

 **TARNSIDE**



FINCHALE



BEST FOOT FORWARD

**A CASE STUDY OF STRATEGIC RE-ALIGNMENT AT
FINCHALE TRAINING COLLEGE, DURHAM**



SEPTEMBER 2005

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INTRODUCTION

Finchale Training College had prepared a comprehensive development plan for expansion of its facilities. Substantial external funding would be needed and Tarnside was engaged to assess the feasibility of raising the funds required. The Initial Feasibility Study prepared by Tarnside concluded that the College's chance of success would be greatly improved by a review of their core strategy in relation to the service they provided. This study analyses the work carried out with the Directors and Principal and the resulting benefits to the College and its cause. The process is well summed up by Eddy Marchant, Chairman of the Project Committee at Finchale:

"We all clearly had a sense of purpose and direction for Finchale College but having gone through this process, slowly and analytically, we surprised ourselves with the potential of the College. It was only by going through the process that when we came out of it we were all signed up to the way forward. We all need to take time out and reflect where we have come from, where we are and where we are going."

CHALLENGES AND SUCCESSES

The Initial Situation

Finchale Training College was established in 1943 to retrain disabled servicemen. The College has since developed to provide high quality training to disabled people in general, particularly aimed at helping them gain employment. The majority of students live on site.

The College's success rate has been very high with 65% of students gaining employment within one year and the Directors were confident that they were delivering a good product which transformed the lives of many people.



However, the College faced a number of challenges, notably:

- ◆ The College was not full despite its obvious benefits to individuals and to the wider community.
- ◆ 80% of students came from the North East of England despite funded places being available nationally.
- ◆ The residential buildings were not fit for purpose and were in need of replacement.
- ◆ Finances were not strong enough to allow self-funding of the developments proposed.
- ◆ The College's major customer was undergoing a reorganisation.

In the light of this the Board devised an ambitious development plan.

The Finchale Development Plan

There were two key provisions in the development plan:

- ◆ To implement a multi-million pound project over five years to replace and expand the training and residential buildings and thus increase the College's capacity.
- ◆ The provision of vocational training and rehabilitation for disabled adults in England, Scotland and Wales should continue to be the core business of the College.

A major appeal was clearly needed. Having made this decision it was recognised that expert fundraising help would be needed for an appeal of this size. Tarnside was chosen for this because of *“their questioning and fact-finding approach (and their lack of preaching!). They did not oversell themselves and the selection panel felt that Tarnside adopted a realistic approach to the Board's aims”*.

After discussions with members of staff and Directors, Tarnside presented their Initial Feasibility Study.

Strategic Review

Three main views were expressed in the Feasibility Study produced for Finchale College:

- ◆ The work done by Finchale was exciting, very worthwhile and deserving of much greater recognition and support.
- ◆ Despite this the arguments currently put forward for the project were not felt to be strong enough to support an appeal of the size envisaged.
- ◆ Crucially, the report highlighted that the College was seriously understating its role in providing highly successful programmes for students who were recognised as those most difficult to help.



Tarnside's report stated clearly that:

“Whilst Finchale continues to help disabled people, as it has always done, the vast majority of current students have complex and multiple disabilities with 85% having mental health issues. If this is to continue as Finchale's area of specialisation, it is a very different proposition from helping physically disabled people, and it needs to be acknowledged.”

Many of the students that Finchale helped had been unable to find other appropriate provision and represented the most difficult group for any training provider to work with.



With this matter addressed by a new business plan, the report concluded that the proposed appeal had an excellent chance of achieving the success it deserved.

Before examining the process of strategic review which followed it is worth outlining the multiple benefits which the process brought to Finchale.

Outputs to Date

The shift in strategic thinking made during the strategic alignment phase has produced immense benefits to the College:

A new vision of the College's role:

- ◆ Recognition of multiple disadvantage as the key factor in the client group.
- ◆ Recognition of the College as a centre of excellence.
- ◆ Greater influence with public and private decision makers.



Financial and operational benefits:

- ◆ New partnerships with client organisations. Finchale is now seen as the market leader in its sector.
- ◆ The College is now full with a waiting list rather than having spare capacity as before.
- ◆ Increased usage has strengthened the College's financial position.
- ◆ Greater flexibility in approach to market demands.
- ◆ Development of specific employability projects for those with multiple disadvantage and disability.
- ◆ Development of the College role in supporting and training other providers and agencies.



Fundraising:

- ◆ Significant raising of the College's profile and reputation with Government, public agencies and trusts.
- ◆ The ability to demonstrate that Finchale has a major positive financial impact on the economy.
- ◆ Potential access to borrowing is being discussed now that the College is full and healthily profitable.



People:

- ◆ More people with multiple disadvantage are benefiting.
- ◆ Better understanding and support of the College's complex client group by Directors and staff.
- ◆ Enhanced job satisfaction for staff who are now consulted for their unique professional skills, experience and insight.



Physical Development:

- ◆ Stage 1 of the building work is now planned for late 2006.

THE STRATEGIC ALIGNMENT PROCESS

Strategic Review

The key question for any cause is whether it is best positioned to ensure the maximum impact on potential lead funders. The first step in the Tarnside approach to fundraising is an independent review of the basis for the proposed appeal, including:



- ◆ The case for support. Will the business case really stand up to the scrutiny of major funders? What makes the cause special or unique?
- ◆ Possible sources of funding. What sources of potential major gifts are open to the cause?
- ◆ Suggested methods of approach to potential major funders and others.

On the face of it the original cause and business plan were strong, but this joint review process identified the fact that the real uniqueness of Finchale lay in the multiple problems faced by the majority of its students - an area not previously given the recognition it deserved.

Working with key stakeholders

During the subsequent strategic alignment phase the role of Tarnside changed from expert to collaborator and enabler.

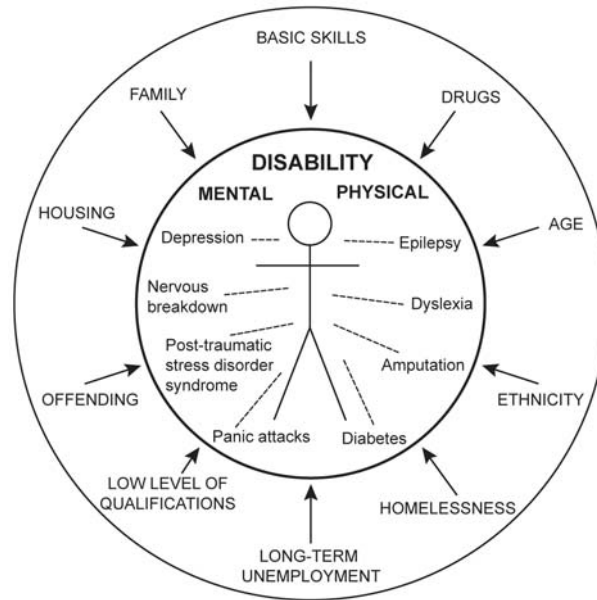
The consultancy focused on working with the Finchale Directors and Principal to address the issues raised by taking a step back from previous conceptions and:



- ◆ Re-assessing the College's core competencies.
- ◆ Establishing how these competencies added value.
- ◆ Establishing the market need for their role.
- ◆ Establishing what was the added value to the students as core beneficiaries.
- ◆ Establishing the economic impact of the College.
- ◆ Establishing what benefits there were to the wider community.
- ◆ And, in general, realising and enthusing about what makes the College special.

Tarnside facilitated an exercise in strategic and creative thinking (Mind Mapping) in which the Principal and a small group of senior Directors re-examined the College's true core competencies. A major result of this was a realisation that the College was in the unique position of helping those facing complex and multiple barriers to work.

A new model was developed showing the disabilities and disadvantages faced by students at entry to Finchale:



Developing a New Plan

Tarnside now worked closely with the Principal, Directors and staff to produce a new case statement and funding rationale which incorporated these proposals into the Strategic Plan.

The Principal and Directors, with Tarnside's support, examined the multiplier effects of this new vision and proposed new business models which, through a restatement of the College's mission, would improve its image and appeal in the market place as well as providing a broader base for fundraising. These models would enable Finchale to:

- ◆ Establish itself as a centre of excellence in its field.
- ◆ Offer a consultancy service based on their disadvantage model and their expertise and experience.
- ◆ Host conferences and seminars.

This phase of the project enabled the Board to redefine their understanding of the work the College did and the markets within which they operated. The new perspective on the role of the College produced a new enthusiasm for what was now seen as a genuinely unique service. The vision of the Board evolved. The production-based view of how the number of students might be increased was replaced with a more market-oriented approach to targeting niche markets, working with students whose needs other colleges could not meet.

Eddy Marchant sums up how this change has helped in his approaches to potential supporters:

“I am now more confident that when I am talking to people I am in a better position to represent the college to politicians etc. I can now talk comfortably about where the College is going. We have a clear sense of direction and can sell ourselves. The process has helped ensure opinion formers – MPs, members of the House of Lords, civil servants – are now well aware of Finchale College.”

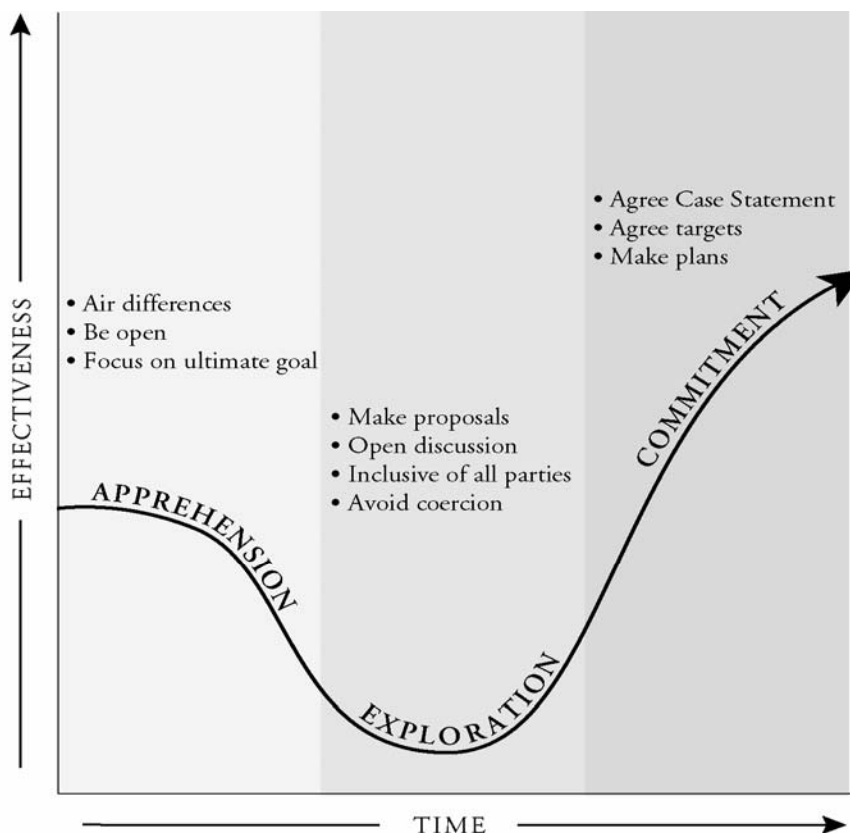
Fundraising and Change Management

Tarnside’s role was to enable this change in perception in a way which allowed the Board and staff to fully support the new College role.

What processes were involved in this difficult change of perception?

The strategic alignment process aims to bring the members of a group together and can develop a strong sense of project ownership. Tarnside helped the team to stay focused on the primary aim while discussing and agreeing the new vision and business plan. This involved management of change. Tarnside facilitated, supported and encouraged the team as it explored its agreed aims and reached a suitable consensus and commitment. This process is necessarily flexible, but the following model summarises some of the important aspects.

A Model for the Process of Change



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Conclusion

This study illustrates a process which goes far deeper than searching for and accessing funds. Working with clients we enable key stakeholders to re-examine their cause before making any approaches to potential funders. Through this strategic review process substantial improvements in business can often be identified. Through the strategic alignment phase that follows, if trustees, directors and staff are given the time and opportunity to work through the crucial issues the benefits can be greater than they may have thought possible.



To quote Eddy Marchant again:

“It is good to see the College diversifying and taking on issues it wouldn’t have considered five years ago. I want to see it being a leader, staying well ahead of the game, showing innovation. We need to move constantly forward.”

