



A New Route to Strategic Planning Outcomes

Incentive Plans Can Make The
Difference

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Today's Situation

As we are all aware, Community Action Agencies plan service activities in two year intervals based on a community needs assessment that identifies the services needed to assist low-income individuals and families in getting out of poverty.

Each program activity must fall under one of 6 nationally established Results Oriented Management and Accountability (ROMA) goals.

The achievement of the agency's established goals can be significantly enhanced through the use of incentives.

How Do Incentives Work?

- Pathway's incentives are based on two basic premises:
 1. Employees should be compensated based on the contribution they make to the accomplishment of organizational goals.
 2. Employees who do not contribute should be held accountable for the impact their lack of contribution has on agency outcomes.
- Each employee is given a work plan outlining the specific ROMA goals their work is designed to support.
- Pathway reviews work plan accomplishments quarterly and pays incentives quarterly based on outcomes.

The Specifics

- Once the agency has conducted its community needs assessment it can identify the specific programs that might be offered over the next two years to address the stated needs.
- Once the list of needs and specific programs are identified, the agency must determine what it is able to do given its existing resources, giving priority to those needs the community has identified as most needed. This is also the time the agency will want to explore and identify potential partners that might assist in the provision of services the low-income community has indicated they need most.
- The agency must also revisit its strategic plan to ensure the community needs have not changed the focus of the agency's multi-year strategy.

Let's Practice

- You will now get to:
 - Practice developing a goal
 - Write a staff work plan based on an agreed upon needs assessment priority area
 - You will also review the form we have used to document and calculate quarterly payouts.

Your Practice Scenario

1. Let's assume your agency needs assessment revealed that finding employment at a living wage was the top priority in your service area.
2. The second most important priority identified in your agency's needs assessment was obtaining an education that will lead to a living wage job.
3. The third most important concern that was revealed through your agency's needs assessment was health care. Survey respondents do not understand the new healthcare law.
4. You have learned that the CSBG funding for 2018 and 2019 is likely to remain the same as it is for 2016 and 2017.

Process Review

1. First take a look at the top priorities identified by the needs assessment and determine which ones you will develop programming to address.
2. Identify which of the national ROMA goals the programming will address.
3. Also identify which of your agency's strategic goals the programming will fall under

Strategic Goals and ROMA Goals

- Let's assume that your agency has established a goal targeted to assisting people in obtaining living wage jobs.
- You have learned that 5 local manufacturing companies are expanding their manufacturing activity over the next 5 years. They have indicated that industrial engineering skills are desperately needed.
- You have spoken to the companies about your workforce program and they have agreed to give priority to candidates referred by your agency.
- You have spoken to your local community college and 4-year university. They have industrial engineering certificate programs and degree programs. They have agreed to will help your agency identify candidates for their programs.

Strategic Goals and ROMA Goals

- Your agency's strategic goal regarding employment reads as follows:
 - Not less than 125 candidates will be referred to the 5 manufacturing companies over the next 2 years with no less than 100 being hired.
- It is your agency's top goal or (Goal 1)
- The ROMA goal that your agency's strategic goal aligns with is ROMA goal #5, *Agencies increase their capacity to achieve results*

Identify the % of salaries you will designate for incentives

- One of the most important steps in developing an incentive plan is to identify the maximum percentage of agency salaries you will designate for incentives.
- Identify the weighted value of the ROMA goals the agency will invest their energy in over the 2 year period.
- If employment programs are your top priority due to what your needs assessment indicates is the top priority of low income residents in your service area, you want to assign the highest percentage of the incentives to the activities that support the provision of employment programs.
- Therefore, if an employee's work plan activity is tied to employment programming, this is the activity the employee will be able to earn the most money for under the incentive process.

Assignment of incentives to National ROMA Goals and agency strategic goals

- Assume that you are developing an incentive for your workforce development director and the appropriate ROMA goal for this position is #5, Agencies increase their capacity to achieve results
- Assume that this is the incentive priority you have selected to practice writing today.

Assignment of incentives to National ROMA Goals and agency strategic goals

- You have identified the agency strategic goal under which the incentive priority that the you will practice developing today falls.
- In the case of this practice activity let's assume another agency goal is:
 - The agency will increase revenue by not less than \$ 500,000 for workforce training and certifications. (Goal 2)
- Now you are going to establish specific tasks for this position and include the goal (above) next to it.
 - Work with the community college and university to submit a grant application to the Hearst and Annenberg foundations to fund engineering scholarships for workforce program participants in an amount of \$400,000.
 - Work with the board of directors on the agency's annual fundraiser to generate revenue for the engineering initiative in an amount of \$100,000.

Writing staff work plans and incentives

- Turn to your Incentive Form. Now we will work to complete it.
- You have identified the workforce development director as the staff person who the Incentive form is for.
- Write the title of the position of the employee or employees who have the job title in the first column.
- Assume your director's name is John Doe. Write the name "John Doe" in the second column of the Incentive Form.
- Write the ROMA goal number that the task falls under in column 3. For this exercise it will be **Goal 5**
- Next describe the specific tasks the workforce development director will be responsible for to increase revenue to not less than \$500,000 in column 4. Let's go back to the fundraising goals for review.

Writing staff work plans and incentives (continued)

- Now you will assign a % of the incentive earnings that he is eligible for next to each task in column 4. Place the % each task is worth in column 5. The total of the percentages cannot exceed 100%
- Given CSBG will cover a two-year period, you also want to be specific about the year(s) that the task(s) assigned is/are expected to be completed
- Put the appropriate years in column 6.
- Finally, if there are comments you want to make you can do so in Column 7.

Writing staff work plans and incentives (continued)

- As previously mentioned, you will indicate the year in which each task will occur. For the purposes of this activity put 2017 in column 6.
- The Comments Column is for your use during the year to make notes as goals progress and quarterly awards are given. You can use the column to share with your staff and discussion items you want to note throughout the year as it relates to the incentives.

How do incentives relate to performance management?

- They remove any guess work about what has been accomplished.
- Each employee will be held accountable for the work plan they are given annually. Modifications can be made during the year if circumstances prevent the employee from accomplishing any of their assigned tasks.
- Should an employee be unable to complete the tasks outlined in their work plan on more than one occasion and there are no circumstances beyond their control that prevented them from accomplishing the tasks they have been assigned, appropriate disciplinary actions can be taken.

QUESTIONS?

Incentive Form for _____

Position Title	Employees who have this title	Roma Goals Impacted	Specific Tasks/ Goal Impacted	% of total incentive available in 2016	Goal Year(s)	Comments
Operations Coordinator		Goal 5	<ol style="list-style-type: none"> 1. Transcribe Board meeting minutes and compile and distribute board and committee materials (G5) 2. Coordinate, summarize and distribute the Customer satisfaction survey results (G5) 3. Coordinate all CEO and Board meetings and oversee designated agency special events/activities (G5) 4. Manage the CEO's calendar (G5) 5. Resolve customer complaints that come to the CEO's Office (G5) 6. Summarize and advertise all agency position vacancies and coordinate with the hiring managers to ensure timely posting and filling of vacant positions. (G5) 	<ol style="list-style-type: none"> 1. 25% 2. 15% 3. 20% 4. 15% 5. 15% 6. 10% 	<ol style="list-style-type: none"> 1. 2016 and 2017 2. 2016 and 2017 3. 2016 and 2017 4. 2016 and 2017 5. 2016 and 2017 6. 2016 and 2017 	<p>The primary focus of this position in 2017 is to staff the CEO to ensure Board and Senior Staff activity/events are coordinated efficiently and effectively.</p>

Incentive Form for _____

Position Title	Employees who have this title	Roma Goals Impacted	Specific Tasks/ Goal Impacted	% of total incentive available in 2016	Goal Year(s)	Comments