



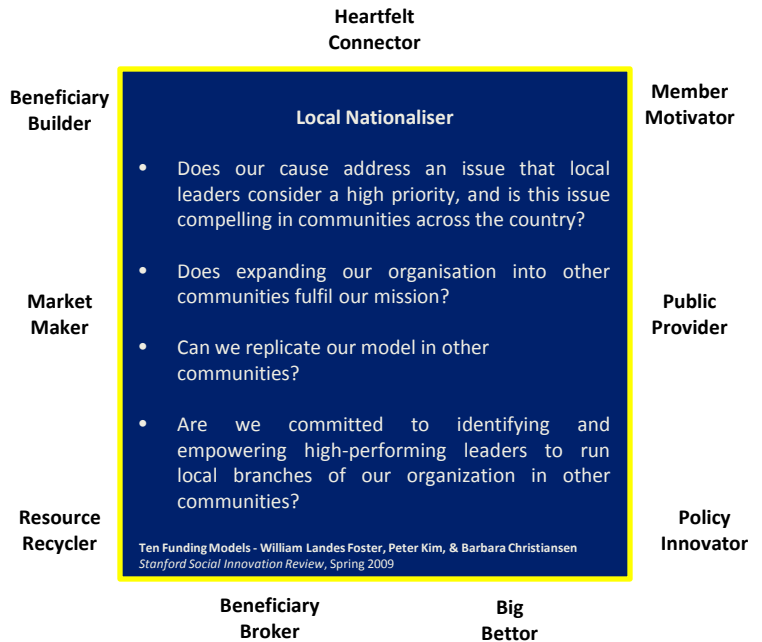
the greatest gift you can give
a child is a good beginning

Reducing the 'Beauty Pageant' approach to funding services for families

"When nonprofits and funding sources are not well matched money doesn't flow to the areas where it will do the greatest good. Too often, the result is that promising programs are cut, curtailed, or never launched and when the dollars become tight a chaotic fundraising scramble is all the more likely to ensue".

Background:

It is a fair assumption to propose that Non-profit organisations are involved in two businesses – one related to their program activities (business model) and the other related to raising charitable subsidies (funding model). It is also a fair assumption to propose that the existing way families services are funded could be likened to a 'beauty pageant'. This 'beauty pageant' or 'chaotic fundraising scramble' or 'commercial' model of tendering for services does not sit comfortably within services for families – children and their families are not commodities. In reality the human and monetary resources that go into the activity that focuses on the tender process itself diverts resources away from activities of direct benefit to families.



Method:

Policy analysis methodology was applied and utilised to enable a set of systematic procedures to review the 'wicked issues' as referred to as:

- Beauty Pageant
- Chaotic Fundraising Scramble
- Commercial Muster

Define the problem; determine evaluation criteria; identify alternate policies; select preferred policy; implement preferred policy

Discussion:

'Local Nationaliser' is where a number of parts (could be the collective programs in each jurisdiction) linked together forming a national network of locally linked/based operations. Although at each local level very few of the local operations would exceed \$5m in size – in totality i.e. across Australia – they could equate to \$40m. The importance of the local sites in raising the funds is a key part of this funding model with local executive roles being recruited to take ownership of attracting local funding growth. The culture of the organisation must be to consider fundraising as a critical coordinated aspect of the organisation at every level.

- It is firstly important to note the difference between For profit and Non-profit organisations in this matter.
- When a For profit business finds a way to create value for a customer, it has generally found its source of revenue i.e. the customer pays for the value.
- When a Non-profit finds a way to create value for a beneficiary (i.e. integrating prisoners back into society) it has not identified its economic engine – that is a separate step.

It is therefore fair to propose that Non-profit organisations are involved in two businesses – one related to their program activities (business model) and the other related to raising charitable subsidies (funding model).

Conclusion:

As Good Beginnings enters this new decade and moves towards adopting 'the Local Nationaliser' funding model there are some key questions to be asked at all levels of the organisations:

1. Does the Good Beginnings cause address an issue that local leaders consider a high priority and is this issue compelling in communities across the country?
2. Does expanding Good Beginnings into other communities fulfil the Good Beginnings mission?
3. Can Good Beginnings replicate the Good Beginnings 'one size does not fit all' approach in other communities?
4. Is Good Beginnings committed to identifying and empowering high-performing leaders to run local branches of Good Beginnings in other communities?

Having replied yes to all the above and with the internal operational structure of Good Beginnings set to enable this decentralised approach the scene is set. A pilot model for the Local Nationaliser Funding Model is beginning in South Australia with strong support being sort from organisations such as National Australia Bank.