month”. Initiatives are framed as “problem ... approach ... solution”; establishing a tangible rationale for change that is more easily understood, with a clear and relatable objective. The tools used and approach may differ from Baldrige or Lean or Six Sigma, but the concepts are the same. The more basic approach of identifying underlying problems or challenges and framing her initiative as a solution approach makes the program more attractive to members and removes initial resistance.

Challenges to growing quality initiatives are in one sense common to all organizations, especially nonprofits, and include resource availability; simply making time separate from day to day responsibilities for staff to think about, plan, and draft what could be done to improve. Senior care is heavily regulated and as such there is a high degree of emphasis on compliance, detracting from focus on performance improvement. Heavy workloads at member sites generates a “not now” response; timing and capacity are consistent challenges. Perhaps not as common with other organizations is that heavily regulated environment, with more of a “gotcha” mentality that clearly inhibits attempts to change processes, even if the intent is an improvement. Member organizations providing senior care must of course follow regulations which direct specific behaviors and manner of delivering care; monitoring of the regulations entails a high level of non-value add work. That non-value add work becomes the focus,

constraining efforts to reduce non-value work and focusing on value-add activities. This pattern is not as much an issue within Leading Age itself as they do not provide direct patient care as the association. A complication resulting from the highly regulated environment is that often the designated quality person at a care facility may not have nursing or elderly care qualifications; they have a base knowledge of improvement strategies not founded in the work at hand. This disconnect between subject matter expertise and regulatory quality assurance creates a friction perhaps not common in other organizations.

Leading Age is very data-driven, emphasizing the need for fact-based decision-making. In that regard, a significant volume of data is collected. The time spent in data collection is part of the mission at the association level; it becomes more of a challenge at the member level. Complicating data collection is that many metrics are counted differently depending on the audience. There are multiple contexts or ways of categorizing data. This inefficiency takes time away from analysis of the data.

Leading Age is working to make itself and its members more of a learning environment; asking how they put into place regular feedback loops in order to learn from experiences. Benchmarking would be desirable, but not seen as practical or even possible due to the lack of comparable market data with which to do a comparison.

They are implementing a pattern of problem solving learned from quality programs, following a PDSA – Plan Do Study Act – approach. They work to bring in staff from multiple parts of the organization into PDSA reviews, with the objective of breaking down silo thinking and working towards more holistic perspective. The

Baldrige Framework provides the approach for aligning the intersections of activities, looking upstream at what might have contributed to a situation, as well as downstream to subsequent impacts. Their Continuous Improvement quality program has been labeled “I Can” as an internal marketing approach, aligning all parts of the organization towards a quality goal. An emphasis therefore on continuous improvement becomes part of the culture and thinking of everyone in the organization.

Key lessons learned and takeaways from Leading Age, MN include the need to “dial it back”, to keep things simple and basic, removing acronyms and allowing room for staff to get comfortable with changes; establishing accountability for actions, ensuring there is an ownership for certain things; ensuring leadership buy-in and support; and establishing clear objectives and articulating the “so what”. Changes to processes and overarching “programs” by definition create a disruption; establishing a clear connection of the quality initiatives to outputs and outcomes is necessary to generate support – buy-in.

### **Twin Cities in Motion.**

Twin Cities in Motion (TCM) is a Minneapolis-based nonprofit whose mission is to “ignite everyone's inner athlete”. They do this by sponsoring several road races throughout the year, the preeminent race being the Twin Cities Marathon. The organization consists of 25 staff members, and over 380 volunteers. It operates with staff and volunteers stretched; there is no overabundance of resources as the logistics of executing a major race event are complex, broad, and varied. From a financial perspective, 67% of their revenue is received from race registrations. Public perceptions



often do not have a full appreciation for the complex dynamics required to operate major events of this type.

TCM participates in PEN events to bring back “tidbits” of ideas that can help them be more effective / efficient. They do not use the Baldrige framework and are not pursuing formal approaches of quality improvement. They self-describe as “aspiring” to higher levels of quality and improvement, and are very open to suggestions; capacity and resource constraints prevent a formal focus. They have grown over the past several years from a very small organization with broad visibility to all aspects of the organization by all, to a larger organization with more defined responsibilities, sometimes resulting in less visibility across the organization to aspects outside one’s responsibilities.

Communications was stated as the key issue they wrestle with, keeping people informed across the organization to ensure collaboration and awareness. They have recently started using the Microsoft Teams product for cross-organization chat, conferencing, calls, document sharing, and communication. The introduction of this tool has by itself removed a significant inefficiency, as prior to its use the organization had no file management practices in place, resulting in multiple, inconsistent versions of documents, including practices and procedures for event management, floated throughout everyone’s hard drives. Collaboration is valued, but “it is a constant struggle to foster and nurture collaboration.” A consequence of informal processes and document management is the challenge resulting from loss of “tribal knowledge” when there is staff turnover.

They are increasingly using outside partners to assist in creating more efficient processes. For example, moving to a new vendor for registration support will bring in a race-specific registration application based on the Salesforce.com platform, greatly enhancing the customer experience and making the process much more efficient, less time-consuming from a support perspective. Similarly, efforts to promote environmentally sustainable processes are managed through an expert partner, rather than trying to build an in-house expertise.

Data collection is informal and more anecdotal, but “getting more sophisticated”. Feedback and customer input are not formalized. TCM staff conducts debriefs after each event, and state they are very critical of themselves. These debriefs appear to be informal, and there seems to be a hesitance to formalize processes and procedures. A year-end wrap-up of metrics is done for sponsors, containing basic counts of activities; this wrap-up is output oriented and is not qualitative, simply reporting basic participant numbers. When discussing processes, leadership stated they are learning to be more flexible, especially so with regard to customer service. An example provided regards the change allowing customers to transfer race numbers after registration has been completed. It has been a long-standing policy with major races that race bibs (numbers) cannot be transferred. TCM has moved away from that rigidity, based on customer feedback. A positive customer experience is considered the primary objective, after safety and security as paramount of course. Benchmarking is rudimentary; comparison of registration numbers, for example, with other races. They have started using Google Analytics for basic metric reports / descriptive statistics.

TCM states their basic product is good, and not broken.

**Valley Outreach.**

Valley Outreach has recently completed a strategic plan review; done every three years and updated quarterly to measure progress. The recently completed plan is more strategic and longer term than the prior plan, and was described as an intense, cumbersome effort to develop. Staff was involved to a high degree, and their input was woven together into the final plan. Valley Outreach is a founding member of Supershelf, MN, a partnership of several organizations focused on encouraging healthy eating and taking a holistic view towards solving the food insecurity issue. The strategic plan supports and models Supershelf objectives of creating a client-centered food shelf environment, increasing access to healthy food, and applying behavioral economics principles to promote healthy choices.

They are collecting a wide range of data about their services, and know that service numbers are increasing; that is, they are serving more people now than previously served. While that is positive in one context, it is indicative of the growing number of people living in a food-insecure state; this contradicting perceptions of Washington County as predominately an affluent county. They are also finding clients have a higher level of need, going beyond persistent food insecurity to include access to the clothing closet and case management services. Valley Outreach is responding by growing their capabilities in these additional service areas.

Valley Outreach's past successes in serving as Washington County's primary food shelf led to the partnership with Health Partners and other organizations to form

Supershelf, MN, and to the receipt of an evaluation grant from the National Institutes of Health to evaluate the impact on the SuperShelf transformation on client's diet and health. This will provide the opportunity to develop and establish best-practices confirmed through formal evidence gathering and evaluation. Valley Outreach has worked to compare its operations and metrics to other food shelf organizations, but that has proved problematic because of the many ways programs differ; they approach the challenge in different ways and collect different metrics, making comparison quite challenging. While Valley Outreach leads with food – they are first a food shelf provider, other organizations may first focus on other services and provide food shelf services as a secondary service offering. Hence there are different approaches to how services were set up and measured, making comparisons a challenge. Supershelf establishment of best practices can help in this regard going forward. As an example, “pounds of food” delivered to clients has been a frequent measure of output. That by itself presents challenge, simply in the differing weights of foods, canned goods weighing more than fresh produce, but not consistently carrying a higher nutritional value. They are working to collect a count of choices clients make, vegetables, fruit, grains, dairy, proteins, etc. This can help provide some balance and consistency in comparing both across programs and over time.

As part of their efforts to collect more comprehensive data regarding outcomes they are tracking client demographics and using the “Hunger Genius” website (<http://www.hungergenius.com>) to better understand where their clients are, and where the hunger challenges are located, in order to better align geographic provision of

services to needs. Hunger Genius is sponsored by 2<sup>nd</sup> Harvest Heartland. Valley Outreach stated there is no singular picture or measure identified as yet; these are new tools and new approaches to the challenge of mitigating food insecurity, and are in process. This is an encouraging finding to see a small nonprofit both partner with larger organizations and be keenly interested in collecting data to substantiate their approach and output measurement.

There are several lessons learned from Valley Outreach's experiences, foremost focusing on overall change management. Is the organization ready to make a change; are they philosophically prepared? This key question drives the approach and pace of whatever changes might be imposed. Consistent with Change Theory is the executive director's observation that "humans are messy" and change is often difficult for people; an understanding of human dynamics and how to approach change is critical to any initiative's success. Quality programs such as Lean Six Sigma are observed to be "not simple" according to the executive director, and the approach to formal programs and change should be done with that understanding. An approach to challenging status quo and help get staff aligned is to consistently ask challenging questions – "what are we, are we doing the best we can, what are we doing well, how can we improve on it?"

From a senior level position, she observed that it is easy to get caught up in operational decisions, and it is important therefore to practice intentional focus on higher level issues; as executive director she as well as the board need to think at a higher level. That leads then to the strategic plan as a tool to ensure focus on the right things. Knowing when to say "no" to an opportunity, making sure new ideas fit with the mission,

values and strategic plan of the organization is important. There are many good ideas that will be presented; not all will be appropriate for the organization. As well, there needs to be a willingness to sunset programs perhaps no longer relevant to the mission.

As a partner, Valley Outreach has learned to be an enabler, helping other organizations, and in that course has worked to avoid imposing its values on their partner organizations or the organizations it is mentoring in best practices. They approach their coaching not as coming in with a solution in mind, but rather a set of their own learnings and the willingness to listen as a community based approach is defined for the organization they are coaching. They focus on better local programs and are very conscious of focusing on the end result, not giving attention to “who gets credit.” That aspect of their partnership has been critical, as there are many organizations involved, each with a distinct mission and a competition for donor funding. A humility over credit is critical for an effective trusting partnership.

#### **Volunteer Lawyers Network.**

The Volunteer Lawyers Network (VLN) is a coordinating agency for legal services for those who cannot otherwise afford services. Interviews were conducted with the Education and Impact Director, who is very focused on quality and process improvement. She participates in PEN programming events in order to learn techniques for helping the organization be more efficient and to better understand process analysis. VLN relies on the expertise of outside organizations for best practices and process improvement in a number of ways; as a member of the Minnesota Council of Nonprofits they have access to assistance and guidance regarding Human Resource management and

Leadership; as members of the American Bar Association they have access to supporting material regarding legal assistance; and as active participants in PEN they gain understanding regarding process improvement and managing quality.

In addition to learnings gleaned from PEN presentations, a very impactful outcome was PEN's assistance in conducting a mini self-assessment to better understand where the organization was positioned with regard to process and operations. Staff were surveyed, with no surprises coming from the assessment. A set of very actionable and realistic steps to take, and a framework for thinking about process management were also provided. VLN in addition has made an attempt to bring in Lean and Six Sigma improvement programs in recent years. An experienced Lean Six Sigma consultant was engaged, creating an overall model for them to think about processes, including specific outputs and actions to be measured, an approach to prioritization of tasks and programs, and building a linkage from specific data to organization goals. The consultant pulled in the best practices from both Lean and Six Sigma and applied them to the VLN-specific environment to tailor a program for their needs. The strategic plan was updated to reflect their findings, and a continuous improvement program initiated. His approach has been to avoid an "ad hoc practice of executing too many projects, achieving low impact" but rather help systemize and prioritize improvement opportunities on the vital few projects. The consultant is currently engaged to assist with quarterly progress reviews.

Despite VLN's efforts, process and quality initiatives have not resulted in changes to the culture; resistance remains. Several cautions apply from their experience:

- There was no preliminary setup or planning prior to or as part of the consultant coming in. Objectives were not stated, or were unclear to staff, and it became a

“foreign exercise” without context; staff did not understand what was going on or why with regard to process exercises.

- Related to the lack of setup, there was an across the board lack of familiarity with the terminology and verbiage used; acronyms and terms were used that staff did not understand, thus increasing confusion and contributing to the sense of this being another “flavor of the month”. Language matters.
- Perhaps not fully given attention in the literature, there were personality challenges with regard to one of the consultants, creating resistance and pushback. In a broad and general sense, the lawyers were extroverted with strong personalities, the consultants extroverted and somewhat unaware of their environment, and the staff tended toward being more reserved. The larger personalities created relational friction that detracted from the efficacy of the message.
- The nature of the volunteer relationship also contributed to the quality initiative challenges. In many nonprofit situations volunteers assist at the direction of staff; staff remains in control of activities, volunteers subordinate in authority. In the case of volunteer pro bono lawyers, lawyers are the subject matter experts and are “superior” to organization staff, staff responsible for more of the mundane coordination, scheduling and support activities; lawyers providing the value-add expertise clients require. This dynamic led to challenges getting lawyers to buy-in to process changes. This artifact is perhaps unique to this type nonprofit organization, but nevertheless one to be paid attention.
- And as is a common theme across nonprofit organizations, time and resource availability remains an issue. Process Improvement is “all well and good, but when do they have the time to do it”.

With regard to client feedback, or “voice of the customer”, VLN finds it difficult to get feedback for several reasons, primary being the intimidation factor in the nature of the relationship; clients are concerned about repercussions should a critical comment be made. As well, the availability of time by clients is limited; it is a distraction at best to take time for some form of “customer satisfaction survey”. Feedback is an awkward action in the context of the services provided. One technique attempted to overcome that is to include client representatives on VLN committees in paid positions; albeit not large



sums, but remuneration helps make it worth the client's time to get involved. This has been met with less than the success expected; the superior – subordinate nature of the relationship between volunteer lawyers and clients, along with the very different personality types created an environment where clients did not feel heard, where there was no space for the client voice; inclusivity was lacking. An idea under consideration to change these dynamics is to conduct facilitated focus groups, not yet put into practice.

An observation made by the Impact Director regards the operational practices contrasted by organization size. “Smaller legal services organizations seem to do better”; they are self-correcting in that because of size they can more directly and immediately see issues and effects on outcomes, as they are on the front lines of services. A larger organization with a division of labor creates by its structure a distance between action and outcome, a lack of awareness. This is a quite intuitive observation and a challenge recognized in many successful organizations, that by creating a closer relationship to the customer / client / participant from all levels the organization can better meet their needs.

#### **Youth Performance Company.**

Youth Performance Company (YPC) was founded in 1989 by Jacie Knight, who remains the artistic director. It sponsors and conducts theater art for youth out of its two locations; a primary rehearsal and setup facility currently on University Ave in Minneapolis, and performances at the Howard Conn Fine Arts Center on Nicollet Avenue in Minneapolis. It operates with a very small staff, Jacie and an associate director as the only full time staff. The organization has struggled from a financial perspective and is now in active search for a new base facility as their current facility on University Avenue

has been sold for redevelopment. Board members and volunteers from PEN have helped the organization redevelop their strategic plan. Major challenge has been translating the strategic plan into specific actions that can then be accounted; “doing the strategic plan” has been the challenge, per Jacie.

They do not have a logic model in place, they desire to be strategic in their planning and to have processes in place to effectively carry out the strategic plan, but finds itself operating closer to day-to-day than from a long term focus. This is fundamentally a function of resource availability, not from a lack of interest or desire. There is much work to be done in preparation of each theater production and the urgent often takes precedence over the important.

YPC has enlisted the help of several volunteer nonprofit leaders to assist in operations execution. Artspace is helping with the building relocation; PEN monthly events create awareness and provide education opportunities; outside consultants provided specific direction regarding roles and responsibilities, normalizing communications and patterns of working together.

YPC is very focused and intentional about quality; that focus is however more directed to the performance itself rather than the operational manner in which the performance was developed. They are “very driven” according to the director, with the day-to-day urgent challenges taking priority over implementation of documented standard processes. Their model itself is in part inefficient by virtue of not being under one roof; having 2 separate facilities. This creates double inventories of supplies at times, ineffective communications, and non-value time transiting between the two

locations. They do look for opportunities to create efficiencies anecdotally; one example being the planning of social media posts well in advance, lined up for posting for the year in advance to help ensure a timely post with the “mad scramble” to write the post when needed. The organization desires structure, but needs help to establish that structure. While many staff directors have been with the organization for several years and therefore bring a common understanding of how things should operate, there remains new the inflow of new directors and staff, creating a discontinuity. This then creates inefficiencies simply due to a lack of awareness.

With regard to data and metrics of performance, there is no consistent pattern or approach to measure processes or success. Program evaluation forms are given to participant children as age-appropriate, but questions are more general, and they do not specifically solicit feedback. These evaluations are apparently not done on a consistent basis, as it was stated data is collected incidentally, “accidentally” is the term used to describe it, rather than intentionally. Were data to be collected, YPC does not believe they have the capacity to organize, analyze, and draw conclusions from it; their focus remains on day-to-day theater production. Markers for success were described therefore as informal and subjectively viewed, including such things as whether schools continue to bring students on field trips to productions, although this is problematic due to budget challenges in schools and less school time available for extracurricular activities such as this; public interest, which is however somewhat variable; teacher feedback, which was stated as more anecdotal however. That stated, a very objective measure of success however is used and available – participation in the Youth Program Quality Assessment

(YPQA) through the University of Minnesota. YPQA is a tool developed by the Center for Youth Program Quality, designed to “measure the quality of youth programs and to identify staff training needs”. (Center for Youth Program Quality, 2018). YPQA is based on guidelines established by the Search Institute, examining such things as, for example, whether a student is greeted by name within the first 10 minutes, availability healthy snacks, and interactions with students oriented towards asking them rather than telling them. The YPQA assessment was 2013, 2014, and 2018.

That stated, YPC describes itself as a very collaborative organization. Regular verbal contact and a year-end review with “open and honest self-evaluation” helps align staff and volunteer directors and build plans for the following year.

Their challenges were described as “resources and time”. Asked to describe any lessons learned in their journey towards more regular and planned processes, the Executive Director stated simply “get help; don’t go it alone”.

### **Common themes**

A common and very consistent challenge experienced by all respondents concerned the availability of resources, in terms of available staff to do quality and process focused work, lack of time due to their focus on the primary mission tasks, and financial ability to support these efforts. While obviously some organizations are better funded than others, no organization felt they had “enough” resources to take on quality initiatives without putting strains on the organization. All organizations however are eager to take advantage of outside resources, both for education purposes and for

consulting implementation purposes. That outside help has not consistently added value to the initiative however.

Dean and Bowen (2000) summarize best practices as focused on three distinct areas:

- Customer Focus
- Continuous Improvement
- Teamwork

This categorization resonated well with respondents as a useful organization and they agreed their efforts would fall into this pattern as well. Regarding best practices (see the prior discussion) the following observations follow known patterns; that is not unexpected. Repeated patterns are found and that is how we understand and grow confident in our understanding of what works and what challenges present in organizational dynamics. Specific lessons learned and recommendations from case study respondents follow, and must be understood to be a function of the specific organizations included in this research and their experiences; this is not intended to be seen as an inclusive list representative of all organizations. The findings that follow are understood from observing the benefits and successes from these organizations accounting for them as well as the negative impacts from organizations ignoring these issues.

There were several common challenges voiced by most all respondents, not surprisingly. Resource availability is seen as a challenge by all respondent organizations. Staff is focused on mission-related activities and is stretched already with “too much to do with not enough time.” Financial resources available to fund training, materials, or even for outside consultants just is not a part of most nonprofit organization’s reality.

The focus on quality and process initiatives is seen as interfering with the primary mission; effective communications, planning and effort are needed to it make these initiatives be seen as facilitating and enabling of the primary mission. Funders are often not interested in operational capacity building as a request, focused more on mission-related activities, thus exasperating the issue. This theme is not unique to the nonprofit sector, but is a consistent and pervasive inhibitor to nonprofit capability enhancing activities.

Additionally, all respondents carried the burden of data collection and multiple reporting expectations from different funders. Whether collecting data on outcomes or outputs, funders and regulators each had a somewhat distinct definition of what they expected to be counted, and those definitions do not consistently align. Some organizations are particularly adept at collecting that data and maintain multiple repositories or ledgers, according to each requestor's expectations. This is not a particularly efficient method, but it is effective. Other's re-collect multiple times through the year as various counts are needed for reporting purposes; again, not a particularly efficient method. This challenge is consistent, and requires a more proficient expertise in data modeling, typically a skillset found in Information Technology professionals, which is not a typical skillset in smaller nonprofits. This then is an opportunity for organizations like Propel Nonprofits or the Minnesota Council of Nonprofits, as examples, to provide a missing skillset.

**Leadership buy-in is essential.**

The importance of sponsorship by executive leadership in any change initiative is well documented and universal in lists of best practices. Case study interviews further validate this truism in how change has been carried out at case study participants. Consistently emphasized and then leading to organizational alignment, and where lacking leading to a lack of commitment by staff and negative outcomes. Absence of leadership sponsorship can often lead to sabotage by disaffected staff, whether overt or covert. (Kotter, 1996). Executive buy-in by itself however falls into the category of “motherhood and apple pie”; who could possibly argue against such good and true things? That buy-in and sponsorship must manifest itself in practical and real actions in order to demonstrate that buy-in and commitment. It cannot be buy-in by affirmation only; it must be buy-in by example, with real resource commitments and hands-on leadership involvement. Specific calls to action include:

- ***Establishing clear objectives*** for the quality initiative; provide the “so what” so everyone involved understands the end goal. This clear sense of purpose must align with the organization’s mission and strategy; this especially so in a nonprofit organization where mission is everything. Board leadership, staff, volunteers, funders all need to be brought into this alignment conversation so there is a clear sense of purpose; perhaps not all at the same level of communication, but as stakeholders in the mission they are part of the initiative.
- ***Creating a safe environment*** for discussion and criticism, thus empowering the free flow of ideas. A key component of TPS’ Lean culture is the empowering of individuals to make decisions within their sphere of control; they are in practice subject matter experts and once trained in thinking through upstream inputs and downstream effects of their responsibilities are fully able to contribute to the conversation.
- ***Defining and reinforcing accountability*** for deliverables. Assigning key staff to certain Even if small staff, establish accountabilities, hold yourselves to certain expectations, tasks, deliverables

**Keep it simple.**

Staff, which includes volunteers, will in general not have the same familiarity with terminology, acronyms and approaches that leaders of a quality initiative would bring, whether those quality leaders are in-house staff or outside consultants. As such there is a risk of overwhelming them with “all that’s going on”, including the terminology used, creating unnecessary concern and risk. Leaders should be careful therefore to use familiar terminology, avoid jargon that requires “translation” for stakeholders to understand, and take the initiative to help staff understand the lexicon. Communications devices such as posters, notecards, a regular cadence of email updates for example can all help solidify that the quality initiative is a serious endeavor and not quickly dismissed as another “flavor of the month.”

**Manage the pace of change.**

Change is disruptive by definition, both to us as individuals and to organizations. Separate from the terminology used to describe a quality initiative, the pace of change creates an opportunity for staff to be overwhelmed. A consistent challenge brought by all respondents was the lack of resources for efforts outside their day to day tasks; none of the organizations had ‘extra’ resources that could be devoted to non-mission related activities.

Specific suggestions and approaches taken then include taking small steps and going slowly, pace a function of the capacity of individuals to absorb a distraction from their primary duties and take on additional responsibilities related to the quality initiative; allowing stakeholders to adapt to change at different paces. One respondent took an



approach that both respected that staff is already quite busy yet made quality and process efficiency a priority by setting up a cadence of standing meetings as a less obtrusive way of getting people to focus. Pilot proof of concept projects are another way to demonstrate the value proposition of a quality initiative without incurring large-scale change in an organization. One respondent goes further with this idea and uses pilot proof of concept projects as a way to respect new staff ideas for quality improvements without deviating staff time and resources from primary day to day activities.

**Culture matters – get everyone aligned.**

A core concept of Lean Principles is that Lean is not a set of tasks or a set of tools to simply be used; Lean is a way of thinking, “a philosophy” (Shah, Chandrasekaran, Linderman; 6880) as well as a set of principles and practices. It is an entire system and a focus on the complete environment in which an organization operates; far more than optimizing a department or a function within an organization. (Liker, 2004, 11). As such the human element cannot be understood as a separate dimension. A respect for people then is a core requisite for successful use and implementation of Lean.

Cultural alignment begins with two things: training, and attention towards setting expectations. Case respondent organizations that understood that and included training in their plans reported high degrees of alignment and enthusiasm for the quality initiatives, while organizations that did not include steps to train and familiarize staff, or set their expectations, experienced resistance to the programs. Certainly, it is not necessary for all staff to receive the same level of training; what is needed however is role and level appropriate training. This both creates an awareness and signals senior leadership

support for the program. Some organizations, including a couple of case study participants, work to generate excitement and enthusiasm for quality initiatives by creative use of posters, contests and communications highlighting achievements.

As part of creating a cultural alignment, attention should be given to interpersonal dynamics. In other words, personality matters. One case participant experience significant challenge as a result of personality clashes and differences with one of the outside consultants brought in to assist quality initiatives. The issues were not in and of themselves catastrophic, but as a whole created an environment where staff quickly developed a cynicism regarding changes being asked of them, they resisted and ultimately sabotaged efforts to change the way the organization operated. The lesson here is that the messenger is tightly coupled with the message; if the messenger lacks credibility, so also will the message.

**Approach matters.**

We see organizations which have experienced success in effecting change to processes or in implementing quality programs understand the cultural implication of change on people. As was stated by the executive director of Valley Outreach, “humans are messy”; understanding that the approach to introducing change is paramount to its success is obviously then important.

Senior leadership needs to then maintain a focus on the higher level direction and overall results, avoiding the tendency to focus on operational decisions. Inculcating a mindset to constantly challenge in a self-reflective mode, asking challenging questions –

“what are we, are we doing the best we can, what are we doing well, how can we improve on it” – can help unmoor the anchor of status quo thinking.

**Take advantage of outside resources.**

All case study participants are involved with the Performance Excellence Network, and all take advantage of other resources outside of PEN. While this can be overwhelming and needs to be managed, there would appear to be no shortage of resources available. A consistent comment from respondents regarded the different perspectives at outside events, such as PEN one-day conferences; participants appreciate the opportunity to hear from others in the private sector, manufacturing companies, public sector agencies, and especially large organizations. The sharing of ideas and understanding of common challenges helps leaders keep a perspective on their own situation, and can help keep ideas flowing.

The sharing of best practices across like-organizations is also a key part of quality practices at respondent organizations. All collaborate and share ideas with similar organizations. Mission-focused human services nonprofits are understood to have a vision of a state where their services would no longer be needed. Working together in a collaborative spirit, without a competition for a customer, fosters a learning culture.

There is a point however where too much help can be detrimental; it can be overwhelming to an organization to have too many voices bringing in too many ideas. Senior leadership needs to temper and manage the resources brought in for assistance.

**Look at what works well now, and put a structure around it.**

A key practice at one respondent is a perhaps often overlooked practice – ensuring the sustaining and emphasis on practices and processes that work well. Many change initiatives and quality improvement projects focus on “fixing” things that do not work well; well and good, that is obviously a major objective. There are however going to be many processes that indeed already are working well, whether well-documented or not. Identifying those well-functioning processes and codifying them for others should not be overlooked as a best practice. The respondent who brought attention to this stated that while they were looking at broad changes and improvements in how they operated, there were “many things they did right” and they wanted to ensure those things done well persisted. As most all of those processes done well were not documented, codifying via process documentation was an important quality program task.

Sharing best practices and collaborating with like-organizations to develop a sector best practices is also important and valuable method of improving quality. Most respondents indeed do collaborate with other organizations and communicated the benefit of doing so.

**Just start.**

Two organizations communicated a lesson learned that an organization contemplating a quality initiative should simply start on that path; to use the expression – “just do it.” They found many reasons to avoid starting the process, and once started found those challenges less concerning and significant than they had anticipated. While still encouraging a thoughtful and well-planned initiative, they recognized they would

likely not reach a stage where they felt fully ready; they were however at a stage of preparedness where they were “ready enough” and therefore started the communications process, assigning of responsibilities, initial training, and while still taking a deliberate pace, indeed did make progress while going slow.

One respondent is being careful to manage the communications process and work to ensure a ‘fresh’ message. They will vary a theme for each year of the initiative for several years, refocusing attention to one area of common practice; communications for example for this first year. Every business unit and department communicates, albeit under quite different models, regulations, and ways. Communications as a theme though provides a meta-focus that while abstract can be applied in a specific and slightly different manner in each department as part of the overarching initiative. This both preserves the freshness of the message while helping staff to not become overwhelmed with too much change all happening at the same time, it adds a deliberate pace to the quality initiative.

## **Chapter VI: Discussion and Recommendations**

The purpose of this research was to explore the use and adoption of formal performance management programs such as Lean and Six Sigma in small to medium size nonprofits. There is an abundance of literature, both in peer-reviewed journals as well as popular-press practitioner experiences to the benefits of formal performance improvement programs in the manufacturing sector, the public sector, large nonprofit organizations such as hospitals and universities, the for-profit services sector, even small manufacturing companies. There is however a distinct gap in the literature to the use of and efficacy of these formal programs in the small to medium size nonprofit organization. This research begins that exploration by investigating first the degree to which formal performance improvement programs have been adopted in nonprofit organizations, and as a secondary question, the degree to which the themes of these programs, quality improvement and process efficiency, have been made part of the culture at nonprofit organizations.

The question must be asked however regarding benefits and outcomes to the organization from performance improvement programs; do these programs result in positive benefit? Do process improvements lead to organizational improvements? While this may seem an intuitive question, simply being more efficient should not by itself be a goal; if processes are not effective in their design and approach, increased efficiency simply means the organization is doing the wrong things faster; a link to positive outcomes is needed. To that question, one can point to George's (2003) findings in services operations at Lockheed Martin, Bank One and Stanford University Hospital as

examples, or to more recent examples cited by Enterprise Minnesota, a nonprofit dedicated to providing Lean Six Sigma consulting support to small manufacturing companies in Minnesota. Smith Foundry used Lean principles to change the organizational culture as they went through a period of rapid growth. Documented benefits (Enterprise Minnesota, 2018) are stated as “reduced labor, material, inventory, and energy costs” as well as “lowered greenhouse gas emissions and decreased environmental impact from runoff.” Annual cost savings of \$257,000 resulted. Harmony Enterprises is a worldwide leader in the design and manufacturing of balers and compactors for solid waste and recycling needs and recently implemented a continuous improvement program with Enterprise Minnesota. Results included increased sales by \$6 million annually and over \$1.8 million in cost savings, enabling them to invest \$1.5 million in plant and equipment and create 15 new jobs. Minnesota Twist Drill manufactures high-speed drill bits and recently implemented Lean principles, with results including reduced rework and scrap, reduced damage to tool and equipment in the manufacturing process, and improved overall quality, thus providing higher levels of product consistency. An additional side benefit was reduced employee turnover. Le Sueur Inc. supplies precision machined parts and prototypes from plastic injection mold processes, aluminum die casts, permanent molds, and sand cast molds. Quality improvement initiatives resulted in a significant reduction in defect rates, from 5.46 percent to 1 percent, and reduced rework rates for other processes, thus resulting in fewer customer returns. So to the question of organizational benefit, the conclusion is that yes,

quality improvement programs and process improvement programs can result in overall organization benefit.

Quality improvement and process efficiency are broad themes, and are used here as directional indicators, as surrogates for Six Sigma and Lean. This research is not intended to focus on or to measure organizational effectiveness; that is a quite different question. Organization effectiveness speaks directly to outcomes and how well the organization accomplishes its mission. The focus here is to better understand the approaches and tools used towards accomplishing the mission. That said, one of the tools included in the survey regarding formal improvement tools is the Balanced Scorecard (BSC). Balanced Scorecard as a tool does focus on organizational performance, both holistically across all functions and in a focused manner looking at specific metrics over time. As such it is a quality improvement tool and therefore included as part of this inquiry.

Nonprofit organizations compete not just with other nonprofits, but also against government and private organizations. Given the increasing competition for resources and pressure to demonstrate value in the sector, there can often be a sense that nonprofit organizations should become more “business-like to achieve greater efficiency, accountability and responsiveness”, (Light, 2002, 22). The purpose of the research is to understand practices in the sector; it is not to advance a “how to” or “should do” advocacy for such programs. Neither is it to issue the siren-call to be more business-like; it is to first understand what these organizations are doing, and then to better understand the practices that have proven effective towards a better-performing organization. It is



understood the nonprofit sector contrasts in objectives with private sector companies in its attention to factors such as advocacy, community-building, collaboration, responsiveness, and trustworthiness, that are not be emphasized in the private company in the same manner. That said, operational goals such as cost efficiency, outcomes measurement, total quality management, and customer satisfaction certainly are common across sectors.

The research uses a broad survey sent to members of the Minnesota Council of Nonprofits to quantify use of formal programs and aspects of their operations regarding continuous improvement and process management. 182 respondents of almost 1700 member organizations provides a statistical reliability the respondents represent the population of Minnesota nonprofit organizations. Minnesota has a well established and respected nonprofit sector, thus providing a confidence results can be extrapolated generally. Augmenting the survey are eight case study interviews with organizations of varying size and mission with the objective of understanding in more depth how these organizations built quality as a construct into their culture and their operations; how they “think about” quality and process, and to elicit specific findings of lessons learned that can be shared with other nonprofit organizations. While many would accept there are certain commonalities between private and nonprofit organizations, there is often a sense within the nonprofit sector of their uniqueness of mission and distinct set of priorities, thus often inhibiting adoption of practices and programs originating in the private sector. Case study interviews are a response to that potential resistance, eliciting learnings from other nonprofits that may be perceived as more credible with other nonprofits.

There will continue to be many challenges to the sector as a whole as well as individual organizations. Perhaps foremost regards ongoing challenge of measuring efficacy, how are outcomes measured more so than outputs; how is quality defined and how is it measured; how are efficiency and effectiveness viewed and are they relevant constructs in the sector. This paper does not attempt to address these large questions. It does however help us better understand the degree these concepts of quality and process improvement are currently playing a role in how organizations understand and manage their operations.

### **Research Questions**

**Research question 1:** Do smaller non-profit organizations use performance management programs or initiatives?

It is clear from survey respondents that small to medium size nonprofit organizations do not use formal performance improvement programs to the same level as larger organizations. 20 of 149 (13.4%) respondents have considered or used formal programs, strikingly small in contrast to large organizations, which responded with 16 of 32 considering or using formal programs. This conclusion is confirmed by doing a chi square test to confirm perceptions from the original data. The consistent response in preliminary and case interviews covering over 20 organizations was an emphatic “no” with regard to formal programs. Most interview subjects asked for definitional clarity of what these programs were; they were most often not aware of their existence.

The survey Quality index and Process Index further find clear differences between larger organizations and the small to medium sized organizations, with the

smaller organizations failing to have in place informal practices that indicate attention on quality improvement and process improvement. This is not to say these organizations are poorly run and or “bad”; simply that they do not have in place at the same level as larger organizations the informal practices that can be seen as indicators or surrogates for formal quality or process improvement programs. Size does seem to matter with regard to both formal program adoption as well as informal practices.

That said, many nonprofit organizations strive to take advantage of opportunities to learn and “do better” by participating in conferences and learning opportunities alongside other organizations of all sectors. Several respondents voiced appreciation for the different perspectives brought in by people from quite different organizations, including private sector companies. Several of the case study subjects participate to some degree with Minnesota’s Performance Excellence Network (PEN), formerly called the Minnesota Council on Quality. PEN works actively across all sectors to increase attention and provide learning opportunities for quality improvements using the Baldrige Framework.

Several organizations responded, both in surveys and case interviews, that they have formal Continuous Improvement Programs (CIPs) in place, those programs largely defined and framed within the organization as a self-developed / self-defined program, done so with a general understanding of CIP elements and formal within the context of the organization itself, albeit outside the context of industry normative guidance. In other words, they have put in place some practices of monitoring activities and processes and

regularly assess efficacy; they have not engaged industry expert consultants to assist in defining or executing the CIP program.

Survey responses were coded to being representative of a Quality orientation, a Process orientation, or both. A Quality index and a Process index were then developed to give us a sense of the degree to which these themes were prevalent in respondent organizations. Fully 60% of responses indicated a high concern for Quality (Always, Frequently), and 59% indicated a high concern for Process Improvement (Always, Frequently). These indices are directional, indicating the importance of these factors in operational performance, and are frankly quite encouraging. It may well be that formal programs are in modest use, but there is concern and attention placed on doing those kinds of things that enable operational improvement and process efficiency, such as collecting and then using feedback from clients and stakeholders. That 4.8% of responses indicate “Never” or “Infrequently” on Quality questions, and 6.5% of responses similarly responding regarding Process questions can be viewed a couple ways. On the one hand it is a bit discouraging there are organizations that “Never” or “Infrequently” undertake the most basic of actions to attend to improvement. The more optimistic reaction might be that only about 5-6% of organizations neglect quality improvement and process improvement.

**Research question 2:** What are the barriers to consideration of performance management program or initiatives in smaller organizations?

There were two distinct and clear learnings from preliminary discussions and case study interviews; the first regarded a broad lack of awareness of what was meant by Lean

and Six Sigma, what was meant by performance improvement or performance management programs. While some interview subjects at large organizations had a basic awareness that Lean and Six Sigma were formal programs, none had investigated the programs for their applicability to their organization and then obviously had not initiated attempts to bring these programs into their organization. There was a distinct lack of awareness regarding these programs at all, and when there was a modest awareness it was accompanied by a perception they applied only to very large corporations. This anecdotal finding from interviews is reinforced from survey results which found, in looking at all respondents, 36 of 182 respondents, less than 20%, had considered or used formal performance management programs of any type, not restricted to Lean and Six Sigma. 13 of 182, or 7%, had considered Lean and Six Sigma specifically as formal programs; 8 of which were large organizations with revenues more than \$5 million per year. 5 small to medium size organizations of 149 total organizations, approximately 3%, of this class size have even considered these programs. One can clearly conclude lack of awareness as a significant challenge and barrier.

A second learning was the perceived lack of resources, generally framed as “we have no time” to even think about such matters. Every one of 20 interview organizations expressed concern and reservation that such programs require resources which were not available, in the form of time and people, and therefore financial, availability. While many expressed interest at the leadership level for taking advantage of formal programs that could improve organizational performance, all acknowledged reservations about staff availability to participate, the common phrase being “we’re all too busy focusing on the

mission". This perception contrasts with survey responses which indicate 55% of respondents generally agree or always agree there are sufficient resources to do their job. These findings can be viewed a couple different ways. It would seem consistent with anecdotal interview comments that 45% of respondents express concerns about the availability of resources; that resources are perceived to be insufficient. The 55% generally believing there are sufficient resources needs to be evaluated in context of a necessary follow up question regarding the sufficiency of resources to take on additional quality improvement tasks. That question was unfortunately not included in the survey and would be a candidate for follow on research.

Many case respondents participating in PEN events, while actively participating in conferences and learning events, also expressed reservation about time and resource commitments necessary to consider improvement programs. They found the events and learnings from PEN conferences interesting and enlightening, but several often seemed disengaged with regard to applying those learnings to their organization. Other respondents were quite interested in applying PEN learnings to their organization and found challenges in how practically to marshal resources to the task as staff were already fully utilized on mission activities.

The availability of nonprofit resource organizations such as Propel, the Minnesota Council of Nonprofits, The Performance Excellence Network, and Metropolitan Alliance for Connected Communities, among many others, suggests no shortage of support organizations available to the nonprofit sector. While anecdotal, many organizations expressed a hesitance and sometimes resistance to taking advantage of these external

resources. Reasons given for that response referred back to prior comments of the lack of internal resources to participate with and take advantage of the external consulting assistance, even if it were available at low or no cost to the organization. A primary issue then appears to come back around to resource constraints within the organization, whether real or perceived.

**Research question 3:** Where performance management programs such as Lean Six Sigma were undertaken, what factors contributed to the success or failure of the initiative?

This research put forth questions regarding consideration and use of formal programs; the initiation of a formal program. Factors contributing to a program's success assume the program was initiated, to even a modest level. As stated, there is a distinct lack of responding organizations which have indeed attempted such quality initiatives. Absent a body of organizations which can speak to direct experiences with formal programs, there are no findings with which to understand the dynamics of formal quality program implementations. As such there is no adequate response to this research question and it must be explored in subsequent research.

An interesting and necessary next step then would be the investigation of barriers to a successful implementation, once a program has been selected and implementation begun. In other words, once a decision has been made that a quality program is to be put in place what factors contribute to the implementation's success and the longer term sustainability of the program. The oft-quoted statistic (whether accurate or not) is that "70% of transformation projects fail." (McKinsey, 2013; Hughes, M, 2011). This

suggests a vulnerability and susceptibility separate from a hesitance to take on a change project. Change is hard, as is well understood. Theory of change guides us in understanding the many factors that affect the success or failure of an initiative; would the issues affecting success of a quality initiative be different in a nonprofit organization from those findings from other organizational contexts? The necessary predicate is finding a critical set of organizations which have indeed attempted, whether successfully or not, a quality initiative such as Lean and Six Sigma. Findings from this survey indicate there are quite few which have done so. A better understanding of those factors affecting success should then be contrasted with factors affecting success of other type initiatives in order to understand two distinct questions:

- Is there anything unique about Lean or Six Sigma initiatives that must be attended to in order to increase likelihood of success?
- What factors are unique or specific to the small to medium size nonprofit organization from a change management transformation perspective? Can Theory of Change be applied to understand how best to manage change in these profile organizations, as is done in larger and private or public organizations?

**Research question 4:** When performance management initiatives were successfully implemented, what then were the results, and can those results be applied to other organizations? Said in other words, can the benefits be quantified in such a manner as to make a case for other organizations to undergo the perceived pain of the effort?

As previously stated regarding Research question 3, this research does not find a body of organizations which have taken on formal quality initiatives such as Lean and six



Sigma from which to draw conclusions specific to Lean and Six Sigma. There are however a set of case study participants, as well interview subjects which were not formally included as a case study subject, which have adopted the Baldrige Framework as an approach to continuous improvement and which demonstrate intentional improvement. Some of these organizations are several years into their processes and emphasized they considered this still in preliminary states; they had not yet “arrived” or completed their process changes and were still in process of changing the culture to align towards this common approach to operational improvement. That perhaps is one of the key findings in this research, consistent with the literature regarding transformational change. Quality improvement as an ideal or goal is not one that is ever “arrived at”; it is a mindset embedded within the culture of an organization that seeks to critically evaluate what is being done, how it is being done and why it is being done so that waste can be minimized and outcomes can be improved. Stated as such, this mindset is equally important whether the outcomes is dollars of profit or changed lives. The culture of the organization has a built-in trust that allows this critical perspective to be about the organization and outcomes rather than personal challenges to those invested in current processes. This type of culture change is pervasive and by definition cannot be accomplished quickly; it is a way of thinking and requires practice and reinforcement to become part of the thinking of an organization.

We can see however anecdotal benefits of beginning this transformation. Youth Performance Company is better positioned to address changing market dynamics in participating school attendance at their plays, is collecting more data regarding

experiences of both student performers and audience members, and is taking steps to make theater production activities operate in a more thoughtful, efficient manner by better planning. Episcopal Homes of Minnesota is experiencing market share increases and growth of new programs, while market competitors experience challenges and vacancies, by focusing on customer experiences and a higher degree of collaboration among staff. Valley Outreach is able to serve more clients and improve the nutritional quality of their food resources for clients by streamlining the intake process, reorganizing the physical space to provide better flow, and have a better understanding of their client's personal situations, listening to the Voice of the Customer. Greater Mankato Growth is able to foster a more positive working relationship with member companies and bring more businesses to the Mankato area by setting clear objectives and stakeholder alignment. These are examples of observations made in interviews; they are anecdotal. While they are compelling from a narrative perspective, they are a modest set of observations; more research is needed to more fully and credibly articulate the improvements and challenges produced by a performance improvement program.

### **Findings and conclusions**

#### **There is a lack of awareness.**

Responses from case study subjects found an overwhelming lack of familiarity with formal programs; both from the perspective of applicability to their organization as well as general definition. Most participants had simply not heard of Lean, Six Sigma, Baldrige or other formal programs. Survey responses as well found a lack of adoption of formal programs. Directing responses to a single question regarding consideration of

such programs or adoption was intentional, with the goal of soliciting the highest response level – have you even thought about such programs? And yet there is still a finding of a 13% affirmative response in smaller organizations. If one is to promote formal improvement programs, clearly creating awareness is the necessary beginning step.

**Quality improvement practices are informal.**

We do not see in general the use of formal quality improvement programs in small to medium size nonprofit organizations. There is found however characteristics of these programs in nonprofit organizations. There is a clear desire to improve what is being done and the way the mission is conducted, a desire to collect and use feedback from stakeholders, and an acceptance and willingness to engage with outside resources. Survey responses were summarized into two dimensions indicative of an organization's focus on improvement, a quality index and a process index. There are clear preferences for quality-related improvements and process-related improvements in all size organizations, with small to medium size organizations perhaps more inclined than larger organizations, but not to a significant degree. That 20% of respondent organizations use formal programs is quite encouraging and would inform us that formal programs are not for the exclusive domain of private sector corporations.

**Quality and process improvement practices are a function of organization size.**

Are there differences between the smaller organizations and the larger organizations? There are clear and a significantly higher propensity to engage in formal

programs with the larger organizations. Using a Wilcoxon-Mann-Whitney Rank Sum test of significance (see Appendix D for results), statistically significant differences in responses are found to three key questions:

- “Our approach to understanding a client’s individual needs is consistent; we have a consistent set of processes that are followed”
- “Processes and methods for carrying out our primary mission are well-defined”
- “Has your data allowed your organization to perform better today than it was last year, or the year before? That is, is it doing more with less?”

On these three questions statistically significant differences are found based on organization size. This is perhaps indicative of the less formal nature of the smaller organizations; closer and more proximate communications obviate the need for more formal processes. Consistency however is a desirable trait regardless of size, and that less consistency is found in the smaller organization is a concern. Statistical differences on other questions are not found. The consolidated **Quality Index** and consolidated **Process Index** also find significant differences in attention to practices consistent with continuous improvement programs. Statistically significant differences are found between the small organization and the larger organizations, with larger organizations scoring higher on the Quality Index than smaller organizations at a 5% significance level, and scoring higher on the Process index at a 10% significance level. These findings are consistent with prior comments to the informality in the way the smaller organizations are operated, and are consistent with findings to the scarcity of formal performance

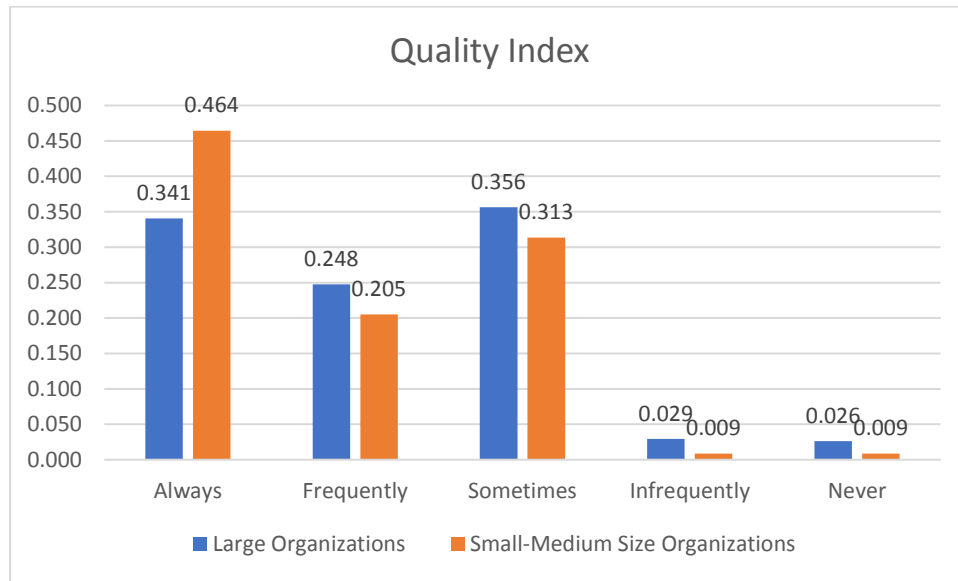
programs in the smaller organization. Whether these findings of informality are cause or symptom cannot be adequately responded to from this research.

As previously stated, differences were found in the use and adoption of formal programs, with the primary barriers cited including a lack of awareness of such formal programs and the unavailability of financial and people resources with which to engage in such initiatives. Light's survey (2002, 71) found one of the greatest challenges faced by nonprofit executives as the raising of sufficient funds for both infrastructure and mission. Quality initiatives, important though they may be and positively affecting outcomes, are often seen as operationally related or infrastructure, not direct to mission.

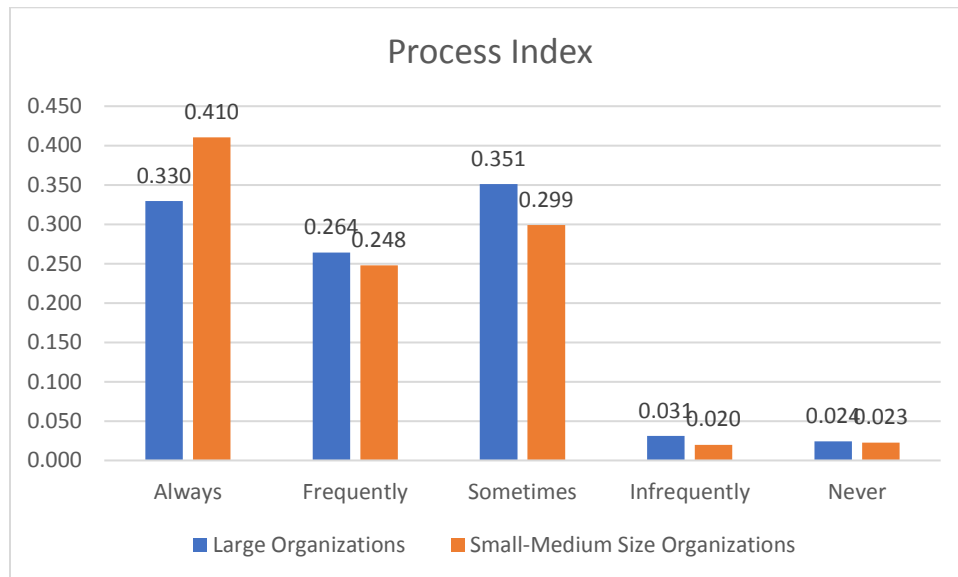
An important component of all continuous improvement programs, quality programs, or process improvement programs is the active collection and use of feedback from stakeholders, the Voice of the Customer. Survey findings showed that feedback is important to respondent organizations, but not actively solicited as much as it is used. While viewed as important and useful information, it is not yet consistently ingrained into the culture as a necessary action.

That differences are found between smaller and larger organizations in general indicators as well as use of formal programs leads to the conclusion of clear differences based on size, perhaps not altogether surprising, but nevertheless significant. This then leads to different approaches towards creating awareness and prompting action.

**Quality Index**



**Process Index**



**Semantics and culture matter.**

Interview respondents as well as survey respondent comments consistently took exception to the idea of efficiency as a goal in the nonprofit sector, even when efficiency

was not explicitly mentioned in the question. There was a general perception that performance improvement programs by definition focused on efficiency as the objective, and that idea was objectionable to them in the nonprofit sector. Efficiency as a construct was viewed by several respondents as the antithesis of their organizational goal, as one should not be efficient with regard to human services. It was viewed as contradicting the mission by viewing people as “a something” to be manipulated. Some respondents objected to the idea of “doing more with less”, to serving more people or delivering higher value with fewer input resources. This is puzzling at one level, but perhaps indicative of a general animosity between the sectors, that the sectors cannot have related objectives. It is important then as a finding that the framing of an improvement program avoid this construct, the idea of efficiency or “doing more with less.” Framing and messaging must be done in terms specific to and relatable to the sector as a whole and the organization in specific.

Consistent with the Lean Six Sigma and Change Theory literature is the understanding that culture matters; it is incredibly important to have a broad buy-in to changes being introduced to an organization. Quality initiatives are long-term commitments, not transient one-time projects. The value they bring comes in the ongoing mentality of always-improving; they are made part of the culture. There is significant effort and work required in the time-consuming process of training and developing people through repeated practice to change cultural attitudes. Reflected in case study findings, organizations which failed to establish broad alignment and purpose were unable to get traction on improvement programs; there was no ongoing program or

initiative and whatever might have been introduced dissipated quickly. Culture is understood to flow from senior leadership through the organization. (Kotter, 1996). Their support, endorsement and active participation in a quality improvement program is therefore essential to making it a part of the ongoing culture. That said, improvement programs do not need to be “big, ginormous efforts.” A consistent theme from case participants was the value in taking small steps, to progressing incrementally and ensuring at each step there is adequate messaging, training and alignment before moving forward. Ensuring terminology and language around quality initiatives match the organization’s language is important; jargon and an abundance of acronyms serve only to off-put those affected by the initiative, creating unnecessary barriers for staff to align and creating a sense of the initiative being another “flavor of the month.” Being intentional and deliberate, setting aside a regular cadence of meetings and encouraging collaboration and knowledge sharing are the takeaways. Creating an inclusive and inviting culture includes a recognition of what already is working well and ensuring those things are recognized, valued and made persistent by embedding them in documentation, preserving them and putting a structure around them.

Culture and semantics are tied together. Culture matters when initiating change, and culture is influenced or driven by the semantics used, as well as itself driving semantics. The importance then of semantics in communicating and selling the idea of change is understood, and leaders should be cautious to frame the message in a manner specific to that organization, refraining from using jargon and “canned” messaging.



**Processes are not well documented.**

Processes are viewed as consistent and generally well understood by survey respondents, but are reported as not well-documented. This presents the challenge of consistency and sustainability, especially so if there is a large cadre of volunteer support. Consistency is important in order to set expectations, providing clients as well as other stakeholders the comfort of knowing how they will be treated, what is expected of them, the outputs or outcomes to be produced. The Capability Maturity Model for Services (Forrester, E; Buteau, B; Shrum, S., 2011, 56) articulates four levels of maturity regarding processes: Managed, Defined, Quantitatively Managed, and Optimized. A necessary condition for consistency and improvement is that they be documented. Is consistency of process necessary? There needs to be a consistency at some level, determined by the organization, so that stakeholders know what to expect. Consistency is established by writing things down, by documenting what is done, when it is done, and why it is done. That which is left undocumented then is governed by tacit “tribal knowledge” passed down verbally from person to person, which carries sustainability risk. Kotter (1996) and Liker (2017, xix) both emphasize the challenge of sustaining change initiatives, perhaps exasperated in the small to medium size nonprofit which may be experiencing higher levels of turnover with volunteer staff.

An important consideration in understanding organizational performance at a broad level is the degree to which the organization has an appreciation for variability. This might seem to contradict this paper’s discussion of process documentation and consistency, but it does not. Standardization and consistency do not imply that every

client is treated the same or that every process step is always performed in the same manner; it does imply there is a consistency to approach at whatever level makes sense for that organization. Variability is acceptable at different levels of abstraction and an attention to those variations gives insight to trends as they become dominant. Variation happens; a well-run organization understands that whenever people are involved they will of course not all behave or expect alike. Measuring outputs is understood to be easier than measuring outcomes; there is ample literature to this. (Kanter et al, 1987; Baruch & Ramalho, 2006; Epstein & McFarlan, 2011; Hendricks & Singhal, 1997; Kanter & Summers, 1987; Kaplan, R. S., 2001). Measuring the benefits of a quality program therefore becomes challenging, both due to the inherent challenges in measuring performance and outcomes, as well as to the cultural challenges to measuring outputs.

An additional finding from case interviews concerns the apparent infrequency of an actively managed and used logic model describing the organization's purpose, approach and expected outcomes. A logic model is the definition of the organization. Its purpose is to describe why the organization exists, what it does, how it does it, and how it knows what the outputs and outcomes are. Some respondents stated they have a logic model but that it is not current nor actively used; others asked for the definition of what a logic model exactly is. This speaks to perhaps the relative organizational immaturity of some nonprofit organizations; they have a noble purpose and approach, but have not invested the effort to formalize that noble purpose for purposes of ensuring clarity and understanding by stakeholders.

To the question of whether there is a role for quality in the nonprofit sector, survey responses and case interviews would clearly affirm there is. That said, is there a value in using formal programs in doing so? This research does not give us enough information with which to adequately answer that question. The abundance of support organizations would suggest that costs and disruption can be minimized somewhat; the lack of awareness and perceptions of inadequate resources direct us to the need for more education and training, as well as positive examples that create a demand quality programs as a response to the desire to increase mission impact.

Survey responses regarding the understanding of the concept of value-add activities is concerning in that this concept is core to understanding and making process improvement. A recognition of tasks and activities central to mission delivery focuses attention on important activities; non-value add activities would include wait times, approval steps, or reviews, as examples. While perhaps quite important from an overall perspective, these tasks are not central to the delivery of the end product, to what the client expects and needs. The result of this definitional absence is an inability to focus on those activities which could have the biggest impact on outcomes or provide the highest return for the time invested in a process change. This is then an indication that these organizations are somewhat passive with regard to thinking about and managing processes.

### **Recommendations and Future Research**

This research is specifically not making the recommendation that nonprofit organizations, of any size, jump on board the Lean Six Sigma bandwagon. While that

may have an intuitive appeal, there is not as yet firm evidence of the benefits of such a decision. It is found that formal quality programs are not as yet used in the small to medium sized nonprofit sector to any large measure. It is, as well, known from the literature that formal programs can be of benefit in many contexts, including small organizations and nonprofit organizations. This research has failed however to find small to medium size nonprofit organizations making use of these programs from which to draw firm conclusions and therefore recommendations. There are however steps that can be taken to enable more fully-informed decisions in this regard.

**Create a culture of continuous improvement.**

The idea of continuous improvement has long been a part of the manufacturing sector and is growing in its influence in services provision. It does not appear it has yet made its way into the thought process of smaller nonprofit organizations, from these findings. Separate from any formal programs or change initiatives, the idea of doing better, of making better use of people's time and improving throughput – serving more clients, was found in case organizations. While phrases such as “doing more with less” and “efficiency” seemed to create a reaction in survey participants, “doing better” seems to work semantically. So the challenge then is to create this culture of improvement and doing so in a manner that avoids the negative reactions to the words used. This certainly poses an interesting challenge, but no formal program or change initiative can be successful without a prerequisite culture that is open to accepting those changes. The goal then is to build an awareness and a culture open to the idea of improvement before introducing major initiatives.

**Create awareness.**

The broad lack of awareness regarding programs such as Lean and Six Sigma, the sparsity of having in-place logic models, combined with the concerns expressed by organizational leaders of resource constraints point to the need to do a better job of educating the sub-sector to best practices and sharing of ideas. The barriers appear to be more perception related, and as was voiced in a couple of the case interviews, hearing about good ideas and approaches for using them with minimal disruption from similar nonprofits resonates well. Experiences and testimonials from the private sector have not been readily accepted by smaller organizations, stories from similar organizations can be expected to be better received.

There are many support organizations, such as Propel, Metropolitan Alliance for Connected Communities (MACC), the Performance Excellence Network (PEN), Minnesota Council of Nonprofits (MCN), United Way (UW), as well universities and consultancies that are available and whose purpose and mission is to teach, mentor, and coach the nonprofit sector. These organizations can be leveraged to articulate a message of continuous quality improvement.

**Be intentional, deliberate, and take a cautious approach.**

The findings from case interviews is quite consistent with change theory as well as the behavioral economics work of Kahneman, Sunstein and others regarding the need to approach change initiatives in a cautious and slow manner, and to pay attention to the human impact of change. As has been observed in many other contexts, change initiatives can often fail from inattention to cultural impact; case subjects which involved

stakeholders, actively supported the programs from senior levels, and were deliberate in how they introduced concepts and changes experienced higher levels of success and much less resistance from staff, both employees and volunteers.

**Assessment tools can help.**

A risk assessment tool can then prove useful in quantifying vulnerabilities and weak points in the organization. This author has used such tools in other contexts in order to bring a more objective and quantifiable understanding of vulnerabilities, which leaders can then use to make a more fully-informed decision regarding the value and place for a quality program in their organization. An assessment tool provides consistency in evaluating current state, readiness, and areas needing focus in an objective manner. A risk assessment evaluation tool designed specifically for the small to medium size nonprofit organization and modeled after the Carnegie Mellon Capability Maturity Model has potential for both defining the value proposition of quality programs and overcoming the resistance from applying for-profit tools in a nonprofit setting.

**Author's perspective.**

The lack of awareness regarding formal improvement programs in smaller organizations and the significant differences in adoption of practices indicative of a quality improvement focus or a process improvement focus contradict the emphasis on outcome measurement and increased accountabilities in the nonprofit sector, and this is surprising. It highlights the need for increased emphasis on quality and process improvement in the smaller nonprofit organization, consistent with the increasing competition for donor funds and demand for results-based funding. There are no magic

bullets and formal programs such as Lean and Six Sigma are fine tools, but any tool or program can fail to meet the intended objectives if not properly communicated and managed from a change perspective. Creating a cultural expectation of rejecting the status quo and being open to new and better practices is an important first step; the formal program simply provides more detail to the roadmap. Why go through the bother? Simply because of that increased competition for donor funds and the increasing social needs that nonprofits work toward satisfying. The need is growing, and when more needs can be met with fewer resources society benefits.

#### **Future research.**

Several questions follow this research and would help build understanding of the role of these programs in the small to medium size nonprofit. Two areas specifically are of interest. The first calls for finding small to medium size organizations which have applied these programs, and then contrasting their experiences with other organizations which have adopted other formal programs to understand if there is anything unique about Lean or Six Sigma initiatives that must be attended to in order to increase likelihood of success?

The second would be to examine transformation initiatives at small to medium size nonprofit organizations to understand if there are specific factors that are unique or specific to the small to medium size nonprofit organization as contrasted with larger organizations from a change management transformation perspective. Said in other words, can change theory principles be applied to understand how best to manage change in these profile organizations, as is done in larger and private or public organizations?

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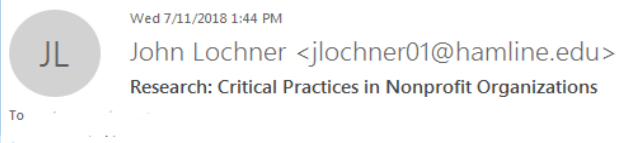
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**Appendix A: Survey Questionnaire****Email Solicitation**

The following email was sent to 1654 nonprofit organizations, identified as members of the Minnesota Council of Nonprofits in February 2018. The Minnesota Council of Nonprofits declined to participate, and organization contact emails were found by reviewing organization web sites.



Wed 7/11/2018 1:44 PM  
John Lochner <jlochner01@hamline.edu>  
Research: Critical Practices in Nonprofit Organizations

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To

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Dear nonprofit leader,

Your help is appreciated as part of research into operational practices of nonprofit organizations in Minnesota.

The research is focused on practices at nonprofit organizations and through it we hope to better understand some larger patterns regarding the ways in which quality and process efficiency are managed in different type organizations. We also hope to develop a set of “what works” best practices for thinking about organizational quality and processes.

If you would, please complete the [short survey](#) attached via the following link; it should take no more than 5-7 minutes and is completely anonymous. A summary report of findings and recommendations from best practices will be made available and sent out to respondents who include their email address.

Your participation is important to both help us understand broad patterns, and will give you the opportunity to learn from other organizations.

[Nonprofit Practices Survey](#)


Thank you in advance for your time and help.

John Lochner  
Hamline University

p.s. If this email has been delivered to a general support desk, your kind forwarding to the organization’s director is appreciated.

**Best Regards,**

**John Lochner**  
651.238.1384 cell  
651.523.2083 office  
[jlochner01@hamline.edu](mailto:jlochner01@hamline.edu)  
[www.hamline.edu/hsb](http://www.hamline.edu/hsb)



**H HAMLINE UNIVERSITY**  
School of Business

## Survey Instrument, Summarized Responses

### Research: Critical Practices in Nonprofit Organizations

Thank you for your participation in this survey. “Process” as a term is used here to refer to a collection of related, structured activities or tasks that are done in your organization to deliver services. Processes obviously differ from organization to organization; this survey is interested in how your organization manages its processes, rather than the specific processes themselves. “Process Improvement” is used to mean that processes are more efficient / smoother, done with a higher standard of quality, or that fewer resources are required to deliver the same level of services.

Responses are anonymous, and a summary report will be sent later this year if an email is provided. Thank you.

#	Category	Question	Responses
		Your email address (optional, needed in order to receive summary report of findings)	<b>106</b> respondents included their email
Setup 1	Demographic	What is the organization’s approximate annual revenue?	Select: <ul style="list-style-type: none"> <li>- Less than \$200,000      <b>40</b></li> <li>- \$200k - \$1 million      <b>57</b></li> <li>- \$1 million - \$5 million      <b>52</b></li> <li>- \$5 million - \$10 million      <b>16</b></li> <li>- \$10 million and above      <b>16</b></li> </ul>
Setup 2	Demographic	Approximate number of employees (FTEs)	Select: <ul style="list-style-type: none"> <li>- Fewer than 10      <b>97</b></li> <li>- Fewer than 30      <b>37</b></li> <li>- Fewer than 60      <b>18</b></li> <li>- More than 60      <b>29</b></li> </ul>

Setup 3	Demographic	Primary location – county	Select from list 99 in the 7-county metro area; 84 in out-state counties
Setup 4	Demographic	What is the Organization’s primary activity (using MN Council of Nonprofit categories)?	<ul style="list-style-type: none"> <li>○ Animal related <b>4</b></li> <li>○ Arts, Culture, Humanities <b>22</b></li> <li>○ Civil rights, social action, advocacy <b>8</b></li> <li>○ Community improvement, capacity building, advocacy <b>17</b></li> <li>○ Crime, legal related <b>3</b></li> <li>○ Diseases, disorders medical disciplines <b>1</b></li> <li>○ Education and related activities <b>29</b></li> <li>○ Employment, job related <b>4</b></li> <li>○ Environmental quality and related <b>5</b></li> <li>○ Food, agriculture, nutrition <b>8</b></li> <li>○ Health – general <b>4</b></li> <li>○ Housing, shelter <b>15</b></li> <li>○ Human services – multipurpose and other <b>39</b></li> <li>○ Int’l, foreign affairs, national security <b>1</b></li> <li>○ Medical research <b>2</b></li> <li>○ Mental health, crisis intervention <b>4</b></li> <li>○ Mutual/membership benefit organization <b>3</b></li> <li>○ Philanthropy, volunteerism <b>2</b></li> <li>○ Public safety, disaster prepared- ness, relief <b>2</b></li> <li>○ Recreation, sports, leisure <b>1</b></li> <li>○ Religion related, spiritual devel- opment <b>1</b></li> <li>○ Social science research institutes <b>1</b></li> <li>○ Youth development <b>5</b></li> <li>○ Other <b>1</b></li> </ul>

1	Quality	We actively ask for feedback from all stakeholders, inclusion clients/customers.	<ul style="list-style-type: none"> <li>- Always <b>72</b></li> <li>- Frequently <b>39</b></li> <li>- Sometimes <b>68</b></li> <li>- Infrequently <b>2</b></li> <li>- Never <b>1</b></li> </ul>
2	Quality	Feedback from stakeholders is reviewed and considered as part of on-going improvements	<ul style="list-style-type: none"> <li>- Always <b>92</b></li> <li>- Frequently <b>25</b></li> <li>- Sometimes <b>63</b></li> <li>- Infrequently <b>1</b></li> <li>- Never <b>1</b></li> </ul>
3	Quality	Data is collected about activities / service deliveries when things do not end as expected	<ul style="list-style-type: none"> <li>- Always <b>71</b></li> <li>- Frequently <b>14</b></li> <li>- Sometimes <b>95</b></li> <li>- Infrequently <b>1</b></li> <li>- Never <b>1</b></li> </ul>
4	Quality	Our approach to understanding a client's individual needs is consistent; we have a consistent set of processes that are followed.	<ul style="list-style-type: none"> <li>- Always; there is a high degree of consistency to our processes <b>61</b></li> <li>- Frequently <b>50</b></li> <li>- Sometimes <b>63</b></li> <li>- Infrequently <b>1</b></li> <li>- Never; we approach each case in a unique manner <b>6</b></li> </ul>
5	Process / Quality	Processes and methods for carrying out our primary mission are <b>well-defined</b>	<ul style="list-style-type: none"> <li>- Always; well understood <b>61</b></li> <li>- Frequently <b>61</b></li> <li>- Sometimes <b>59</b></li> <li>- Infrequently <b>0</b></li> <li>- Never; each case is unique <b>1</b></li> </ul>
6	Process / Quality	Processes and methods for carrying out our primary mission are <b>well-documented</b>	<ul style="list-style-type: none"> <li>- Always; well documented <b>48</b></li> <li>- Frequently <b>37</b></li> <li>- Sometimes <b>93</b></li> <li>- Infrequently <b>4</b></li> <li>- Never; each case is unique <b>0</b></li> </ul>

7	Process	Support activities, such as Accounting practices or HR hiring practices, are well defined, documented and followed.	<ul style="list-style-type: none"> <li>- Always; well documented and Understood <b>69</b></li> <li>- Frequently <b>42</b></li> <li>- Sometimes <b>66</b></li> <li>- Infrequently <b>4</b></li> <li>- Never <b>1</b></li> </ul>
8	Process / Quality	Data is regularly collected about the number of clients / customers served, and the time required to deliver those services	<ul style="list-style-type: none"> <li>- Always; collected in detail and reviewed <b>91</b></li> <li>- Frequently <b>45</b></li> <li>- Sometimes <b>43</b></li> <li>- Infrequently <b>0</b></li> <li>- Never <b>2</b></li> </ul>
9		Data is used to drive process improvements	<ul style="list-style-type: none"> <li>- On a very regular basis <b>62</b></li> <li>- Frequently <b>61</b></li> <li>- Sometimes <b>55</b></li> <li>- Infrequently <b>4</b></li> <li>- Never <b>0</b></li> </ul>
10	Process	There a clear definition or understanding of those activities considered “value-add” in the organization	<ul style="list-style-type: none"> <li>- Very clear understanding <b>31</b></li> <li>- General Understanding <b>18</b></li> <li>- Somewhat <b>117</b></li> <li>- Modest Understanding <b>3</b></li> <li>- No clear understanding <b>9</b></li> </ul>
11	Process	Staff (employees and/or volunteers) consider the organization’s processes to be complex	<ul style="list-style-type: none"> <li>- Yes, consistent concern that processes are complex <b>16</b></li> <li>- General Concern regarding complexity <b>10</b></li> <li>- Somewhat <b>103</b></li> <li>- Slight Complexity <b>7</b></li> <li>- No, processes are not generally considered overly complex <b>45</b></li> </ul>
12	Process	To what degree is senior leadership supportive of process improvements?	<ul style="list-style-type: none"> <li>- Always <b>108</b></li> <li>- Generally Supportive <b>63</b></li> <li>- Sometimes <b>11</b></li> <li>- Infrequent Support <b>0</b></li> <li>- Never <b>0</b></li> </ul>

13	Process	To what degree does the organization sponsor or support staff training?	<ul style="list-style-type: none"> <li>- Always <b>87</b></li> <li>- General Support <b>58</b></li> <li>- Sometimes <b>25</b></li> <li>- Infrequent <b>6</b></li> <li>- Never <b>6</b></li> </ul>
14	Process	Staff would agree there are sufficient resources available to do their job well	<ul style="list-style-type: none"> <li>- Always <b>18</b></li> <li>- General Agreement of sufficient Resources <b>81</b></li> <li>- Sometimes <b>66</b></li> <li>- Concern regarding resources <b>12</b></li> <li>- Never <b>4</b></li> </ul>
15	Quality	Your organization benchmarks its activities against other organizations	<ul style="list-style-type: none"> <li>- Always <b>19</b></li> <li>- Frequently <b>56</b></li> <li>- Sometimes <b>78</b></li> <li>- Infrequently <b>9</b></li> <li>- Never <b>17</b></li> </ul>
16	General	Your organization collects data about its operations separate from what is requested by funders	<ul style="list-style-type: none"> <li>- Always; we do not rely solely on what funding organizations request <b>80</b></li> <li>- Frequently <b>43</b></li> <li>- Somewhat <b>35</b></li> <li>- Infrequently <b>14</b></li> <li>- Never; funding organizations determine what data we collect <b>9</b></li> </ul>
17	General	Has your data allowed your organization to perform better today than it was last year, or the year before? That is, is it doing more with less? Please add comments to explain.	<ul style="list-style-type: none"> <li>- Always <b>66</b></li> <li>- Frequently <b>50</b></li> <li>- Sometimes <b>44</b></li> <li>- Infrequently <b>13</b></li> <li>- Never <b>9</b></li> </ul> <p>Comments: _____</p>

18	General	Has your organization considered or undertaken any of these formal performance management programs?	<p>Select all that apply:</p> <ul style="list-style-type: none"> <li>- Lean Processes <b>8</b></li> <li>- Total Quality Management (TQM) <b>4</b></li> <li>- Six Sigma <b>5</b></li> <li>- Continuous Improvement Program (CIP) <b>13</b></li> <li>- Balanced Scorecard <b>16</b></li> <li>- Baldrige Quality Award</li> <li>Criteria <b>2</b></li> <li>- Other _____ <b>6</b></li> </ul>
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### **Appendix B: Case Study Questions**

Case Study follow-up questions will be open ended and initiated from the following high-level questions, and encoded as discussed prior. Responses and dialog will be interactive.

- What performance management programs / practices has the organization attempted?
- How is / was the program perceived within the organization?
- How do you know the organization is doing well, that it is successful?
- How do you measure quality?
- Do you collect data a out your processes themselves, the time it takes for a new client to be processed and set up, for example?
- What perceived benefits, if any, were realized by using LSS?
- What perceived challenges were there?
- What lessons learned would you have for other organizations?



### Appendix C: Survey Results

Survey results are presented as follows, with email addresses removed for confidentiality of respondents. An MS Excel spreadsheet is also embedded should the reader care to review results directly in a spreadsheet.



Survey Responses  
.xlsx

Response Nbr	Timestamp	What is the organization's approximate annual revenue?	What is the approximate number of employees (FTEs) in your organization, not including volunteers?	In what county is your primary location?	What is the Organization's primary activity (using MN Council of Nonprofit categories)?	1. We actively ask for feedback from stakeholders, including clients / customers, board members, volunteers, staff, and donors / funders	2. Feedback from stakeholders is reviewed and considered as part of on-going improvements
1	7/9/2018 16:29:46	Less than \$200,000	Fewer than 10	MN	Youth development	Sometimes	Frequently
2	7/10/2018 10:58:26	\$200k - \$1 million	Fewer than 10	Hennepin	Community improvement, capacity building, advocacy	Sometimes	Sometimes
3	7/10/2018 10:59:53	Less than \$200,000	Fewer than 10	Ramsey	Nonprofit community newspaper	Frequently	Frequently
4	7/10/2018 11:02:49	\$10 million and above	More than 60	Hennepin	Crime, legal related, Health – general, Public, society benefit – multipurpose and other	Frequently	Always
5	7/10/2018 11:03:22	\$200k - \$1 million	Fewer than 10	us	Education and related activities	Frequently	Always
6	7/10/2018 11:04:49	\$10 million and above	More than 60	USA	Education and related activities, Employment, job related, Housing, shelter, Mental health, crisis intervention, Religion related, spiritual development, Youth development	Sometimes	Sometimes
7	7/10/2018 11:06:32	Less than \$200,000	Fewer than 10	Watsonwan	Health – general	Sometimes	Always
8	7/10/2018 11:07:04	\$1 million - \$5 million	Fewer than 30	Ramsey	Arts, Culture, Humanities	Sometimes	Sometimes
9	7/10/2018 11:08:21	Less than \$200,000	Fewer than 10	Ramsey	Civil rights, social action, advocacy	Sometimes	Sometimes
10	7/10/2018 11:09:41	\$200k - \$1 million	Fewer than 10	RAMSEY	Arts, Culture, Humanities	Frequently	Sometimes
11	7/10/2018 11:09:53	\$5 million - \$10 million	Fewer than 30	Ramsey	Philanthropy, volunteerism	Always	Always
12	7/10/2018 11:12:03	\$5 million - \$10 million	More than 60	USA	Human services – multipurpose and other	Always	Always
13	7/10/2018 11:12:35	\$200k - \$1 million	Fewer than 10	Rice	Housing, shelter	Sometimes	Sometimes
14	7/10/2018 11:12:46	\$1 million - \$5 million	Fewer than 10	Rice	Housing, shelter	Sometimes	Sometimes
15	7/10/2018 11:15:16	\$200k - \$1 million	Fewer than 10	Itasca	Nonprofit Media	Always	Always
16	7/10/2018 11:15:18	Less than \$200,000	Fewer than 10	Ramsey	Housing, shelter, Public, society benefit – multipurpose and other	Sometimes	Sometimes
17	7/10/2018 11:15:19	\$200k - \$1 million	Fewer than 10	Ramsey	Housing, shelter	Always	Always
18	7/10/2018 11:16:46	\$200k - \$1 million	Fewer than 10	Washington	Food, agriculture, nutrition	Sometimes	Sometimes
19	7/10/2018 11:18:02	\$10 million and above	More than 60	Hennepin	Community improvement, capacity building, advocacy, Education and related activities, Employment, job related, Food, agriculture, nutrition, Health – general, Housing, shelter, Philanthropy, volunteerism, Youth development	Sometimes	Sometimes
20	7/10/2018 11:19:25	\$10 million and above	More than 60	Hennepin	Health – general	Always	Always
21	7/10/2018 11:20:25	\$1 million - \$5 million	Fewer than 60	Hennepin	Housing, shelter	Frequently	Always
22	7/10/2018 11:21:18	\$10 million and above	Fewer than 60	Minnesota	Education and related activities, Early Childhood Education & Care	Sometimes	Sometimes
23	7/10/2018 11:21:57	\$1 million - \$5 million	Fewer than 60	Hennepin	Food, agriculture, nutrition	Always	Always
24	7/10/2018 11:23:19	\$200k - \$1 million	Fewer than 10	Ramsey	Community improvement, capacity building, advocacy	Always	Always
25	7/10/2018 11:24:06	\$10 million and above	More than 60	Olmsted	Education and related activities	Always	Frequently
26	7/10/2018 11:29:12	\$200k - \$1 million	Fewer than 30	MN	Religion related, spiritual development	Sometimes	Always
27	7/10/2018 11:32:06	\$200k - \$1 million	Fewer than 10	Scott	Food, agriculture, nutrition	Frequently	Always
28	7/10/2018 11:34:46	\$200k - \$1 million	Fewer than 10	MN	Human services – multipurpose and other	Sometimes	Sometimes
29	7/10/2018 11:36:11	\$10 million and above	Fewer than 60	United States	Medical research	Sometimes	Sometimes
30	7/10/2018 11:36:41	\$1 million - \$5 million	Fewer than 30	Ramsey	Health – general	Sometimes	Sometimes
31	7/10/2018 11:38:25	\$1 million - \$5 million	Fewer than 60	multi-county	Human services – multipurpose and other, Public, society benefit – multipurpose and other	Sometimes	Sometimes
32	7/10/2018 11:38:44	\$1 million - \$5 million	Fewer than 30	United States	Housing, shelter	Frequently	Always
33	7/10/2018 11:38:49	Less than \$200,000	Fewer than 10	Hennepin	Community improvement, capacity building, advocacy	Always	Always
34	7/10/2018 11:39:25	\$1 million - \$5 million	Fewer than 30	Rochester, MN	Human services – multipurpose and other	Sometimes	Always
35	7/10/2018 11:42:56	Less than \$200,000	Fewer than 10	Carlton	Animal related	Always	Always

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36	7/10/2018 11:43:38	\$200k - \$1 million	Fewer than 30	Ramsey	Community improvement, capacity building, advocacy, Housing, shelter, Human services – multipurpose and other	Always	Sometimes
37	7/10/2018 11:43:16	\$1 million - \$5 million	Fewer than 10	MN	Civil rights, social action, advocacy	Always	Always
38	7/10/2018 11:43:17	\$200k - \$1 million	Fewer than 10	Wabasha	Community improvement, capacity building, advocacy	Always	Always
39	7/10/2018 11:45:19	\$200k - \$1 million	Fewer than 10	Ramsey	Philanthropy, volunteerism	Sometimes	Sometimes
40	7/10/2018 11:46:06	\$1 million - \$5 million	Fewer than 30	Hennepin	Employment, job related, Health – general, Housing, shelter, Public safety, disaster preparedness, relief, Public, society benefit – multipurpose and other	Frequently	Always
41	7/10/2018 11:46:16	Less than \$200,000	Fewer than 10	Blue Earth	Education and related activities	Always	Always
42	7/10/2018 11:49:55	\$200k - \$1 million	Fewer than 30	Minnesota	Pregnancy Resource Medical Clinic	Always	Sometimes
43	7/10/2018 11:52:52	\$200k - \$1 million	Fewer than 10	MN	Medical research	Sometimes	Sometimes
44	7/10/2018 11:53:38	\$200k - \$1 million	Fewer than 10	Hennepin	Economic and professional development	Always	Always
45	7/10/2018 12:01:19	\$1 million - \$5 million	Fewer than 10	Hennepin	Education and related activities	Always	Always
46	7/10/2018 12:01:22	\$200k - \$1 million	Fewer than 10	Hennepin	Community improvement, capacity building, advocacy, Housing, shelter	Always	Always
47	7/10/2018 12:03:09	\$1 million - \$5 million	Fewer than 30	Steele/Rice	Human services – multipurpose and other, Mental health, crisis intervention	Always	Always
48	7/10/2018 12:09:45	\$5 million - \$10 million	More than 60	Ramsey	Mutual/membership benefit organization	Always	Always
49	7/10/2018 12:10:19	\$10 million and above	More than 60	multiple - Goodhue (administrative offices), Rice, Wabasha, Olmsted	Human services – multipurpose and other	Always	Always
50	7/10/2018 12:13:56	\$1 million - \$5 million	Fewer than 60	Saint Louis	Youth development	Sometimes	Frequently
51	7/10/2018 12:15:54	Less than \$200,000	Fewer than 10	Martin	Environmental quality and related	Always	Always
52	7/10/2018 12:22:14	Less than \$200,000	Fewer than 10	Hennepin	Environmental quality and related, Recreation, sports, leisure	Sometimes	Sometimes
53	7/10/2018 12:23:33	\$200k - \$1 million	Fewer than 10	Hennepin	Mental health, crisis intervention	Always	Always
54	7/10/2018 12:27:05	\$1 million - \$5 million	Fewer than 30	MINNESOTA	Employment, job related, Food, agriculture, nutrition, Housing, shelter	Frequently	Always
55	7/10/2018 12:36:21	\$200k - \$1 million	Fewer than 10	Ramsey County	Housing, shelter	Always	Sometimes
56	7/10/2018 12:37:47	\$1 million - \$5 million	More than 60	Hennepin	Education and related activities	Frequently	Always
57	7/10/2018 12:41:54	\$1 million - \$5 million	Fewer than 30		Environmental quality and related	Always	Always
58	7/10/2018 12:50:53	\$1 million - \$5 million	Fewer than 60	Steele	Education and related activities	Sometimes	Sometimes
59	7/10/2018 12:55:56	\$200k - \$1 million	Fewer than 10	Ramsey	Social science research institutes	Always	Always
60	7/10/2018 12:58:30	Less than \$200,000	Fewer than 10	Stearns	Education and related activities	Sometimes	Sometimes
61	7/10/2018 12:59:57	\$200k - \$1 million	More than 60	Hennepin	Education and related activities	Always	Always
62	7/10/2018 13:05:00	\$5 million - \$10 million	Fewer than 60	Minnesota	Human services – multipurpose and other	Always	Always
63	7/10/2018 13:08:21	\$200k - \$1 million	Fewer than 10	USA	Education and related activities	Sometimes	Frequently
64	7/10/2018 13:16:15	Less than \$200,000	Fewer than 10	Hennepin	Int'l, foreign affairs, national security	Sometimes	Sometimes
65	7/10/2018 13:22:02	\$200k - \$1 million	Fewer than 10	Minnesota	Community improvement, capacity building, advocacy	Frequently	Always
66	7/10/2018 13:24:32	\$200k - \$1 million	Fewer than 10	United States	Transportation	Sometimes	Sometimes
67	7/10/2018 13:27:10	Less than \$200,000	Fewer than 10	Austin, MN	Education and related activities	Always	Always
68	7/10/2018 13:28:11	\$10 million and above	More than 60	Hennepin	Mental health, crisis intervention	Sometimes	Sometimes

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69	7/10/2018 13:34:01	Less than \$200,000	Fewer than 10	Minnesota	Service for Seniors, age 60+	Always	Always
70	7/10/2018 13:34:07	\$5 million - \$10 million	Fewer than 30	USA	Gender and Racial Equity	Always	Always
71	7/10/2018 13:37:48	\$200k - \$1 million	Fewer than 10	Olmsted	Civil rights, social action, advocacy	Always	Sometimes
72	7/10/2018 14:14:16	\$200k - \$1 million	Fewer than 10	Ramsey	Arts, Culture, Humanities	Always	Sometimes
73	7/10/2018 14:37:06	\$5 million - \$10 million	More than 60	Hennepin, Ramsey	Human services – multipurpose and other	Sometimes	Sometimes
74	7/10/2018 14:52:16	\$5 million - \$10 million	More than 60	Ramsey	Youth development	Always	Sometimes
75	7/10/2018 14:56:48	Less than \$200,000	Fewer than 10	Minnesota	Human services – multipurpose and other	Sometimes	Sometimes
76	7/10/2018 15:01:42	\$1 million - \$5 million	Fewer than 30	Ramsey	Human services – multipurpose and other, Public, society benefit – multipurpose and other	Frequently	Always
77	7/10/2018 15:05:14	\$200k - \$1 million	Fewer than 10	Hennepin	Membership	Always	Always
78	7/10/2018 15:28:00	\$200k - \$1 million	Fewer than 10	Hennepin	Education and related activities	Frequently	Always
79	7/10/2018 15:29:53	Less than \$200,000	Fewer than 10	Hennepin	Arts, Culture, Humanities	Sometimes	Sometimes
80	7/10/2018 15:32:13	\$1 million - \$5 million	Fewer than 30	Ramsey	Education and related activities	Frequently	Always
81	7/10/2018 15:34:52	\$1 million - \$5 million	Fewer than 30	Ramsey	Human services – multipurpose and other	Sometimes	Sometimes
82	7/10/2018 15:46:00	\$1 million - \$5 million	Fewer than 30	Ramsey & Ottertail	Arts, Culture, Humanities	Always	Always
83	7/10/2018 15:54:41	Less than \$200,000	Fewer than 10	United States	Crime, legal related	Frequently	Always
84	7/10/2018 15:58:46	\$1 million - \$5 million	Fewer than 30	MN	Education and related activities, Environmental quality and related	Sometimes	Frequently
85	7/10/2018 16:03:28	\$10 million and above	More than 60	Hennepin	Housing, shelter	Sometimes	Sometimes
86	7/10/2018 16:27:40	\$200k - \$1 million	Fewer than 10	Hennepin	Community improvement, capacity building, advocacy, Education and related activities	Always	Always
87	7/10/2018 17:02:44	\$1 million - \$5 million	Fewer than 30	Ramsey	Housing, shelter	Sometimes	Sometimes
88	7/10/2018 17:16:49	\$200k - \$1 million	Fewer than 10	Hennepin	Arts, Culture, Humanities	Frequently	Always
89	7/10/2018 17:34:58	Less than \$200,000	Fewer than 10	Hennepin	Environmental quality and related	Always	Always
90	7/10/2018 17:45:50	\$200k - \$1 million	Fewer than 10	St. Louis	Arts, Culture, Humanities	Always	Always
91	7/10/2018 18:02:31	\$200k - \$1 million	Fewer than 10	MN	Civil rights, social action, advocacy	Sometimes	Sometimes
92	7/10/2018 19:29:11	\$10 million and above	More than 60	Hennepin	Human services – multipurpose and other	Sometimes	Sometimes
93	7/10/2018 22:27:16	\$200k - \$1 million	Fewer than 10	St. Louis	Community improvement, capacity building, advocacy	Sometimes	Sometimes
94	7/11/2018 5:11:27	\$5 million - \$10 million	Fewer than 60	Ramsey	Education and related activities	Sometimes	Always
95	7/11/2018 6:48:19	\$1 million - \$5 million	Fewer than 30	Dakota	Human services – multipurpose and other	Sometimes	Sometimes
96	7/11/2018 7:59:15	Less than \$200,000	Fewer than 10	Minnesota	Community improvement, capacity building, advocacy	Sometimes	Sometimes
97	7/11/2018 8:06:05	\$200k - \$1 million	Fewer than 10	U.S.A.	Education and related activities, Youth development	Frequently	Always
98	7/11/2018 9:04:21	\$1 million - \$5 million	Fewer than 10	Hennepin	Housing, shelter	Sometimes	Sometimes
99	7/11/2018 9:14:33	\$10 million and above	More than 60	Ramsey	Arts, Culture, Humanities	Always	Always
100	7/11/2018 9:16:51	Less than \$200,000	Fewer than 10	Kandiyohi	Housing, shelter	Always	Always
101	7/11/2018 9:29:13	\$200k - \$1 million	Fewer than 10	Sherburne	Human services – multipurpose and other	Sometimes	Frequently
102	7/11/2018 10:01:12	\$1 million - \$5 million	Fewer than 30	Ramsey	Child Welfare and Adoption	Sometimes	Sometimes
103	7/11/2018 10:13:52	\$200k - \$1 million	Fewer than 10	BLUE EARTH	Arts, Culture, Humanities	Frequently	Always

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104	7/11/2018 11:16:05	Less than \$200,000	Fewer than 10	Meeker	Food, agriculture, nutrition, Human services – multipurpose and other	Always	Sometimes
105	7/11/2018 12:30:38	\$10 million and above	More than 80	Hennepin	Arts, Culture, Humanities, Community improvement, capacity building, advocacy, Education and related activities, Employment, job related, Food, agriculture, nutrition, Health – general, Human services – multipurpose and other, Public, society benefit – multipurpose and other, Youth development	Always	Always
106	7/11/2018 12:38:52	\$200k - \$1 million	Fewer than 10	Scott County	Human services – multipurpose and other	Sometimes	Sometimes
107	7/11/2018 12:48:15	\$5 million - \$10 million	Fewer than 60		Food, agriculture, nutrition	Sometimes	Always
108	7/11/2018 13:17:50	\$200k - \$1 million	More than 80	Anoka and Hennepin	Education and related activities	Sometimes	Sometimes
109	7/11/2018 13:38:18	\$1 million - \$5 million	Fewer than 10	winona	Human services – multipurpose and other	Sometimes	Sometimes
110	7/11/2018 14:15:47	\$200k - \$1 million	Fewer than 10	Beltrami	Animal related	Sometimes	Frequently
111	7/11/2018 14:28:58	Less than \$200,000	Fewer than 10	Hennepin	Mutual/membership benefit organization	Sometimes	Sometimes
112	7/11/2018 14:53:39	\$200k - \$1 million	Fewer than 10	Hennepin	Arts, Culture, Humanities, Education and related activities	Always	Always
113	7/11/2018 15:31:22	\$5 million - \$10 million	Fewer than 60	Hennepin	Animal related, Science and technology research institutes, services	Always	Always
114	7/11/2018 15:45:10	\$200k - \$1 million	Fewer than 10	Cass	Human services – multipurpose and other	Sometimes	Frequently
115	7/11/2018 16:28:00	\$1 million - \$5 million	Fewer than 30	Hennepin	Human services – multipurpose and other	Sometimes	Frequently
116	7/11/2018 16:44:06	\$1 million - \$5 million	Fewer than 30	Ramsey	Mental health, crisis intervention	Always	Always
117	7/11/2018 17:10:53	\$5 million - \$10 million	More than 80	Hennepin	Human services – multipurpose and other	Always	Always
118	7/11/2018 17:13:47	\$1 million - \$5 million	Fewer than 30	Ramsey	Community improvement, capacity building, advocacy	Always	Always
119	7/11/2018 17:28:49	\$1 million - \$5 million	Fewer than 30	Ramsey but we are State-wide	Civil rights, social action, advocacy	Always	Always
120	7/11/2018 19:16:45	\$1 million - \$5 million	Fewer than 30	We serve 14 counties in Southwest Minnesota - locations in Marshall, Worthington and Montevideo	Employment, job related	Sometimes	Frequently
121	7/11/2018 21:13:25	Less than \$200,000	Fewer than 10	MINNESOTA	History	Sometimes	Sometimes
122	7/11/2018 21:18:29	\$200k - \$1 million	Fewer than 10	Hennepin	Arts, Culture, Humanities	Always	Always
123	7/11/2018 21:43:15	\$200k - \$1 million	Fewer than 10	MN	Mental health, crisis intervention	Always	Always
124	7/12/2018 7:50:43	Less than \$200,000	Fewer than 10	United States of America	Education and related activities	Never	Never
125	7/12/2018 9:35:25	Less than \$200,000	Fewer than 10	Ramsey	Public, society benefit – multipurpose and other	Sometimes	Sometimes
126	7/12/2018 9:36:40	\$1 million - \$5 million	Fewer than 30	Hennepin	Human services – multipurpose and other	Frequently	Always
127	7/12/2018 12:31:36	\$200k - \$1 million	Fewer than 10	Hennepin	Education and related activities	Sometimes	Sometimes
128	7/12/2018 16:20:58	\$10 million and above	More than 80	United States	Civil rights, social action, advocacy, Mental health, crisis intervention, human rights	Always	Always
129	7/12/2018 17:08:14	\$1 million - \$5 million	Fewer than 10	Ramsey	Community improvement, capacity building, advocacy	Always	Sometimes
130	7/12/2018 17:41:27	Less than \$200,000	Fewer than 10	Ramsey	Public safety, disaster preparedness, relief	Sometimes	Sometimes
131	7/12/2018 19:52:42	\$5 million - \$10 million	More than 80	Chisago	Human services – multipurpose and other	Sometimes	Sometimes
132	7/12/2018 22:45:36	\$200k - \$1 million	Fewer than 10	Hennepin	Youth development	Sometimes	Frequently

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133	7/12/2018 23:35:18	\$1 million - \$5 million	More than 80	USA	Housing, shelter	Always	Always
134	7/13/2018 7:38:37	\$1 million - \$5 million	Fewer than 60	St Louis	Employment, job related, Food, agriculture, nutrition	Frequently	Always
135	7/13/2018 7:43:51	Less than \$200,000	Fewer than 10	United States	Diseases, disorders medical disciplines	Always	Always
136	7/13/2018 8:31:09	\$5 million - \$10 million	More than 80	Rice	Human services – multipurpose and other	Sometimes	Sometimes
137	7/13/2018 8:50:50	Less than \$200,000	Fewer than 10	Hennipin	Food, agriculture, nutrition	Always	Always
138	7/13/2018 10:25:05	Less than \$200,000	Fewer than 10	Ottertail, MN	Human services – multipurpose and other	Always	Always
139	7/13/2018 11:08:04	\$1 million - \$5 million	More than 80	Ramsey	Education and related activities	Always	Always
140	7/13/2018 15:26:58	Less than \$200,000	Fewer than 10	Hennepin County	Food, agriculture, nutrition	Infrequently	Infrequently
141	7/13/2018 15:38:06	\$1 million - \$5 million	Fewer than 30	Hennepin	Crime, legal related	Frequently	Frequently
142	7/13/2018 15:47:00	\$1 million - \$5 million	Fewer than 30	Carver	Human services – multipurpose and other, Religion related, spiritual development	Frequently	Frequently
143	7/13/2018 16:01:43	\$200k - \$1 million	Fewer than 30	Hennepin	Civil rights, social action, advocacy	Always	Always
144	7/13/2018 16:06:53	\$200k - \$1 million	Fewer than 30	MN/hennepin	Arts, Culture, Humanities	Always	Always
145	7/13/2018 16:07:11	\$1 million - \$5 million	Fewer than 30	Hennipen	Human services – multipurpose and other	Frequently	Frequently
146	7/14/2018 11:38:37	\$10 million and above	More than 80	Dakota	Human services – multipurpose and other	Frequently	Always
147	7/15/2018 6:31:31	Less than \$200,000	Fewer than 10	MN	Arts, Culture, Humanities	Frequently	Frequently
148	7/15/2018 6:31:49	\$1 million - \$5 million	Fewer than 60	Hennepin	Housing, shelter	Always	Always
149	7/15/2018 12:12:35	Less than \$200,000	Fewer than 10	USA	Human services – multipurpose and other	Frequently	Sometimes
150	7/16/2018 8:33:06			United States	Youth development	Frequently	Sometimes
151	7/16/2018 8:33:08	\$200k - \$1 million	Fewer than 10	Ramsey	Community improvement, capacity building, advocacy	Frequently	Always
152	7/16/2018 8:58:07	\$1 million - \$5 million	Fewer than 30		Arts, Culture, Humanities	Frequently	Frequently
153	7/16/2018 9:17:30	\$1 million - \$5 million	Fewer than 10	Hennepin	Recreation, sports, leisure	Frequently	Frequently
154	7/16/2018 12:02:00	\$200k - \$1 million	Fewer than 10	Wright County	Human services – multipurpose and other	Infrequently	Sometimes
155	7/16/2018 12:40:32	Less than \$200,000	Fewer than 10	Washington	Arts, Culture, Humanities	Frequently	Frequently
156	7/16/2018 12:52:30	Less than \$200,000	Fewer than 10	Winona	Arts, Culture, Humanities, Education and related activities	Always	Always
157	7/16/2018 13:23:39	\$5 million - \$10 million	More than 80	Morrison	Human services – multipurpose and other	Frequently	Frequently
158	7/16/2018 15:42:21	\$1 million - \$5 million	Fewer than 30	Washington	Human services – multipurpose and other	Always	Always
159	7/17/2018 7:57:25	\$1 million - \$5 million	Fewer than 60	Hennepin	Community improvement, capacity building, advocacy	Always	Always
160	7/17/2018 9:01:21	Less than \$200,000	Fewer than 10	Hennepin	Arts, Culture, Humanities	Sometimes	Frequently
161	7/17/2018 13:01:55	\$1 million - \$5 million	Fewer than 30	MN	Human services – multipurpose and other	Always	Always
162	7/17/2018 13:43:56	\$5 million - \$10 million	More than 80	Hennepin	Human services – multipurpose and other	Always	Always
163	7/18/2018 10:58:36	\$5 million - \$10 million	More than 80	Ramsey	Arts, Culture, Humanities	Always	Always
164	7/18/2018 11:01:03	\$200k - \$1 million	Fewer than 10	Hennepin	Education and related activities, Health – general, Using the principles of yoga	Sometimes	Sometimes
165	7/18/2018 15:29:30	Less than \$200,000	Fewer than 10	Hennepin	Community improvement, capacity building, advocacy	Always	Always
166	7/19/2018 16:45:01	\$200k - \$1 million	Fewer than 10	Hennepin	Housing, shelter, Human services – multipurpose and other	Sometimes	Sometimes

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167	7/20/2018 10:48:18	Less than \$200,000	Fewer than 10	Sherburne	Education and related activities, Food, agriculture, nutrition	Sometimes	Sometimes
168	7/22/2018 18:32:54	Less than \$200,000	Fewer than 10	Hennepin	Civil rights, social action, advocacy	Always	Always
169	7/23/2018 13:41:27	Less than \$200,000	Fewer than 10	Lake	Food, agriculture, nutrition	Always	Always
170	7/24/2018 11:44:51	\$200k - \$1 million	Fewer than 10	Hennepin	Education and related activities	Sometimes	Sometimes
171	7/24/2018 14:02:29	\$1 million - \$5 million	Fewer than 30	Hennepin	Human services – multipurpose and other	Sometimes	Sometimes
172	7/25/2018 10:43:52	\$1 million - \$5 million	Fewer than 60	Stearns	Human services – multipurpose and other	Sometimes	Sometimes
173	7/25/2018 16:08:02	\$1 million - \$5 million	Fewer than 30	Ramsey	Arts, Culture, Humanities	Sometimes	Always
174	7/26/2018 15:13:51	\$1 million - \$5 million	Fewer than 60	usa	Education and related activities	Frequently	Always
175	7/28/2018 20:28:56	\$200k - \$1 million	Fewer than 10	MN	environmental education and habitat conservation	Frequently	Always
176	7/30/2018 7:58:52	\$1 million - \$5 million	Fewer than 60	Washington	Human services – multipurpose and other	Always	Always
177	7/30/2018 17:25:19	\$10 million and above	More than 60	Hennepin	Animal related	Always	Always
178	7/31/2018 13:59:36	\$200k - \$1 million	Fewer than 10	Hennepin	website connecting renters to housing options & housing data	Frequently	Frequently
179	8/1/2018 10:17:43	Less than \$200,000	Fewer than 10	Morrison	Arts, Culture, Humanities	Frequently	Always
180	8/6/2018 11:38:56	\$1 million - \$5 million	Fewer than 60	Hennepin	Human services – multipurpose and other	Frequently	Frequently
181	8/8/2018 10:40:01	\$200k - \$1 million	Fewer than 10	Kanabec	Community improvement, capacity building, advocacy, Human services – multipurpose and other	Frequently	Frequently
182	8/20/2018 12:10:57	\$200k - \$1 million	Fewer than 10	Itasca	Arts, Culture, Humanities	Frequently	Frequently
Note: Email addresses removed for confidentiality							

Response Nbr	3. Data is collected about activities / service deliveries when things do not go as expected / end as expected	4. Our approach to understanding a client's individual needs is consistent; we have a consistent set of processes that are followed	5. Processes and methods for carrying out our primary mission are well-DEFINED	6. Processes and methods for carrying out our primary mission are well-DOCUMENTED	7. Support activities, such as Accounting practices or HR hiring practices, are well defined, documented and followed	8. Data is regularly collected about the number of clients / customers served, and the time required to deliver those services	9. Data is used to drive process improvements	10. There is a clear definition or understanding of those activities considered "value-add" in the organization
1	Frequently	Sometimes	Sometimes	Sometimes	Frequently	Always; collected in detail and reviewed	Sometimes	Somewhat
2	Sometimes	Sometimes	Never; each case is unique	Sometimes	Always; well documented and understood	Never	Sometimes	Somewhat
3	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	No clear understanding
4	Sometimes	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	Frequently	Somewhat
5	Always	Always; there is a high degree of consistency to our processes	Sometimes	Frequently	Always; well documented and understood	Frequently	Frequently	Somewhat
6	Sometimes	Always; there is a high degree of consistency to our processes	Always; well understood	Frequently	Always; well documented and understood	Always; collected in detail and reviewed	Sometimes	Somewhat
7	Always	Sometimes	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	Sometimes	Somewhat
8	Sometimes	Sometimes	Frequently	Sometimes	Sometimes	Sometimes	Sometimes	Somewhat
9	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Frequently	Sometimes	No clear understanding
10	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Somewhat
11	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Always; well documented and understood	Frequently	Frequently	Very clear understanding
12	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Somewhat
13	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Frequently	Somewhat
14	Sometimes	Always; there is a high degree of consistency to our processes	Always; well understood	Sometimes	Sometimes	Sometimes	Sometimes	Somewhat
15	Sometimes	Sometimes	Frequently	Frequently	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Somewhat
16	Sometimes	Sometimes	Frequently	Sometimes	Frequently	Always; collected in detail and reviewed	Frequently	Somewhat
17	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Frequently	Always; collected in detail and reviewed	Frequently	Somewhat
18	Always	Always; there is a high degree of consistency to our processes	Sometimes	Sometimes	Frequently	Always; collected in detail and reviewed	On a very regular basis	Somewhat
19	Sometimes	Sometimes	Sometimes	Sometimes	Always; well documented and understood	Frequently	Sometimes	Somewhat
20	Always	Frequently	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Very clear understanding
21	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	Frequently	Very clear understanding
22	Always	Sometimes	Frequently	Always; well documented	Frequently	Frequently	Infrequently	No clear understanding
23	Sometimes	Always; there is a high degree of consistency to our processes	Sometimes	Sometimes	Frequently	Always; collected in detail and reviewed	Frequently	Somewhat
24	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Somewhat
25	Always	Always; there is a high degree of consistency to our processes	Frequently	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	Frequently	Somewhat
26	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Frequently	Sometimes	Somewhat
27	Sometimes	Sometimes	Frequently	Sometimes	Sometimes	Sometimes	On a very regular basis	Somewhat
28	Sometimes	Sometimes	Sometimes	Frequently	Always; well documented and understood	Always; collected in detail and reviewed	Frequently	Very clear understanding
29	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Somewhat
30	Sometimes	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Frequently	Always; collected in detail and reviewed	Frequently	Somewhat
31	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	On a very regular basis	Somewhat
32	Always	Never; we approach each case in a unique manner	Frequently	Sometimes	Sometimes	Always; collected in detail and reviewed	Frequently	Somewhat
33	Always	Sometimes	Sometimes	Sometimes	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Somewhat
34	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Always; collected in detail and reviewed	On a very regular basis	Somewhat
35	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Frequently	Frequently	Frequently	



Response Nbr	3. Data is collected about activities / service deliveries when things do not go as expected / end as expected	4. Our approach to understanding a client's individual needs is consistent; we have a consistent set of processes that are followed	5. Processes and methods for carrying out our primary mission are well-DEFINED	6. Processes and methods for carrying out our primary mission are well-DOCUMENTED	7. Support activities, such as Accounting practices or HR hiring practices, are well defined, documented and followed	8. Data is regularly collected about the number of clients / customers served, and the time required to deliver those services	9. Data is used to drive process improvements	10. There is a clear definition or understanding of those activities considered "value-add" in the organization
36	Sometimes	Always; there is a high degree of consistency to our processes	Frequently	Always; well documented	Frequently	Always; collected in detail and reviewed	On a very regular basis	Somewhat
37	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Always; well documented and understood	Frequently	On a very regular basis	Very clear understanding
38	Always	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	On a very regular basis	Somewhat
39	Sometimes	Sometimes	Frequently	Sometimes	Sometimes	Sometimes	Sometimes	Somewhat
40	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Frequently	Always; collected in detail and reviewed	Frequently	Somewhat
41	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Always; well documented and understood	Frequently	On a very regular basis	Somewhat
42	Sometimes	Always; there is a high degree of consistency to our processes	Frequently	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Somewhat
43	Sometimes	Never; we approach each case in a unique manner	Sometimes	Sometimes	Sometimes	Sometimes	On a very regular basis	Somewhat
44	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Frequently	Sometimes	Always; collected in detail and reviewed	Frequently	Somewhat
45	Sometimes	Sometimes	Frequently	Sometimes	Sometimes	Frequently	Sometimes	Somewhat
46	Always	Sometimes	Sometimes	Sometimes	Sometimes	Always; collected in detail and reviewed	On a very regular basis	Somewhat
47	Always	Always; there is a high degree of consistency to our processes	Sometimes	Sometimes	Sometimes	Always; collected in detail and reviewed	On a very regular basis	Somewhat
48	Always	Always; there is a high degree of consistency to our processes	Frequently	Sometimes	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Very clear understanding
49	Sometimes	Sometimes	Frequently	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Somewhat
50	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Frequently	Frequently	Always; collected in detail and reviewed	On a very regular basis	Somewhat
51	Sometimes	Sometimes	Frequently	Sometimes	Sometimes	Sometimes	Sometimes	Somewhat
52	Sometimes	Sometimes	Sometimes	Always; well documented	Frequently	Sometimes	Sometimes	Somewhat
53	Sometimes	Never; we approach each case in a unique manner	Always; well understood	Always; well documented	Frequently	Frequently	Frequently	Somewhat
54	Sometimes	Always; there is a high degree of consistency to our processes	Sometimes	Sometimes	Frequently	Always; collected in detail and reviewed	Frequently	
55	Sometimes	Never; we approach each case in a unique manner	Sometimes	Sometimes	Always; well documented and understood	Never	Sometimes	Very clear understanding
56	Sometimes	Always; there is a high degree of consistency to our processes	Always; well understood	Frequently	Frequently	Always; collected in detail and reviewed	Frequently	Very clear understanding
57	Always	Frequently	Frequently	Frequently	Always; well documented and understood	Sometimes	Sometimes	Somewhat
58	Sometimes	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Always; well documented and understood	Frequently	Frequently	Somewhat
59	Sometimes	Always; there is a high degree of consistency to our processes	Sometimes	Sometimes	Sometimes	Frequently	On a very regular basis	Very clear understanding
60	Sometimes	Always; there is a high degree of consistency to our processes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Somewhat
61	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Sometimes	Sometimes	Always; collected in detail and reviewed	On a very regular basis	Very clear understanding
62	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Frequently	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Somewhat
63	Always	Frequently	Always; well understood	Frequently	Sometimes	Sometimes	Sometimes	Somewhat
64	Sometimes	Frequently	Always; well understood	Always; well documented	Frequently	Sometimes	On a very regular basis	Very clear understanding
65	Always	Frequently	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	Sometimes	Somewhat
66	Sometimes	Never; we approach each case in a unique manner	Sometimes	Sometimes	Frequently	Always; collected in detail and reviewed	Sometimes	Somewhat
67	Always	Frequently	Always; well understood	Frequently	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Somewhat
68	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Frequently	Sometimes	Very clear understanding



Response Nbr	3. Data is collected about activities / service deliveries when things do not go as expected / end as expected	4. Our approach to understanding a client's individual needs is consistent; we have a consistent set of processes that are followed	5. Processes and methods for carrying out our primary mission are well-DEFINED	6. Processes and methods for carrying out our primary mission are well-DOCUMENTED	7. Support activities, such as Accounting practices or HR hiring practices, are well defined, documented and followed	8. Data is regularly collected about the number of clients / customers served, and the time required to deliver those services	9. Data is used to drive process improvements	10. There is a clear definition or understanding of those activities considered "value-add" in the organization
104	Sometimes	Sometimes	Frequently	Sometimes	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Very clear understanding
105	Always	Frequently	Frequently	Sometimes	Sometimes	Frequently	On a very regular basis	Somewhat
106	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Frequently	Somewhat
107	Sometimes	Sometimes	Always; well understood	Sometimes	Always; well documented and understood	Always; collected in detail and reviewed	Sometimes	Somewhat
108	Sometimes	Sometimes	Frequently	Frequently	Always; well documented and understood	Always; collected in detail and reviewed	Frequently	Somewhat
109	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Frequently	Somewhat
110	Always	Frequently	Frequently	Frequently	Always; well documented and understood	Always; collected in detail and reviewed	Frequently	Somewhat
111	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Frequently	Sometimes	Somewhat
112	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Frequently	Always; collected in detail and reviewed	On a very regular basis	Somewhat
113	Always	Frequently	Frequently	Sometimes	Always; well documented and understood	Frequently	Sometimes	Somewhat
114	Always	Frequently	Sometimes	Sometimes	Sometimes	Sometimes	Frequently	Somewhat
115	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	Frequently	Somewhat
116	Always		Always; well understood	Always; well documented	Sometimes	Always; collected in detail and reviewed	On a very regular basis	Very clear understanding
117	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Somewhat
118	Always	Frequently	Sometimes	Sometimes	Sometimes	Sometimes	Frequently	Somewhat
119	Always	Frequently	Frequently	Sometimes	Frequently	Always; collected in detail and reviewed	Sometimes	Very clear understanding
120	Always	Frequently	Frequently	Sometimes	Sometimes	Frequently	On a very regular basis	Somewhat
121	Sometimes	Frequently	Sometimes	Sometimes	Sometimes	Sometimes	Frequently	Somewhat
122	Always	Frequently	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Very clear understanding
123	Always	Frequently	Sometimes	Sometimes	Sometimes	Always; collected in detail and reviewed	Frequently	Somewhat
124	Never	Sometimes	Sometimes	Sometimes	Always; well documented and understood	Frequently	Sometimes	Somewhat
125	Sometimes	Frequently	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Somewhat
126	Sometimes	Always; there is a high degree of consistency to our processes	Frequently	Sometimes	Always; well documented and understood	Frequently	On a very regular basis	Somewhat
127	Sometimes	Sometimes	Frequently	Frequently	Always; well documented and understood	Frequently	Sometimes	Somewhat
128	Sometimes	Frequently	Always; well understood	Always; well documented	Frequently	Always; collected in detail and reviewed	On a very regular basis	Somewhat
129	Sometimes	Sometimes	Sometimes	Sometimes	Frequently	Always; collected in detail and reviewed	Frequently	Somewhat
130	Sometimes	Never; we approach each case in a unique manner	Sometimes	Sometimes	Sometimes	Frequently	Sometimes	No clear understanding
131	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Infrequently	No clear understanding
132	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Frequently	Frequently	Always; collected in detail and reviewed	On a very regular basis	Somewhat

Response Nbr	3. Data is collected about activities / service deliveries when things do not go as expected / end as expected	4. Our approach to understanding a client's individual needs is consistent; we have a consistent set of processes that are followed	5. Processes and methods for carrying out our primary mission are well-DEFINED	6. Processes and methods for carrying out our primary mission are well-DOCUMENTED	7. Support activities, such as Accounting practices or HR hiring practices, are well defined, documented and followed	8. Data is regularly collected about the number of clients / customers served, and the time required to deliver those services	9. Data is used to drive process improvements	10. There is a clear definition or understanding of those activities considered "value-add" in the organization
133	Always	Sometimes	Sometimes	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	Frequently	
134	Always	Frequently	Sometimes	Sometimes	Frequently	Always; collected in detail and reviewed	Frequently	Somewhat
135	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Very clear understanding
136	Sometimes	Always; there is a high degree of consistency to our processes	Sometimes	Sometimes	Sometimes	Sometimes	Sometimes	Somewhat
137	Sometimes	Frequently	Always; well understood	Frequently	Always; well documented and understood	Always; collected in detail and reviewed	Frequently	Somewhat
138	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Frequently	Frequently	Always; collected in detail and reviewed	On a very regular basis	Somewhat
139	Always	Frequently	Frequently	Sometimes	Always; well documented and understood	Always; collected in detail and reviewed	Frequently	General Understanding
140	Sometimes	Sometimes	Sometimes	Infrequently	Sometimes	Always; collected in detail and reviewed	On a very regular basis	No clear understanding
141	Frequently	Frequently	Frequently	Sometimes	Sometimes	Always; collected in detail and reviewed	Frequently	Somewhat
142	Frequently	Always; there is a high degree of consistency to our processes	Always; well understood	Frequently	Frequently	Frequently	On a very regular basis	General Understanding
143	Frequently	Frequently	Frequently	Always; well documented	Infrequently	Frequently	Frequently	Somewhat
144	Frequently	Frequently	Always; well understood	Always; well documented	Always; well documented and understood	Frequently	On a very regular basis	Very clear understanding
145	Frequently	Frequently	Frequently	Always; well documented	Sometimes	Always; collected in detail and reviewed	Frequently	Somewhat
146	Always	Frequently	Frequently	Frequently	Always; well documented and understood	Always; collected in detail and reviewed	Frequently	General Understanding
147	Frequently	Frequently	Frequently	Frequently	Frequently	Frequently	On a very regular basis	Very clear understanding
148	Frequently	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Frequently	Always; collected in detail and reviewed	On a very regular basis	General Understanding
149	Infrequently	Always; there is a high degree of consistency to our processes	Always; well understood	Infrequently	Never	Always; collected in detail and reviewed	Infrequently	No clear understanding
150	Sometimes	Frequently	Frequently	Sometimes	Frequently	Frequently	Sometimes	Somewhat
151	Frequently	Sometimes	Frequently	Sometimes	Always; well documented and understood		Sometimes	Modest Understanding
152	Frequently	Sometimes	Sometimes	Sometimes	Frequently	Always; collected in detail and reviewed	Frequently	Somewhat
153	Frequently	Sometimes	Infrequently	Sometimes	Infrequently	Sometimes	Sometimes	Somewhat
154	Sometimes	Infrequently	Sometimes	Sometimes	Sometimes	Frequently	Infrequently	No clear understanding
155	Sometimes	Sometimes	Frequently	Frequently	Infrequently	Frequently	Sometimes	General Understanding
156	Frequently	Always; there is a high degree of consistency to our processes	Frequently	Sometimes	Frequently	Frequently	On a very regular basis	General Understanding
157	Always	Always; there is a high degree of consistency to our processes	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	General Understanding
158	Always	Always; there is a high degree of consistency to our processes	Frequently	Always; well documented	Frequently	Always; collected in detail and reviewed	On a very regular basis	General Understanding
159	Sometimes	Frequently	Always; well understood	Always; well documented	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Very clear understanding
160	Always	Frequently	Infrequently	Infrequently	Infrequently	Frequently	Sometimes	Somewhat
161	Sometimes	Always; there is a high degree of consistency to our processes	Always; well understood	Frequently	Always; well documented and understood	Always; collected in detail and reviewed	On a very regular basis	Very clear understanding
162	Sometimes	Frequently	Always; well understood	Sometimes	Sometimes	Always; collected in detail and reviewed	Frequently	Somewhat
163	Always	Frequently	Always; well understood	Frequently	Frequently	Always; collected in detail and reviewed	On a very regular basis	General Understanding
164	Sometimes	Frequently	Frequently	Sometimes	Sometimes	Frequently	Frequently	Very clear understanding
165	Sometimes	Frequently	Always; well understood	Frequently	Always; well documented and understood	Frequently	On a very regular basis	Very clear understanding
166	Always	Always; there is a high degree of consistency to our processes	Frequently	Frequently	Frequently	Always; collected in detail and reviewed	On a very regular basis	Somewhat



Response Nbr	11. Staff (employees and/or volunteers) consider the organization's processes to be complex	12. To what degree is senior leadership supportive of process improvements?	13. To what degree does the organization sponsor or support staff training?	14. Staff (including volunteers) would agree there are sufficient resources available to do their job well	15. Your organization benchmarks its activities against other organizations	16. Your organization collects data about its operations separate from what is requested by funders
1	No, processes are not generally considered overly complex	Always	Always	Never	Always	Rarely; funding organizations determine what data we collect
2	Somewhat	Generally supportive	Always	Concern regarding resources	Never	Sometimes
3	Somewhat	Generally supportive	Rarely / not often	General agreement of sufficient resources	Sometimes	Frequently
4	Somewhat	Generally supportive	General support	Sometimes	Frequently	Sometimes
5	Somewhat	Sometimes	General support	Sometimes	Sometimes	Sometimes
6	Somewhat	Always	Always	Always	Frequently	Sometimes
7	Somewhat	Sometimes	Always	Sometimes		Sometimes
8	No, processes are not generally considered overly complex	Always	General support	General agreement of sufficient resources	Sometimes	Frequently
9	No, processes are not generally considered overly complex	Sometimes	Sometimes	Sometimes	Frequently	Sometimes
10	Somewhat	Generally supportive	Always	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
11	Somewhat	Always	Always	Always	Sometimes	Always; we do not rely solely on what funding organizations request
12	No, processes are not generally considered overly complex	Always	Always	Concern regarding resources	Never	Always; we do not rely solely on what funding organizations request
13	No, processes are not generally considered overly complex	Generally supportive	General support	Sometimes	Sometimes	Sometimes
14	No, processes are not generally considered overly complex	Always	General support	Always	Sometimes	Sometimes
15	No, processes are not generally considered overly complex	Always	Always	General agreement of sufficient resources	Sometimes	Frequently
16	Somewhat	Sometimes	Infrequent	Never	Never	Sometimes
17	Somewhat	Generally supportive	General support	Sometimes	Sometimes	Sometimes
18	Somewhat	Always	General support	General agreement of sufficient resources	Frequently	Frequently
19	Yes, consistent concern that processes are complex	Sometimes	General support	Sometimes	Sometimes	Frequently
20	Somewhat	Always	Always	Always	Always	Always; we do not rely solely on what funding organizations request
21	Somewhat	Always	Always	Sometimes	Sometimes	Always; we do not rely solely on what funding organizations request
22	Somewhat	Always	Always	Concern regarding resources	Never	Sometimes
23	Somewhat	Always	Always	Sometimes	Frequently	Frequently
24	Somewhat	Always	General support	Sometimes	Sometimes	Infrequently
25	Yes, consistent concern that processes are complex	Generally supportive	General support	Sometimes		Frequently
26	No, processes are not generally considered overly complex	Always	General support	Sometimes	Never	Always; we do not rely solely on what funding organizations request
27	Somewhat	Always	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
28	Somewhat	Always	Always	Sometimes	Sometimes	Frequently
29	Somewhat	Generally supportive	General support	Sometimes	Sometimes	Sometimes
30	Somewhat	Always	Always	General agreement of sufficient resources	Sometimes	Infrequently
31	Somewhat	Always	Always	General agreement of sufficient resources	Frequently	Frequently
32	Somewhat	Always	Always	General agreement of sufficient resources	Sometimes	Sometimes
33	No, processes are not generally considered overly complex	Always	Always	Always	Always	Always; we do not rely solely on what funding organizations request
34	Somewhat	Always	Always	Sometimes	Sometimes	Always; we do not rely solely on what funding organizations request
35	Somewhat	Generally supportive	General support	Sometimes		Always; we do not rely solely on what funding organizations request

Response Nbr	11. Staff (employees and/or volunteers) consider the organization's processes to be complex	12. To what degree is senior leadership supportive of process improvements?	13. To what degree does the organization sponsor or support staff training?	14. Staff (including volunteers) would agree there are sufficient resources available to do their job well	15. Your organization benchmarks its activities against other organizations	16. Your organization collects data about its operations separate from what is requested by funders
36	No, processes are not generally considered overly complex	Always	Always	Sometimes	Sometimes	Frequently
37	Yes, consistent concern that processes are complex	Always	Always	General agreement of sufficient resources	Always	Always; we do not rely solely on what funding organizations request
38	No, processes are not generally considered overly complex	Always	General support	Sometimes	Frequently	Sometimes
39	Somewhat	Always	General support	General agreement of sufficient resources	Frequently	Sometimes
40	Somewhat	Generally supportive	Always	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
41	No, processes are not generally considered overly complex	Always	Always	Always	Frequently	Always; we do not rely solely on what funding organizations request
42	No, processes are not generally considered overly complex	Always	Always	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
43	No, processes are not generally considered overly complex	Always	Always	Concern regarding resources	Never	Sometimes
44	Somewhat	Always	General support	General agreement of sufficient resources	Sometimes	Frequently
45	Somewhat	Generally supportive	Always	Always	Frequently	Always; we do not rely solely on what funding organizations request
46	Somewhat	Always	Sometimes	Sometimes	Sometimes	Sometimes
47	Yes, consistent concern that processes are complex	Always	Always	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
48	Somewhat	Always	Always	Concern regarding resources	Never	Always; we do not rely solely on what funding organizations request
49	Somewhat	Always	General support	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
50	No, processes are not generally considered overly complex	Always	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
51	Somewhat	Always	Always	Always	Sometimes	Sometimes
52	Somewhat	Generally supportive	General support	General agreement of sufficient resources	Sometimes	Frequently
53	No, processes are not generally considered overly complex	Always	Always	Always	Never	Always; we do not rely solely on what funding organizations request
54	Somewhat	Generally supportive	General support	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
55	No, processes are not generally considered overly complex	Always	Always	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
56	Somewhat	Always	Always	Always	Sometimes	Always; we do not rely solely on what funding organizations request
57	Somewhat	Always	General support	General agreement of sufficient resources	Always	Always; we do not rely solely on what funding organizations request
58	Somewhat	Always	Always	General agreement of sufficient resources	Sometimes	Rarely; funding organizations determine what data we collect
59	Somewhat	Generally supportive	Always	Sometimes	Always	Always; we do not rely solely on what funding organizations request
60	Somewhat	Always	Sometimes	General agreement of sufficient resources	Frequently	Frequently
61	No, processes are not generally considered overly complex	Always	Sometimes	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
62	Somewhat	Always	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
63	No, processes are not generally considered overly complex	Always	Sometimes	Sometimes	Always	Always; we do not rely solely on what funding organizations request
64	Somewhat	Generally supportive	General support	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
65	Somewhat	Generally supportive	Sometimes	Sometimes	Always	Always; we do not rely solely on what funding organizations request
66	Somewhat	Generally supportive	Sometimes	Sometimes	Infrequently	Frequently
67	Somewhat	Always	General support	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
68	Somewhat	Always	Always	General agreement of sufficient resources	Sometimes	Sometimes

Response Nbr	11. Staff (employees and/or volunteers) consider the organization's processes to be complex	12. To what degree is senior leadership supportive of process improvements?	13. To what degree does the organization sponsor or support staff training?	14. Staff (including volunteers) would agree there are sufficient resources available to do their job well	15. Your organization benchmarks its activities against other organizations	16. Your organization collects data about its operations separate from what is requested by funders
69	Somewhat	Generally supportive	Sometimes	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
70	Somewhat	Always	Always	Always	Sometimes	Always; we do not rely solely on what funding organizations request
71	Yes, consistent concern that processes are complex	Always	Always	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
72	Somewhat	Sometimes	Rarely / not often	Sometimes	Sometimes	Infrequently
73	Somewhat	Always	General support	General agreement of sufficient resources	Sometimes	Infrequently
74	Yes, consistent concern that processes are complex	Generally supportive	Always	General agreement of sufficient resources	Always	Always; we do not rely solely on what funding organizations request
75	No, processes are not generally considered overly complex	Always	Always	Always	Never	Sometimes
76	Somewhat	Always	Sometimes	Sometimes	Sometimes	Infrequently
77	Somewhat	Always	Sometimes	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
78	Somewhat	Generally supportive	General support	General agreement of sufficient resources	Sometimes	Frequently
79	Somewhat	Sometimes	Rarely / not often	Sometimes	Infrequently	Infrequently
80	Somewhat	Always	Always	General agreement of sufficient resources	Sometimes	Infrequently
81	Somewhat	Always	Sometimes	General agreement of sufficient resources	Frequently	Sometimes
82	No, processes are not generally considered overly complex	Always	Always	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
83	Somewhat	Always	Sometimes	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
84	Somewhat	Sometimes	General support	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
85	Somewhat	Generally supportive	General support	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
86	Somewhat	Always	General support	Sometimes	Sometimes	Frequently
87	Somewhat	Generally supportive	General support	Sometimes	Infrequently	Frequently
88	No, processes are not generally considered overly complex	Sometimes	Rarely / not often	Concern regarding resources	Never	Frequently
89	No, processes are not generally considered overly complex	Always	General support	General agreement of sufficient resources	Sometimes	Infrequently
90	No, processes are not generally considered overly complex	Always	Always	Always	Always	Always; we do not rely solely on what funding organizations request
91	Somewhat	Generally supportive	Always	Sometimes	Infrequently	Infrequently
92	Somewhat	Generally supportive	General support	General agreement of sufficient resources	Sometimes	Frequently
93	Yes, consistent concern that processes are complex	Generally supportive	Sometimes	Sometimes	Sometimes	Always; we do not rely solely on what funding organizations request
94	Somewhat	Always	Always	General agreement of sufficient resources	Always	Frequently
95	Somewhat	Always	General support	General agreement of sufficient resources	Sometimes	Frequently
96	No, processes are not generally considered overly complex	Always	Sometimes	Sometimes	Frequently	Sometimes
97	Somewhat	Always	General support	General agreement of sufficient resources	Sometimes	Frequently
98	Yes, consistent concern that processes are complex	Generally supportive	General support	Sometimes	Frequently	Sometimes
99	Somewhat	Always	Sometimes	Sometimes	Always	Always; we do not rely solely on what funding organizations request
100	Somewhat	Always	Always	Sometimes	Always	Always; we do not rely solely on what funding organizations request
101	Yes, consistent concern that processes are complex	Always	Always	Sometimes	Frequently	Frequently
102	Yes, consistent concern that processes are complex	Always	Always	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
103	No, processes are not generally considered overly complex	Always	Sometimes	Sometimes	Frequently	Sometimes



Response Nbr	11. Staff (employees and/or volunteers) consider the organization's processes to be complex	12. To what degree is senior leadership supportive of process improvements?	13. To what degree does the organization sponsor or support staff training?	14. Staff (including volunteers) would agree there are sufficient resources available to do their job well	15. Your organization benchmarks its activities against other organizations	16. Your organization collects data about its operations separate from what is requested by funders
104	No, processes are not generally considered overly complex	Generally supportive	Always	General agreement of sufficient resources	Always	Always; we do not rely solely on what funding organizations request
105	Yes, consistent concern that processes are complex	Generally supportive	General support	Sometimes	Frequently	Sometimes
106	Somewhat	Generally supportive	General support	Sometimes	Infrequently	Rarely; funding organizations determine what data we collect
107	No, processes are not generally considered overly complex	Always	Sometimes	Sometimes	Sometimes	Sometimes
108	Somewhat	Generally supportive	Always	Sometimes	Sometimes	Always; we do not rely solely on what funding organizations request
109	Somewhat	Always	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
110	Somewhat	Always	General support	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
111	Somewhat	Always	Always	Sometimes	Sometimes	Frequently
112	Somewhat	Generally supportive	Always		Sometimes	Infrequently
113	Somewhat	Generally supportive	General support	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
114	No, processes are not generally considered overly complex	Generally supportive	Always	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
115	Somewhat	Generally supportive	Always	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
116	Somewhat	Always	Sometimes	Sometimes	Never	Always; we do not rely solely on what funding organizations request
117	Somewhat	Always	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
118	Somewhat	Always	General support	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
119	Somewhat	Generally supportive	Always	Sometimes	Always	Infrequently
120	Somewhat	Always	Always	General agreement of sufficient resources	Sometimes	Infrequently
121	Somewhat	Generally supportive	Sometimes	Sometimes	Sometimes	Infrequently
122	No, processes are not generally considered overly complex	Always	Always	Always	Sometimes	Always; we do not rely solely on what funding organizations request
123	Somewhat	Always	Always	General agreement of sufficient resources	Sometimes	Frequently
124	No, processes are not generally considered overly complex	Always	Rarely / not often	General agreement of sufficient resources	Sometimes	Rarely; funding organizations determine what data we collect
125	Somewhat	Generally supportive	Sometimes	Sometimes	Sometimes	Frequently
126	Yes, consistent concern that processes are complex	Always	General support	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
127	No, processes are not generally considered overly complex	Generally supportive	Sometimes	Concern regarding resources	Never	Sometimes
128	Somewhat	Generally supportive	Sometimes	General agreement of sufficient resources	Sometimes	Frequently
129	Yes, consistent concern that processes are complex	Generally supportive	Always	Sometimes	Frequently	Frequently
130	Somewhat	Generally supportive	Rarely / not often	Never	Never	Rarely; funding organizations determine what data we collect
131	No, processes are not generally considered overly complex	Generally supportive	Infrequent	Never	Sometimes	Sometimes
132	No, processes are not generally considered overly complex	Generally supportive	Always	Sometimes	Frequently	Frequently

Response Nbr	11. Staff (employees and/or volunteers) consider the organization's processes to be complex	12. To what degree is senior leadership supportive of process improvements?	13. To what degree does the organization sponsor or support staff training?	14. Staff (including volunteers) would agree there are sufficient resources available to do their job well	15. Your organization benchmarks its activities against other organizations	16. Your organization collects data about its operations separate from what is requested by funders
133	Somewhat	Always	General support	Sometimes	Sometimes	Sometimes
134	Somewhat	Always	General support	Sometimes	Frequently	Frequently
135	Yes, consistent concern that processes are complex	Always	General support	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
136	Somewhat	Generally supportive	Always	Sometimes	Sometimes	Frequently
137	Somewhat	Always	General support	Always	Frequently	Frequently
138	No, processes are not generally considered overly complex	Generally supportive	Always	General agreement of sufficient resources	Sometimes	Rarely; funding organizations determine what data we collect
139	General concern regarding complexity	Generally supportive	Always	General agreement of sufficient resources	Frequently	Frequently
140	Somewhat	Always	General support	General agreement of sufficient resources	Never	Rarely; funding organizations determine what data we collect
141	Somewhat	Generally supportive	Always	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
142	No, processes are not generally considered overly complex	Always	Sometimes	Concern regarding resources	Never	Always; we do not rely solely on what funding organizations request
143	Somewhat	Always	Always	General agreement of sufficient resources	Frequently	Frequently
144	Slight complexity	Always	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
145	General concern regarding complexity	Always	General support	Sometimes	Sometimes	Frequently
146	General concern regarding complexity	Always	Always	Sometimes	Frequently	Always; we do not rely solely on what funding organizations request
147	No, processes are not generally considered overly complex	Always	General support	General agreement of sufficient resources	Sometimes	Frequently
148	General concern regarding complexity	Generally supportive	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
149	Somewhat	Generally supportive	Always	Always	Never	Rarely; funding organizations determine what data we collect
150	Somewhat	Generally supportive	General support	General agreement of sufficient resources	Sometimes	Sometimes
151	No, processes are not generally considered overly complex	Generally supportive	Always	General agreement of sufficient resources	Sometimes	
152	Somewhat	Generally supportive	Infrequent	Concern regarding resources	Infrequently	Frequently
153	Somewhat	Generally supportive	Sometimes	General agreement of sufficient resources	Sometimes	Frequently
154	Slight complexity	Generally supportive	Always	Sometimes	Never	Rarely; funding organizations determine what data we collect
155	Slight complexity	Generally supportive	Sometimes	Concern regarding resources	Infrequently	Sometimes
156	Somewhat	Generally supportive	Infrequent	General agreement of sufficient resources	Always	Always; we do not rely solely on what funding organizations request
157	Yes, consistent concern that processes are complex	Sometimes	General support	General agreement of sufficient resources	Always	Frequently
158	General concern regarding complexity	Always	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
159	Slight complexity	Generally supportive	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
100	General concern regarding complexity	Always	Infrequent	General agreement of sufficient resources	Sometimes	Frequently
161	Somewhat	Always	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
162		Sometimes	General support	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
163	No, processes are not generally considered overly complex	Always	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
164	Yes, consistent concern that processes are complex	Always	Always	General agreement of sufficient resources	Sometimes	Sometimes
165	Slight complexity	Always	General support	General agreement of sufficient resources	Always	Always; we do not rely solely on what funding organizations request
166	Somewhat	Generally supportive	General support	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request

Response Nbr	11. Staff (employees and/or volunteers) consider the organization's processes to be complex	12. To what degree is senior leadership supportive of process improvements?	13. To what degree does the organization sponsor or support staff training?	14. Staff (including volunteers) would agree there are sufficient resources available to do their job well	15. Your organization benchmarks its activities against other organizations	16. Your organization collects data about its operations separate from what is requested by funders
167	No, processes are not generally considered overly complex	Always	General support	Always	Always	Always; we do not rely solely on what funding organizations request
168	No, processes are not generally considered overly complex	Always	Always	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
169	No, processes are not generally considered overly complex	Always	Always	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
170	Slight complexity	Generally supportive	Infrequent	Sometimes	Infrequently	Sometimes
171	No, processes are not generally considered overly complex	Always	Always	General agreement of sufficient resources	Infrequently	Infrequently
172	Somewhat	Generally supportive	General support	Sometimes	Sometimes	Sometimes
173	No, processes are not generally considered overly complex	Generally supportive	General support	Always	Sometimes	Frequently
174	General concern regarding complexity	Generally supportive	Always	General agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
175	No, processes are not generally considered overly complex	Always	General support	General agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
176	General concern regarding complexity	Always	Always	Concern regarding resources	Frequently	Frequently
177	Slight complexity	Always	Always	General Agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
178	Somewhat	Always	General support	General Agreement of sufficient resources	Sometimes	Always; we do not rely solely on what funding organizations request
179	General concern regarding complexity	Always	Always	Concern regarding resources	Sometimes	Always; we do not rely solely on what funding organizations request
180	Somewhat	Always	Always	General Agreement of sufficient resources	Frequently	Always; we do not rely solely on what funding organizations request
181	General Concern regarding complexity	Always	General Support	General Agreement of sufficient resources	Frequently	Frequently
182	Somewhat	Generally Supportive	General Support	General Agreement of sufficient resources	Sometimes	Sometimes

Response Nbr	17. Has your data allowed your organization to perform better today than it was last year, or the year before? That is, is it doing more with less? Please add comments to explain	Comments:	18. Has your organization considered or undertaken any of these formal performance management programs?
1	Consistently yes, we continuously improve		
2	The data we collect does not really help us improve processes / operations		Charities Review Council - Accountability Standards
3	Sometimes		None of these apply
4	Frequently		Total Quality Management (TQM), Continuous Improvement Program (CIP)
5	Sometimes		None of these apply
6	Consistently yes, we continuously improve	We have worked on accurately documenting what creates success in our students. This has enabled us to capitalize on and expand in the areas that help us serve our students better.	Lean Processes, Balanced Scorecard
7	The data we collect does not really help us improve processes / operations	There is no real attempt to use data to impact service offerings	Continuous Improvement Program (CIP)
8	Sometimes		None of these apply
9	The data we collect does not really help us improve processes / operations		None of these apply
10	Frequently		None of these apply
11	Consistently yes, we continuously improve		None of these apply
12	Sometimes	Our main issue is funding, not data	None of these apply
13	Sometimes		None of these apply
14	Frequently		None of these apply
15	Consistently yes, we continuously improve		None of these apply
16	The data we collect does not really help us improve processes / operations		
17	Sometimes		None of these apply
18	Sometimes	We are implementing a new client data base which will allow us to collect much more data. Once the year is completed, we can run new reports.	Continuous Improvement Program (CIP)
19	Frequently		Lean Processes
20	Consistently yes, we continuously improve		Lean Processes, Six Sigma, Baldrige Quality Award Criteria
21	Frequently	Well established processes with long time employees looking for constant improvements so we use data but are more person involved to determine needs.	Continuous Improvement Program (CIP), Balanced Scorecard
22	Frequently		Outcome Measurement and KPI analysis are used (but informal in nature)
23	Consistently yes, we continuously improve	Our market share is changing significantly, but we are making efforts to realign our efforts long term to take advantage of trends in the market place.	None of these apply
24	Infrequently		None of these apply
25	Frequently		Continuous Improvement Program (CIP)
26	Frequently		None of these apply
27	Consistently yes, we continuously improve		None of these apply
28	Sometimes	Our data collection doesn't always translate into doing more with less. It has driven us to update our records, plus caused us to increase the amount of data we collect and the time spent in tracking and measurement.	We have become a Service Enterprise organization this past year, which focuses on volunteer management.
29	Sometimes	I don't think we are doing more with less, but we are doing more by resourcing (with people and money) appropriately to get work done. We use data to inform strategy and tactics of our major initiatives and in many but not all cases, we are performing better.	None of these apply
30	Infrequently		None of these apply
31	Consistently yes, we continuously improve	Many of our processes are complex as it is required by funders.	None of these apply
32	Sometimes		None of these apply
33	Consistently yes, we continuously improve		None of these apply
34	Sometimes		None of these apply
35	Consistently yes, we continuously improve		None of these apply

Response Nbr	17. Has your data allowed your organization to perform better today than it was last year, or the year before? That is, is it doing more with less? Please add comments to explain	Comments:	18. Has your organization considered or undertaken any of these formal performance management programs?
36	Frequently	we have an agency-wide CQI process that allows us to measure deficiencies and recommend methods of improvement. however, we don't always have adequate resources to carry out the recommendations.	CQI , which may be similar to TQM
37	Consistently yes, we continuously improve		None of these apply
38	Sometimes		None of these apply
39	Consistently yes, we continuously improve		None of these apply
40	Consistently yes, we continuously improve		Balanced Scorecard
41	Frequently		Continuous Improvement Program (CIP)
42	Frequently	We attempt, but many factors come into play that are beyond our control (cultural, economic, etc.)	None of these apply
43	Consistently yes, we continuously improve		None of these apply
44	Consistently yes, we continuously improve		None of these apply
45	Frequently		None of these apply
46	Sometimes		Lean Processes, Six Sigma
47	Consistently yes, we continuously improve		
48	Consistently yes, we continuously improve	We are not doing more with less. Data does help us improve our systems, but the data gathering usually results in more expenditures.	Lean Processes, The Management Center methods
49	Frequently	Data helps us identify and fill gaps in service	None of these apply
50	Consistently yes, we continuously improve	We developed a fully-custom internal data tracking and reporting system; data collection is embedded in workflow; annual benchmarks set; outcomes reviewed quarterly	None of these apply
51	Consistently yes, we continuously improve		None of these apply
52	Sometimes		None of these apply
53	The data we collect does not really help us improve processes / operations	We have provided free, anonymous, no-appointment mental health services for 50 years because it is what the community needs. The information we collect is helpful: it reflects 90% satisfaction by consumers. We strive to maintain that satisfaction by NOT changing our model.	None of these apply
54	Sometimes	So many areas this would apply to in different ways, so sometimes is the answer.	No
55	Consistently yes, we continuously improve		None of these apply
56	Consistently yes, we continuously improve		Balanced Scorecard
57	Consistently yes, we continuously improve		None of these apply
58	The data we collect does not really help us improve processes / operations		None of these apply
59	Frequently		None of these apply
60	Frequently	We are a "continuous improvement" organization and always look for ways to improve	None of these apply
61	Consistently yes, we continuously improve		None of these apply
62	Consistently yes, we continuously improve	We have monthly continuous quality improvement meetings in which we review data and use this data to improve our practices.	None of these apply
63	Frequently	Yes but we are also investing more to be able to do more.	No, we haven't used a formal performance management program.
64	Frequently	We update technology and training on a regular basis	We consider those programs as con jobs to enrich consultants.
65	Consistently yes, we continuously improve		Balanced Scorecard
66	Sometimes	We are the only nonprofit of our kind in our area so it is hard to benchmark against other organizations.	None of these apply
67	Consistently yes, we continuously improve		None of these apply
68	Sometimes	I wish we had more general operating funding or funders interested in helping us improve data collection and outcomes.	NCAL National Quality Award, Bronze

Response Nbr	17. Has your data allowed your organization to perform better today than it was last year, or the year before? That is, is it doing more with less? Please add comments to explain	Comments:	18. Has your organization considered or undertaken any of these formal performance management programs?
69	Sometimes	At what point do you need more to do more? How do you measure performance? What does "value-add" mean -- does it mean we provide better service to the client or we use less resources? Some of the question on this survey are not clear.	None of these apply
70	Consistently yes, we continuously improve		We've taken aspects of those listed and integrated them into our own process
71	Frequently	We have undergone a change in leadership, focus, and programs over the last three years.	None of these apply
72	Infrequently		
73	Frequently		Continuous Improvement Program (CIP), Balanced Scorecard, Baldrige Quality Award Criteria
74	Frequently		None of these apply
75	Infrequently		None of these apply
76	Frequently	I'm not sure I agree with the presumption that data allows an org to do more with less, although it can certainly ensure smarter deployment of resources.	None of these apply
77	Consistently yes, we continuously improve	We have been increasing our data collection and review this year. Previous years did not.	None of these apply
78	The data we collect does not really help us improve processes / operations		Business Process Reengineering - but not as structured as TQM, Lean or Agile
79	Infrequently		None of these apply
80	Infrequently		None of these apply
81	Sometimes	Very limited time for program evaluation beyond funder requirements due to high demand for services and insufficient funds for management/development activities	None of these apply
82	Consistently yes, we continuously improve		None of these apply
83	Consistently yes, we continuously improve	Our organization was on the brink of collapse in 2012 and fully restructuring through technology and stripping away all extras, the absence of waste cleared the way for new growth. This mentality has continued, even while gaining more financial stability. Each addition is to increase the ability for staff and volunteers to maintain excellence while remaining agile to meet changing needs and resources.	None of these apply
84	Frequently		
85	Consistently yes, we continuously improve	We have good data collection systems, and evaluate our performance on both outputs and outcomes year over year.	We have not used any formal program, but we informally use elements of these when evaluating our programs
86	Sometimes	Our public funding from the state has been declining in spite of what we think are excellent results but private funders and local governments see value in what we do and are increasingly providing us funding.	We are about to start working with the Hubert Project Theory of Change
87	Sometimes	Our data collection is a mix of sources. We are investing in a new client database this summer that will allow us to better track and analyze information/outcomes	None of these apply
88	Sometimes		None of these apply
89	Infrequently		None of these apply
90	Consistently yes, we continuously improve		None of these apply
91	Infrequently		None of these apply
92	Sometimes		Continuous Improvement Program (CIP), Balanced Scorecard
93	Sometimes		Continuous Improvement Program (CIP)
94	Consistently yes, we continuously improve	Yes, we continue to drive productivity into the organization through data analysis, technology, strategies and staff competencies. However, optimal productivity is undetermined and we seek to define it.	Six Sigma, Balanced Scorecard
95	Sometimes		None of these apply
96	Frequently	We have made efforts to collect data independent of funder requirements but often make process changes based on leadership's perception of needs and not large bodies of data.	None of these apply
97	Consistently yes, we continuously improve		Team Improvement Process Reviews - Format from Private Consultant
98	The data we collect does not really help us improve processes / operations		None
99	Consistently yes, we continuously improve		Continuous Improvement Program (CIP), Balanced Scorecard, 360-Degree Reviews
100	Consistently yes, we continuously improve	We restructured our staff job description	None of these apply
101	Consistently yes, we continuously improve	Our programs and activities are improving as we continue to assess and change.	None of these apply
102	Sometimes		
103	Frequently		None of these apply

Response Nbr	17. Has your data allowed your organization to perform better today than it was last year, or the year before? That is, is it doing more with less? Please add comments to explain	Comments:	18. Has your organization considered or undertaken any of these formal performance management programs?
104	Frequently	Yes, we have updated our technology to help with efficiency with both serving clients and recording data.	None of these apply
105	Frequently		Lean Processes, Balanced Scorecard
106	Frequently	Our organization recently had leadership changes after 30+ years so the responses reflect what has happened at the agency under previous leadership and not the changes that will be implemented moving forward.	None of these apply
107	Consistently yes, we continuously improve	We use the data collected to review/revise how we are doing our work.	None of these apply
108	Consistently yes, we continuously improve		
109	Frequently		Lean Processes, Total Quality Management (TQM)
110	Sometimes	It is so challenging to know what data to track, how to track it, and how to use it effectively.	None of these apply
111	Sometimes	We are in the process of determining what data is available to us; what else we need; and how to turn this data into useful information.	None of these apply
112	Infrequently		None of these apply
113	Frequently		None of these apply
114	Consistently yes, we continuously improve		
115	Frequently	We've been running lean for a long time. Hard to say if we keep doing more with less.	None of these apply
116	Consistently yes, we continuously improve		None of these apply
117	Frequently		
118	Frequently	Doing more with less can actually be a detriment to non-profit work. We work to also make sure we are providing adequate resource to the work we want to do. Performing better is not necessarily the same as doing more with less.	None of these apply
119	Infrequently		None of these apply
120	Infrequently		
121	Infrequently		None of these apply
122	Consistently yes, we continuously improve		None of these apply
123	Consistently yes, we continuously improve		None of these apply
124	Sometimes		None of these apply
125	Sometimes		None of these apply
126	Frequently		None of these apply
127	Frequently		None of these apply
128	Consistently yes, we continuously improve		None of these apply
129	Frequently	We have a variety of methods to capture internal data and to use external data	None of these apply
130	Frequently		None of these apply. Each program that we develop is unique and responsive to customer demands. As such, we do not fit into the "cookie-cutter" approach typically associated with consistent delivery of routine services. Consequently, many of the questions above are limiting in what can be offered as a response. In addition, limited size of staff, with the majority operating as volunteers, plus high demand for services without funding is problematic in instituting feedback, TQM and other similar management programs assumed by this survey. Well versed in all of them - neither the size of the organization nor time on the clock make them ROI efficient.
131	Sometimes		Balanced Scorecard
132	Consistently yes, we continuously improve		Balanced Scorecard

Response Nbr	17. Has your data allowed your organization to perform better today than it was last year, or the year before? That is, is it doing more with less? Please add comments to explain	Comments:	18. Has your organization considered or undertaken any of these formal performance management programs?
133	Frequently		Six Sigma, Balanced Scorecard
134	Frequently		Continuous Improvement Program (CIP)
135	Consistently yes, we continuously improve	We have the highest level at Guide Star. We evaluate all the time.	We have our own methods. We are a volunteer organization.
136	Sometimes		None of these apply
137	Frequently	Doing more with less is not a goal, but we are always getting better based on insights from staff and clients.	None of these apply
138	Sometimes		None of these apply
139	Frequently		Total Quality Management (TQM), Six Sigma, Continuous Improvement Program (CIP)
140	Sometimes	It is helping us figure out how to do more with less	None of these apply
141	Consistently yes, we continuously improve		None of these apply
142	Frequently	We meticulously set and work to achieve target numbers. When we don't we address the issue and make changes in order to either reach or set more realistic numbers.	EOS
143	Consistently yes, we continuously improve		
144	Consistently yes, we continuously improve	By streamlining processes, we are doing better and saving some money	Balanced Scorecard
145	Frequently		None of these apply
146	Consistently yes, we continuously improve		Continuous Improvement Program (CIP), Balanced Scorecard
147	Consistently yes, we continuously improve		None of these apply
148	Consistently yes, we continuously improve		
149	Infrequently		None of these apply
150	Sometimes		None of these apply
151	Sometimes		None of these apply
152	Sometimes		None of these apply
153	Sometimes	We've only recently started to collect data for improvements but where we have we are able to succeed and improve.	None of these apply
154	The data we collect does not really help us improve processes / operations	We do not have time or resources to do this	None of these apply
155	Sometimes	We have committed to capturing more data over the past two years. The impact is not yet clear, but we'll keep on that path for now. In our case, the increased data means increased expenses too. We are budgeting for that...	None of these apply, I've never heard of any of these!
156	Consistently yes, we continuously improve		None of these apply
157	Consistently yes, we continuously improve		None of these apply
158	Consistently yes, we continuously improve		None of these apply, EOS - TRACTION
159	Consistently yes, we continuously improve		Lean Processes
160	Sometimes	Attendance data and demographic data in particular help us to adjust processes to ensure more consistent and ongoing engagement in programming.	None of these apply
161	Consistently yes, we continuously improve		Logic models & outcomes chains plus commitment to continuous improvement
162	Frequently		
163	Consistently yes, we continuously improve	We solicit customer satisfaction input weekly and use Net Promoter Score as our key metric. We monitor the results on a monthly basis and have a project team structure to respond to themes for continuous improvement. Senior management receives monthly reports and is briefed on actions and new learnings on a bimonthly basis.	None of these apply
164	Sometimes		None of these apply
165	Consistently yes, we continuously improve		Some might apply but none of have considered or undertaken
166	Frequently		None of these apply

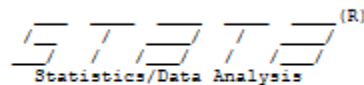


Response Nbr	17. Has your data allowed your organization to perform better today than it was last year, or the year before? That is, is it doing more with less? Please add comments to explain	Comments:	18. Has your organization considered or undertaken any of these formal performance management programs?
167	Consistently yes, we continuously improve		None of these apply, internal
168	Frequently		None of these apply
169	Consistently yes, we continuously improve	It isn't necessarily "doing less with more" however. It is analyzing the data to prioritize our work plan for the next fiscal year.	
170	Consistently yes, we continuously improve		None of these apply
171	Sometimes		None of these apply
172	Sometimes	We would love to do more with analyzing data but we need new software. Very few funders focus on this important program support/infrastructure.	None of these apply
173	Frequently		None of these apply
174	Frequently		None of these apply
175	Frequently	If you mean that always is 100% of the time, my answers are reflective of our operations. If always is 90% of the time, my answers should be upgraded to "always"	
176	Consistently yes, we continuously improve		Traction
177	Consistently yes, we continuously improve	We consistently we review what we do, how we do it and why and whether there are improvements to be made. We have made significant changes that have had impactful results.	None of these apply
178	Frequently	We have been able to automate data processing to increase efficiency.	None of these apply
179	Consistently yes, we continuously improve	I think you needed to define "data" better. If, as I suspect based on what I've seen in the nonprofit field, you think of data as info from formal surveys, web stats, clicker counts of visitors, and full-on formal analysis of programs and events (numbers you can put into a spreadsheet and perform sophisticated analysis of), we consider that only part of the story. Much of the feedback we get is informal, such as frequent positive comments on our newsletter or people who enjoy our customer service or love our facility. Because we are operating with a staff of about 2 1/2 full-time equivalents, we do not have time to record all of this informal data, but we most certainly use it to shape what we do. I am very concerned that this major push to put everything into numbers is going to backfire eventually. People will get tired of having their every move quantified and their every identifying marker (age, race, gender, occupation, hobbies, address, products they buy, health issues, etc. etc. ) tracked. While nonprofits are attempting to use this information to provide better service and reach more diverse audiences, commercial & political concerns are also collecting this data, but not necessarily to a positive end. (Think Facebook & the throwing of the U.S. election.) Nonprofits have to consider that milieu when collecting data.	None of these apply
180	Frequently	With United Way eliminating funding to organizations that service exclusively older adults, we had to eliminate on of our programs, tighten our belts and invest in development more	Balanced Scorecard
181	Consistently yes, we continuously improve		None of these apply
182	Sometimes		None of these apply

**Appendix D: Wilcoxon Mann Whitney Rank Sum Test**

Following are the output results from a Stata analysis of survey responses, comparing responses from small to medium size organizations (less than \$5 million in annual revenues) against larger organizations (more than \$5 million in annual revenues).

Test output Sunday September 30 19:03:47 2018 Page 1



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 log: C:\Users\sbosley\RankSum results.smcl  
 log type: smcl  
 opened on: 30 Sep 2018, 18:59:31

1 . ranksum Q1, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14010.5	13725
1	32	2642.5	2928
combined	182	16653	16653

unadjusted variance 73200.00

adjustment for ties -9068.37

adjusted variance 64131.63

Ho: Q1(Large==0) = Q1(Large==1)

z = 1.127

Prob &gt; |z| = 0.2596

2 . ranksum Q2, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	13920.5	13725
1	32	2732.5	2928
combined	182	16653	16653

unadjusted variance 73200.00

adjustment for ties -12679.01

adjusted variance 60520.99

Ho: Q2(Large==0) = Q2(Large==1)

z = 0.795

Prob &gt; |z| = 0.4268

3 . ranksum Q3, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	13949	13725
1	32	2704	2928
combined	182	16653	16653

unadjusted variance 73200.00

adjustment for ties -14787.81

adjusted variance 58412.19

Ho: Q3(Large==0) = Q3(Large==1)

z = 0.927

Prob &gt; |z| = 0.3540

Test output Sunday September 30 19:03:47 2018 Page 2

4 . ranksum Q4, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	149	14027	13559
1	32	2444	2912
combined	181	16471	16471

unadjusted variance 72314.67  
 adjustment for ties -7342.54  
 adjusted variance 64972.12

Ho: Q4(Large==0) = Q4(Large==1)  
 $z = 1.836$   
 Prob > |z| = 0.0664

5 . ranksum Q5, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14347	13725
1	32	2306	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -7741.68  
 adjusted variance 65458.32

Ho: Q5(Large==0) = Q5(Large==1)  
 $z = 2.431$   
 Prob > |z| = 0.0151

6 . ranksum Q6, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14109	13725
1	32	2544	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -11723.44  
 adjusted variance 61476.56

Ho: Q6(Large==0) = Q6(Large==1)  
 $z = 1.549$   
 Prob > |z| = 0.1214

Test output Sunday September 30 19:03:48 2018 Page 3

7 . ranksum Q7, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	149	13939	13559
1	32	2532	2912
combined	181	16471	16471

unadjusted variance 72314.67  
 adjustment for ties -11269.12  
 adjusted variance 61045.55

Ho: Q7(Large==0) = Q7(Large==1)  
 $z = 1.538$   
 Prob >  $|z| = 0.1240$

8 . ranksum Q8, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	13721.5	13725
1	32	2931.5	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -7668.82  
 adjusted variance 65531.18

Ho: Q8(Large==0) = Q8(Large==1)  
 $z = -0.014$   
 Prob >  $|z| = 0.9891$

9 . ranksum Q9, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	148	13516.5	13320
1	31	2593.5	2790
combined	179	16110	16110

unadjusted variance 68820.00  
 adjustment for ties -7949.66  
 adjusted variance 60870.34

Ho: Q9(Large==0) = Q9(Large==1)  
 $z = 0.796$   
 Prob >  $|z| = 0.4258$

Test output Sunday September 30 19:03:48 2018 Page 4

10 . ranksum Q10, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	149	13815.5	13559
1	32	2655.5	2912
combined	181	16471	16471

unadjusted variance 72314.67  
 adjustment for ties -7776.83

adjusted variance 64537.84

Ho: Q10(Large==0) = Q10(Large==1)  
 $z = 1.010$   
 Prob > |z| = 0.3127

11 . ranksum Q11, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14313	13725
1	32	2340	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -6076.43

adjusted variance 67123.57

Ho: Q11(Large==0) = Q11(Large==1)  
 $z = 2.270$   
 Prob > |z| = 0.0232

12 . ranksum SumQ, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14315	13725
1	32	2338	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -183.09

adjusted variance 73016.91

Ho: SumQ(Large==0) = SumQ(Large==1)  
 $z = 2.183$   
 Prob > |z| = 0.0290

Test output Sunday September 30 19:03:48 2018 Page 5

13 . ranksum AverageQ, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14311	13725
1	32	2342	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -176.82

adjusted variance 73023.18

Ho: AverageQ(Large==0) = AverageQ(Large==1)  
 $z = 2.169$   
 Prob > |z| = 0.0301

14 . ranksum P1, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14347	13725
1	32	2306	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -7741.68

adjusted variance 65458.32

Ho: P1(Large==0) = P1(Large==1)  
 $z = 2.431$   
 Prob > |z| = 0.0151

15 . ranksum P2, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14109	13725
1	32	2544	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -11723.44

adjusted variance 61476.56

Ho: P2(Large==0) = P2(Large==1)  
 $z = 1.549$   
 Prob > |z| = 0.1214

Test output Sunday September 30 19:03:48 2018 Page 6

16 . ranksum P3, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14490.5	13725
1	32	2162.5	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -8378.07

adjusted variance 64821.93

Ho: P3(Large==0) = P3(Large==1)  
 $z = 3.007$   
 Prob > |z| = 0.0026

17 . ranksum P4, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	149	13939	13559
1	32	2532	2912
combined	181	16471	16471

unadjusted variance 72314.67  
 adjustment for ties -11269.12

adjusted variance 61045.55

Ho: P4(Large==0) = P4(Large==1)  
 $z = 1.538$   
 Prob > |z| = 0.1240

18 . ranksum P5, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	13721.5	13725
1	32	2931.5	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -7668.82

adjusted variance 65531.18

Ho: P5(Large==0) = P5(Large==1)  
 $z = -0.014$   
 Prob > |z| = 0.9891



Test output Sunday September 30 19:03:48 2018 Page 7

19 . ranksum P6, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	146	13097.5	13067
1	32	2833.5	2864
combined	178	15931	15931

unadjusted variance 69690.67  
 adjustment for ties -20239.18

adjusted variance 49451.49

Ho: P6(Large==0) = P6(Large==1)  
 $z = 0.137$   
 Prob > |z| = 0.8909

20 . ranksum P7, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	13222	13650
1	31	3249	2821
combined	181	16471	16471

unadjusted variance 70525.00  
 adjustment for ties -14143.04

adjusted variance 56381.96

Ho: P7(Large==0) = P7(Large==1)  
 $z = -1.802$   
 Prob > |z| = 0.0715

21 . ranksum P8, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	13601	13725
1	32	3052	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -18346.28

adjusted variance 54853.72

Ho: P8(Large==0) = P8(Large==1)  
 $z = -0.529$   
 Prob > |z| = 0.5965

Test output Sunday September 30 19:03:48 2018 Page 8

22 . ranksum P9, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	13903.5	13725
1	32	2749.5	2928
combined	182	16653	16653

unadjusted variance 73200.00

adjustment for ties -10557.83

adjusted variance 62642.17

Ho: P9(Large==0) = P9(Large==1)

z = 0.713

Prob > |z| = 0.4757

23 . ranksum P10, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	149	13588	13559
1	32	2883	2912
combined	181	16471	16471

unadjusted variance 72314.67

adjustment for ties -10078.22

adjusted variance 62236.45

Ho: P10(Large==0) = P10(Large==1)

z = 0.116

Prob > |z| = 0.9075

24 . ranksum P11, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14313	13725
1	32	2340	2928
combined	182	16653	16653

unadjusted variance 73200.00

adjustment for ties -6076.43

adjusted variance 67123.57

Ho: P11(Large==0) = P11(Large==1)

z = 2.270

Prob > |z| = 0.0232

Test output Sunday September 30 19:03:48 2018 Page 9

25 . ranksum SumP, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14175	13725
1	32	2478	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -240.86

adjusted variance 72959.14

Ho: SumP(Large==0) = SumP(Large==1)  
 $z = 1.666$   
 Prob > |z| = 0.0957

26 . ranksum AverageP, by (Large)

Two-sample Wilcoxon rank-sum (Mann-Whitney) test

Large	obs	rank sum	expected
0	150	14173.5	13725
1	32	2479.5	2928
combined	182	16653	16653

unadjusted variance 73200.00  
 adjustment for ties -214.78

adjusted variance 72985.22

Ho: AverageP(Large==0) = AverageP(Large==1)  
 $z = 1.660$   
 Prob > |z| = 0.0969

27 . log close

name: <unnamed>  
 log: C:\Users\sbosley\RankSum results.smcl  
 log type: smcl  
 closed on: 30 Sep 2018, 19:01:23