

1% FOR THE PLANET

Problem Statement

Current: 1% seeks to increase the organization's earned income by 25% or more annually through a new service offering

Desired: 1% needs to increase its margin by either decreasing its operating costs or increasing revenue.



Why It's Important

1%'s mission is to increase smart giving to environmental non-profits. As a non-profit itself, every added dollar to 1%'s margin is an opportunity to reinvest in their capacity and fulfilling their mission.

Sense Making

1% for the Planet is looking to reach new members and amplify its service scope to provide greater investment to its environmental non-profit partners. To do this, 1% will need to grow its own organization through increased revenue. However, 1% is currently operating on a tight margin, with a busy team operating at capacity and a pricing structure that does not always capture all of the team's time spent per project.

Root Cause Analysis

Pressure to present staff and board with solutions rather than problem definitions is currently blocking the ability to address underlying issues rather than symptoms. Our project manager asked us to look into several revenue grow solutions such as cause marketing, private wealth management and individual giving. What we found was that while these present attractive revenue growth options, they would all involve investment in both resource and capability capacity.

Proposed Improvements/Recommendations

In the near term, 1% for the Planet would benefit from analyzing its internal capabilities and where operational inefficiencies leave room for improvement. Potential considerations as 1% looks for internal development include:

- Do people have capacity to take on more work? Is there capacity to onboard more?
- How can 1%'s leadership manage the "optimal challenge"?
- Are there ways to lower operating costs as a way to increase margin?
- How can the full 1% for the Planet team collaborate to develop a strategic growth plan? How might the full organization work together to map current capabilities and determine the best possible solutions?

Pilot Project Proposal or Next Steps

In the long term, 1% for the Planet might consider changing the structure of its membership plans and associated fees. Building off of its current revenue streams might allow for more flexibility in other, more creative revenue solutions. Potential considerations as 1% looks for pricing improvements include:

- How does current price structure account for and quantify all of team's current member engagement efforts?
- What is member price sensitivity?
- Could there be a more nuanced price structure? More tiering?