

Community Care North Hastings

Queen's Business Consulting Presentation

Consultants: Dina Ali & Kate Jaczko

+ Agenda

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

+ Background on Client

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

+ Objectives

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

+ Methodology

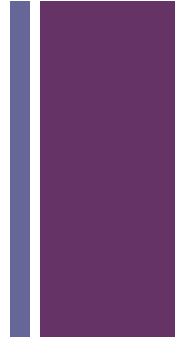
- Discovery Meeting, September 2010
- Understanding of CCNH operations
 - Financial Statements & Budgets
 - Pricing Structure
- Research, research, research!
 - Secondary Research & Best Practices
 - Industry Experts
- Consolidation & Recommendations
 - Demographics & Region Analysis
 - Decision Matrix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

+ Financial Performance Analysis

■ Key Takeaways

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

+ Revenue Generation Models



- Nine Models based on:
 - Secondary Research,
 - Industry Experts,
 - Brainstorming

- Took into consideration:
 - Demographic variables,
 - Regional variables

+ Expansion of Thrift Store to Maynooth

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

+ Expansion of Thrift Store to Maynooth

■ Weaknesses:

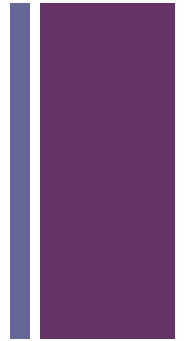
- Expansion requires extensive capital, and would likely be contingent on government funding
- Difficult to estimate propensity to buy from second hand stores in Hastings Highlands
- Unsure if the additional manpower is available to facilitate expansion

■ Revenue Potential: **\$25,000**

+ Recipes of Bancroft

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

+ Recipes of Bancroft



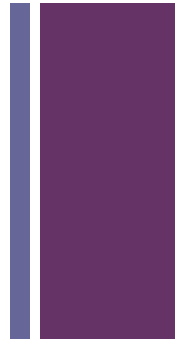
- Weaknesses:
 - Rely on client involvement and recipe submission
 - Need to secure sponsorship to cover publishing fees
 - Need to secure multiple distribution channels (i.e. bookstore, door-to-door sales, etc.) in order to realize sales estimates
 - Potentially high marketing costs

- Revenue Potential: **\$17,100 (subject to demand)**

+ Seniors' Fitness Classes

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

+ Seniors' Fitness Classes



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

+ Other Potential Solutions

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

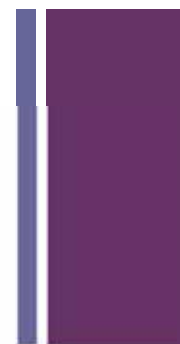
+ Awareness Campaigns

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

+ Key Demographic Variables to Consider

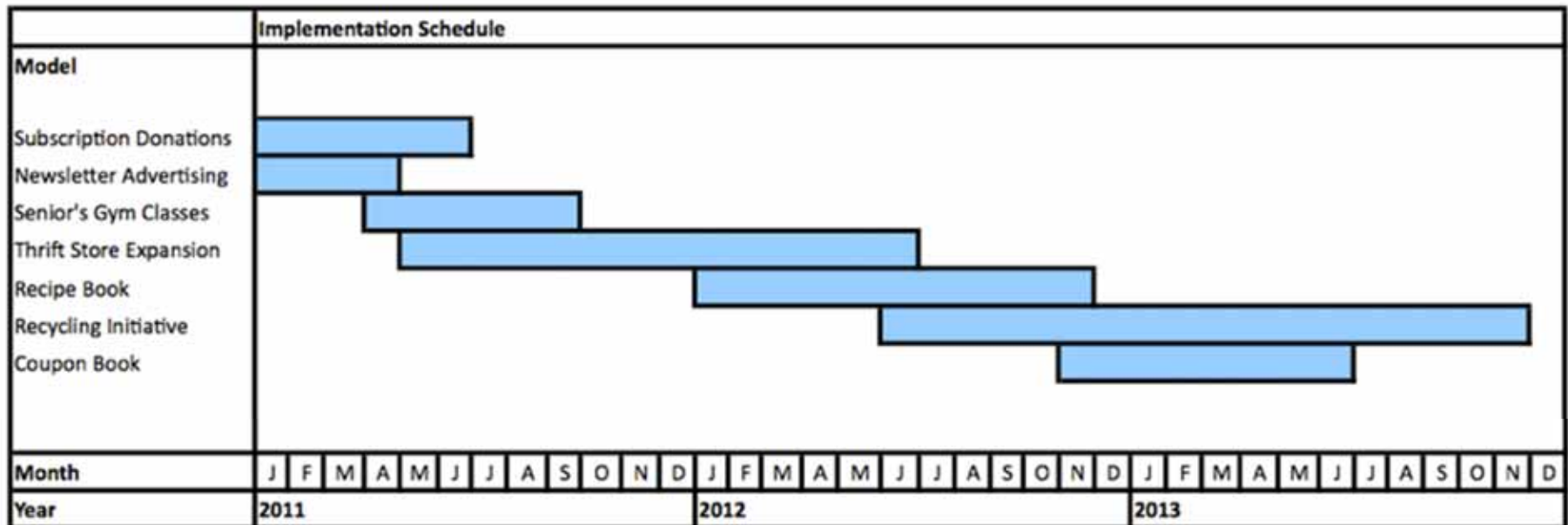
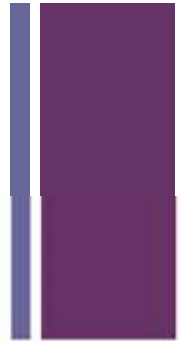
- Tourism Influx
- Aging Population
 - Many younger people leave for post-secondary school after high-school graduation and don't come back
- Relatively low income area
- Geographically remote

+ Decision Matrix



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

+ Implementation



+ Industry Trends to Consider

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

+ Questions?

