

Strategy and National Expansion Model for a Non-Profit Association:

The Just a Change Case Study

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May, 2024

Abstract

The expansion of social projects is essential to maximize their impact and reach increasingly vulnerable communities. In Portugal, where housing poverty is a growing reality, Just a Change has played a significant role in rehabilitating homes for people in vulnerable situations, providing them with a dignified life. Given the magnitude of the problem, it has become clear that expanding their impact is necessary to contribute significantly to alleviating this paradigm. This dissertation aims to develop a strategy and expansion model for Just a Change, focusing particularly on their Camp In program.

Several models for replicating social programs were considered to provide the most adaptable and sustainable option for the organization. The methodology includes an in-depth analysis of the current and historical context of the association and the program, complemented by an expansion readiness assessment process. This was followed by the selection of the most suitable replication model, its subsequent adaptation to the program's reality, and an implementation plan. Part of this methodology was adapted from the Spring Impact Toolkit, a tool designed to support the expansion of social initiatives.

The results indicate that a subcontracting model of implementers, external to the association's staff, can effectively respond to the program's needs and the association's strategic objectives. The construction of this model highlights the association's commitment to promoting a well-planned and sustainable expansion while preserving their values throughout the process. By leveraging a cluster approach, the association aims to maximize its impact in already established areas, leveraging its partners to expand into new regions. The creation of this replication model allows Just a Change to broaden its social impact sustainably, serving as an example and inspiration for other NGOs.

1. Introduction

Non-profit organizations face a dual responsibility: addressing the growing social issues and leveraging validated solutions to maximize their impact. This expansion process introduces numerous challenges, from efficient management of human, material, and financial resources to adapting to new regional realities and stimulating community growth. Often, this necessitates a reorganization of the organization's internal structure and processes. Simultaneously, maintaining the quality and consistency of the impact during expansion is crucial to preserving the organization's mission and values. Therefore, when considering the expansion of a social impact institution, it is vital to develop a solid and coherent strategy that considers all these dimensions (Clark, 2012).

In Portugal, housing poverty is a worsening reality. According to the National Institute of Statistics, approximately 6% of the Portuguese population lives in precarious or inadequate housing conditions, which compromises their health and comfort and increases their social vulnerability, perpetuating the cycle of poverty (INE, 2023). Just a Change, a non-profit organization dedicated to eradicating housing poverty in Portugal, has been actively combating this issue. To achieve its goals, Just a Change has implemented various volunteer programs open to the public, aiming to positively impact beneficiaries' lives by rehabilitating their homes. Given the magnitude of the issue, the organization aims to expand its reach and bring its solution to an increasing number of people nationwide (Just a Change, 2024).

2. Objectives of the Dissertation

This dissertation aims to define the replication model and develop an expansion strategy for the non-profit organization Just a Change, focusing particularly on its Camp In program, an intensive home rehabilitation volunteer program in decentralized regions of Portugal. By analyzing the context of the association and utilizing tools designed to support the expansion of social initiatives, this study seeks to evaluate various replication models of non-profit organizations (Sprink Impact, 2018). The goal is to select the model that best enables the association to amplify its social impact, adapt it to the program's reality, and create an implementation plan aligned with its strategic objectives.

The dissertation also aims to contribute significantly to the literature on non-profit expansion, providing practical and theoretical insights that can be applied not only by Just a Change but also by other social organizations seeking to increase their impact through activity replication. With a structured and well-defined methodology, this study hopes to pave the way for sustainable and effective growth that can serve as an example for other programs in the non-profit sector.

3. Methodology

The methodology for this dissertation is composed with several key steps. Initially, an extensive literature review was conducted to contextualize the Portuguese non-profit sector, identify the best practices in non-profit expansion and explore different social replication models. Lastly it was introduced the theory behind the Spring Impact Toolkit, a framework design to assist and guide social initiatives aiming for expansion.

Following the literature review, it was developed an in-depth analysis of the current and historical context of Just a Change and its Camp In program. This analysis included the principles that define it, such as its mission, vision, values, and intervention methodology, including a section dedicated to its founding history and journey up to the present day. Subsequently, its intervention programs, the historical KPIs, its internal structure, and strategic plan are analyzed. Additionally, a contextualization focused solely on the Camp In program is provided, as it is the subject of the replication study. The program is characterized in terms of the impact created, financial sustainability, and its relevance to the association's objectives.

Established the context needed, the framework previously mentioned came into place. It started by implementing an expansion readiness test. This test focused on evaluating the organization's capacity to scale its operations, including its human resources, financial stability, infrastructure, and many, integrating each one of these dimension into ten questions, that were then answered by six influence association members.

Further analysis, such as a SWOT (Strengths, Weaknesses, Opportunities, Threats) and a PESTEL (Political Economic, Social, Technological, Environmental and Legal) analysis, were conducted in order to identify potential internal and external factors that could impact the expansion process. Finally, the expansions objectives were also defined. Afterwards, various replication models were evaluated to determine the most suitable approach for the Camp In program, from which only one could be selected.

After selecting the most suitable replication model, the methodology proceeded to the phase designated as the Model Design, where occurred the adaptation of the model to the program characteristics, in the following categories: Implementers, Responsibility Definition, Quality Control, Financial Model and Legal considerations.

Lastly, it was outlined an action plan, in order to implement the constructed model in the best possible. The first step is to identify where to expand. In this regard, certain clusters were identified and analyzed regarding its strengths and potential expansion synergies. Additionally, it was scheduled all crucial moments of the expansion process, which are cyclical and have become essential to ensure successful replication. In this regard, a timeline was created to indicate the implementation timings of each of these moments annually.

4. Results and Discussion

4.1. Contextualization

The contextual analyses provided clear and promising indicators regarding both the significance of the Camp In program within Just a Change's operations and its financial sustainability. Presenting itself as the program that has driven the most rehabilitations, it accounts for approximately 70% of the interventions, and it shows growth rate of 24,6%, in the past 4 years. Despite a slowdown in 2018, due to poor management and in 2020 due to Covid-19, the program has shown stable and promising growth over the past three years. In 2023, it reached a record number of interventions and programs executed in a single year.

On a financial level, it is also the most significant program in terms of revenue for the association. Despite having quite narrow margins, it has contributed 65% of the revenue from volunteer programs over the last five years, raising more than €2,000,000. However, it has also been affected by the same negative peaks mentioned earlier.

4.2. Expansion Readiness Assessment

The results of the expansion readiness test indicated that the combined responses of the participants placed the organization's score of 23,5 points from a potential total 30. This places the Camp In program within the second level of readiness, two and a half away from the third and most prepared level considered by the framework. This level states that there is a clear potential for expansion within the program, but there are still some areas that need strengthening and work.

The lack of a concrete leader, the probability of failure in different contexts, and the insufficient number of capable replicators were identified as the most concerning points. Conversely, the existence of an impact measurement model and the scale of the problem were highlighted as the most encouraging factors for expansion.

4.3. Complementary Analysis

The PESTEL analysis revealed a political and economic alignment with the cause of housing poverty. Measures such as the creation of support programs like the 1º Direito, implementation of local initiatives like the Local Housing Strategies (ELH), and the allocation of the Plano Recuperação e Resiliência (PRR) funds were some of the steps taken in recent years to combat the inequalities caused by this paradigm. Additionally, a

technological gap was identified related to poor construction techniques from an energy efficiency perspective, used in the 1970s to 1990s, that have a big impact on the more vulnerable population.

Whereas the SWOT Analysis focused on examining the internal strengths and weaknesses, as well as identifying opportunities to explore and challenges to minimize in the external environment. The solid foundation of the program in all considered dimensions was highlighted, indicating that the program has reached a considerable level of implementation maturity. On the other hand, the dependence on municipal support and the low retention of implementers were identified as the most significant negative aspects of the program. Regarding opportunities, the introduction of the cluster approach appears as a valuable asset to optimize resources and facilitate the increase in the volume of programs. However, it is important to consider the level of supervision needed to ensure quality control and prevent financial deviations.

4.4. Expansion Objectives

For successful replication, it is important to clarify the objectives you want to achieve. It was already established what is going to be replicated, the Camp In program. However, it is necessary to define the milestones the association goals to achieve.

Referring to the growth objectives presented in the strategic plan, we can see that an annual growth rate of 17% is projected to reach the target of 120 houses annually, by 2026 (Just a Change, 2022). Due to more optimistic results, in 2023, it was possible to adjust the plan and advance one year concerning the initial goals. This advancement

allows the association to surpass the initial target, provided it maintains the defined growth rate of 17%, providing end goal of 142.

Taking into account the number of houses predicted to be intervened by other volunteer programs, this leaves us with a remaining 91 houses that must be rehabilitated through Camp In, in 2026. This represents achieving the mark of 28 programs annually, and in total executing over 70 programs over the course of three years, that correspond to 233 houses.

4.5. Replication Model Selection

To finalize the process of selecting the replication model, the two most suitable models were first chosen based on the program's characteristics and the analyses conducted. The Subcontracting and Social Franchising replication models were subjected to a new extensive analysis, evaluating the advantages and disadvantages of both. The choice ultimately fell on the Subcontracting model, with the help of a simplified decision-support model of comparison, using criteria defined by the executive management. The chosen model offered greater ease of implementation, better quality control, and a larger number and capacity of available replicators. Although the Social Franchising wasn't selected it and other models should continue to be considered as future alternatives, as it is important to test new complementary methods that support the association's vision and mission.

4.6. Replication Model Design

Selected the model to implement, the study then moved on to next phase, which consisted on adapting the model to the program's

characteristics. In this process five dimensions were addressed. Regarding the selection of replicators, the profile for implementers was expanded, in order to increase the sample of options available. It aimed to attract alumni and professionals linked to rehabilitation, construction and project management. Furthermore, more regular training sessions were introduced to expand the number of capable managers to accompany the increase in volume.

Financially, a remuneration model for replicators was created, featuring incentive-based goals and stratified levels that increase with the manager's experience, promoting retention for subsequent years. This model ensures program sustainability by safeguarding part of the management margins, allowing that amount to benefit the association. Taking into account the investment needed in tools, security visits and communication cost, the estimations for the next three years predicts an averaged 9% of profit margin, that corresponds to a total of more than 280 thousand euros spread across this time period. This also implicates that the value payed to the implementers are going represent around 5,6% of the total revenues.

The responsibilities shared between the association and external managers were clearly defined to ensure alignment in their relationship. The table 15, present in this dissertation shows clearly who is the owner of each task. Although ultimately, for the Municipality and funders of the project, Just a Change as an association has the final responsibility. The fortification of the supervisor's role allows the association to ensure a more effective quality control and active role in the program monitoring. Lastly, legal issues were addressed. With the creation of a commitment

agreement between the external manager and the association, it allows to defined the rights and duties of each party involved.

4.7. Expansion Implementation

The development of the implementation plan was divided into two phases: the first concerning the identification and selection of regional clusters, and the second dedicated to scheduling the moments that comprise all phases of the program, from preparation to retrospective evaluation.

The organizational model by clusters will allow Just a Change to create a network of geographically close municipalities that can leverage each other's resources, such as suppliers and construction technicians, and create synergies between local councils. The identification and selection process considered the history of relationships established with municipalities, the presence of strategic partners in the regions, and proximity to the association's fixed hubs.

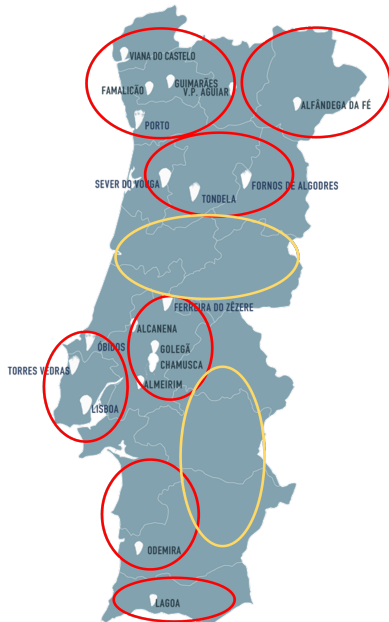


Figure 1 - Mapping of the Identified Clusters in the Just a Change Impact Map of 2023
Source: (Just a Change, 2023)

Seven main clusters were identified where Just a Change's operations are already established and there are foundations for continuity, represented in red, in Figure 1. These clusters are the regions of Greater Lisbon, Ribatejo, Porto and Minho, Centro Norte, Algarve, Trás-dos-Montes and Alto Douro, and Alentejo. Additionally, in yellow, the clusters of Centro Sul and Alentejo Interior were identified as potential new clusters to be opened, in continental Portugal. The Autonomous regions of Madeira and Azores should also be considered, in the future, despite presenting far more challenging in a successful implementation.

Although a prioritization selection model was not constructed, the factors that, in the author's opinion, can allow for its development were analyzed. As previously indicated in the identification phase, the duration of the relationship with the municipality, the prevalence of activity by strategic partners, and proximity to hubs are some of these factors. Furthermore, the inclusion of relevant socioeconomic indicators related to housing poverty must be considered as. In this regard, some studies addressing its mapping were identified. These indicators include the severe housing deprivation rate, the risk of poverty or social exclusion, and the Municipal Energy Vulnerability Index (IVEM). Unfortunately, none of the studies considered provided a sufficiently comprehensive mapping to fully capture the presence of housing poverty in Portugal.

After defining the clusters, it is crucial to develop an implementation plan that includes all the key moments and schedules them annually. The process behind the Camp In program is cyclical, beginning in November with the preparation for the upcoming year and concluding in October of the

following year with the closure of the summer camps.

This process begins with the program renewal sales meetings in November, where new municipalities are approached along with those that hosted the association in the previous year. Often, an initial approach has already been made through an invitation to visit a camp during the previous summer. After this initial assessment, it is important to start the training process and ensure the availability of managers for the upcoming year. With the sample of managers defined and a better understanding of the municipalities willing to proceed, it is important to assign the programs to the managers and schedule the first site visits.

Simultaneously, the communication campaign begins, which will accompany the unfolding of the camps throughout the summer. Two months in advance, the registration for volunteers and coordinators opens, organizing a new training session specifically for the coordinators. The final preparations include organizing inventories of all tools and allocating the volunteers. In July, the first programs begin and extend until mid-September. After the camps conclude, there is a major reorganization of the warehouses, along with closing the program accounts and conducting evaluation and retrospective sessions.

Despite being a realistic plan with seasonal implementation timings, the presented plan has its limitations. With the increase in the volume of programs, there will be a greater challenge in ensuring human resources to support and accompany the expansion, not only internally but also operationally. Therefore, strategies should be developed to secure managers, coordinators, and

the volunteer community to avoid limiting the expansion.

5. Conclusions

The main objective of this dissertation was to develop a strategy and define an expansion model for the nonprofit organization Just a Change, focusing on its Camp In volunteer program. Various practices for the replication and expansion of social programs were explored to provide an adaptable and sustainable model for the association. Part of the methodology used was inspired by the Spring Impact Toolkit, a tool designed to support the expansion of social initiatives.

Firstly, the analysis of the association highlighted the progress made to date. It was noted how its impact and structure have undergone a constant and healthy evolution, maintaining a clear vision and strategy based on the sustainable growth of its personnel and operations. Regarding the Camp In program, it was concluded that it is currently the most significant program of the association in terms of the core KPIs of the association (nº of interventions, nº of beneficiaries and nº of volunteers). This program has been subject to the same general growth experienced by the association, currently being in a more conservative and stable phase of this growth, when compared with its initial phases. Additionally, it has generated stable positive financial results over the past four years.

However, through the Spring Impact Toolkit's preparation test, it was possible to identify that the expansion of a nonprofit organization like Just a

Change can face some challenges. The results indicated that, although the association shows great potential for expansion, some areas of its operations may need improvement. The absence of a program leader, the potential inability to succeed in different contexts, and the lack of a considerable number of capable replicators were highlighted as the most concerning points. On the other hand, the existing implementation of an impact measurement model and the need for responses to address the problem of housing poverty were identified as the main characteristics in favor of the organization's expansion.

Regarding the selection of the replication model, two models were identified as the most suitable for the program's needs. This choice was made through a qualitative analysis of parameters defined by the association's Executive Board. Both selected models belong to the family of affiliation models, located in the more central area of the replication spectrum. Between the Subcontracting and Social Franchising models, the former was the one chosen, considering it presented greater ease of implementation, better quality control, and a larger number and capacity of available replicators. Despite not choosing Social Franchising, it and other models should continue to be considered as alternatives in the future. as it is important to test new complementary methods that support the association's vision and mission.

During the designing phase of adapting the model to the program's characteristics, five dimensions of the model were addressed. Regarding the selection of replicators, the expansion of the defined profile for implementers was highlighted to increase the sample of available options. Thus, it aims to attract alumni and professionals already integrated into

the workforce, mainly with connections to rehabilitation and project management. The creation of more regular training sessions also works to increase the number of capable managers to accompany the expansion. In another dimension, a remuneration model for replicators was created, which provides performance-based incentives and is stratified by levels. These levels increase according to the manager's experience, promoting the retention of replicators for programs in subsequent years. The model was designed to maintain the program's financial sustainability, safeguarding part of the management margins, allowing that amount to revert to the association.

Additionally, the responsibilities of the association and those of the external managers were clearly defined, essential to ensure the alignment of the relationship between the central structure and the implementer. Consequently, and as explained in this distribution of responsibilities, strengthening the supervisor's position allows the association to ensure more effective quality control and have a more present role in monitoring the programs. Lastly, all legal issues were also addressed, highlighting the creation of a commitment agreement between the external manager and the association, to protect and clearly define the rights and duties of each party involved in this operation.

For the construction of the plan, the seven clusters with the greatest growth potential were identified, considering the current relationships with municipalities or strategic partnerships that these regions benefit from. However, from a strategic point of view, it may be beneficial for the association to develop an indicator or set of indicators that consider not only the internal characteristics of the operation but also other

socio-economic parameters relevant to the issue of housing poverty. This could be an important tool for mapping the problem and enabling the

prioritization of strategic intervention areas, given that there is a gap in the available literature detailing this issue at the NUTs II and III level.

Lastly, the scheduling of the program Camp In's moments allows for a clear vision of the timings associated with the program, highlighting its seasonality and peak activity near the summer period. However, considering the increase in the volume of these programs, it will be increasingly necessary to grow in resources concerning replicators, coordinators, volunteers, and the community in general. This will imply a larger volume of work that needs supervision and support to train and manage all involved. This growth may create the need to restructure and allocate resources not foreseen in the current seasonal model. This change may be essential to ensure that this growth is properly supported, so as not to distort the final product, preserving the association's values and impact as much as possible.

In conclusion, developing an effective strategy and expansion model for the Camp In program not only provides a way to increase Just a Change's social impact but also offers a replicable framework that can benefit other organizations in the sector. By applying the identified practices, it is hoped that the expansion of this program will significantly contribute to achieving the association's strategic plan goals. Additionally, this expansion aims to sustainably improve the housing conditions of an increasing number of people in vulnerable situations.

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