

# THE NEW HORIZON CENTRE


## Business Plan Recommendations

By



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## **1 Executive Summary**

The following business plan recommendations were constructed using information gathered through historical records and interviews of the New Horizon Centre's patrons, staff and board members. Some of the recommendations included: a slight managerial structure change, advertisement suggestions, general centre-wide communication improvements, and adding structure to meetings. Also included in this section are major strengths and weaknesses from both the PHCC and CCDT and how their strengths can be used to help one another. We intend for our recommendations to be used in the construction of a business plan for the merged entity.

## **2 Introduction**

The goal in working with the New Horizon Centre was to act as an outside set of observers who may assess the different aspects of the organization in a manner that might not be possible from an insider's perspective. Information was gathered on-site through analysis of physical records, interviews with staff and board members, and first hand observation. From the information a list of recommendations was then compiled, to be included in the business plan of the new organization, in order to help ensure a strong future for the organization. This compilation of different ideas and specific recommendations may be implemented by the organization however it deems necessary, and hopefully the Centre will benefit from our research.

## **3 Strengths & Weaknesses**

### **3.1 Pollards Hill Community Centre**

One of the current strengths of the Pollards Hill Community Centre is its ability to keep excellent year-to-year financial records and review them to see what areas need attention. An area that needs work at the PHCC is advertising to get the word out that they have space available for rent. The fact that the PHCC has been over budget for several years could be helped by increased advertising to attract more rental income. This could fill more of the time that the rooms are vacant and in turn generate more income.

### **3.2 Commonsides Community Development Trust**

The Commonsides Community Development Trust is very strong in the area of advertising and approaching people. They are good at getting their name out and bringing people in to participate in activities. This is a quality that could greatly help the PHCC as it tries to bring more people in to make use of available space.

The CCDT could benefit from a better organization of financial records for easier reference. The methods and software that the PHCC uses are already planned to be used for the merged organization. This will create a unified accounting technique and allow easy reference for fluctuations in funding or expenses on a monthly or annual basis.

## **4 Direction & Purpose**

The purpose of the New Horizon Centre is to achieve social and economic regeneration of the area. The Centre must focus on doing things that will help to make the members of the community's lives better. They can do so by providing access to local training and providing opportunities for patrons. In addition, the New Horizon Centre must strive to provide affordable facilities to the community to meet its various needs.

In addition, the Commonsides Community Development Trust should seek to expand to other areas. If the New Horizon Centre does achieve its purpose, it will no longer be needed. Even if this goal is accomplished, there are always going to be other locations the CCDT can set up Centres to help improve the lives of other people in need.

## **5 Recommendations**

### **5.1 Communications**

An email update on all the current events and plans of the New Horizon Centre should be regularly sent to both board and staff members in order to maintain a constant awareness of the status of the organization. This would be a very simple change, requiring one staff member to compile a brief summary either weekly or bi-weekly and send it via email to a complete list of staff and board member email addresses. Keeping everyone up to date will allow for more fluid interactions between different project teams, as well as between the board and staff. This would of course require the compilation of current contact information for everyone in the organization, including

phone numbers and email addresses. Having scattered contact information tends to contribute to any communication problem, which can frequently cause problems in any organization. The task would be very simple, and should allow for much clearer communication lines.

During the process of familiarizing ourselves with the nature of the New Horizon Centre, we came across the question of what to call the “customers” of the Centre. Finally we decided that they would best be referred to as “patrons” of the Centre in our report. This seems to have been a dilemma at the Centre as well and “patrons” has been well received as a term which had not been considered. In the future customers and clients will be referred to as “patrons.” Referring to them as such will make the patrons more comfortable because it is a very neutral term without the same connotation as “users” might have.

## **5.2 Staff Meetings**

During meetings, it is important to make efficient usage of time. With the growing size of the organization, and hopefully an expanding scope, the important topics need to be discussed quickly so as to talk about everything. This is important in both staff and board meetings. We have come up with some ways that this could be done.

Currently meetings have a certain lack of formality. This is a good thing and makes people enjoy their jobs greatly because they can have fun during these meetings. If it was rigidly formal and there was a man with a gavel it could become far more tedious. So to make more efficient usage of time more formality is not needed, but a defined structure to the meetings could help the efficiency.

We have focused on the Staff Meetings, since they are largely what we observed, but similar concepts could be used in the board meetings. The defined structure we have come up with is split into five different categories:

- **REPORTS**
  - At the beginning of each meeting a status update would be given by each project director. This would help to keep the staff informed as a whole, and while this already occurs, having a defined section for it would help to get through them at a faster pace and prevent going on tangents. Discussion of issues would be saved for the “Serious Discussion” section.
- **IDEA FORUM**
  - After the reports are finished, new ideas could be discussed. Having a section dedicated to this would help to keep the organization moving forward with new ideas and prevent ideas from “slipping through the cracks.”
  - Any ideas that would require board approval or board participation would be brought to the board by the director.
- **SERIOUS DISCUSSION**
  - At this point any other issues would be discussed.
- **CASUAL DISCUSSION**
  - At this stage people would be invited to interact more freely as peers and maintain the friendly, casual atmosphere of the company. The purpose of this section would be to be sure to never lose the “fun” just because the rest of the meeting has been more neatly regimented.
- **ASSIGNMENTS**
  - In the final stage, each person would indicate what they will be doing before the next meeting. (Someone would send these out in an e-mail)

The separation of Serious and Casual may not be necessary at this stage. The section could be just “Discussion” for now. This separation of these two sections could be tested later if more efficiency is desired.

### 5.3 Funding

Among the greatest areas of concern in the organization is that of long term project funding and general funding for the building. The first set of problems to address is the project funding. One of the chief difficulties present is that funders have extremely specific guidelines for their projects, combined with the fact that many funders only target groups which are considered in need socially. For example, our interviews indicated that in recent years that funding for middle age groups has become harder to get, while other sources of funding have become subject to more stringent requirements.

This has led to the conclusion that though difficult, the New Horizon Centre needs to locate sources of funding with fewer restrictions than their current projects. This might be accomplished in three primary ways: design their own proposal/project and submit the idea to a program such as the UK Lottery for the funding, set up another revenue stream, or do general fundraising. All three techniques have their fair share of disadvantages, and have the potential of diverting needed energy and resources from the current funding methods.

The first technique mentioned is designing a project and submitting it to a group with less stringent rules for the spending of funds, such as the UK lottery. Though in recent years getting access to these types of funds has been harder due to pressure to create innovative projects, they are attainable. Under no circumstances should this form of project funding replace the current funding, as the time invested in the first is often significantly greater than the latter. But looking for more unrestricted forms of funding or projects designed for the Centre's needs will both help alleviate tight budget restrictions and achieve the goal of improving the community.

Forming an additional revenue stream is also a fairly difficult task for the organization, but one that could pay off greatly. Some of the larger development trusts have access to land and retail areas used solely for the purpose of making a profit. This profit is then in turn used to fund programs without the general constraints of funders or to pay for the general overhead of running the trust freeing up project funds. The problem is that securing the means to develop the revenue stream carries an amount of risk. New business ventures and land require capital, which could potentially be secured through a loan but if anything went wrong Commonside could be left in a perilous

position, not to mention the administrative ability required to oversee such purchases and make sure they are profitable. Still, the lure of having money to spend and use as the Centre sees fit definitely makes this plan worth considering.

The final area the New Horizon Centre may want to look at is more general fundraising, appealing for “suggested donations” at events dedicated to fundraising. The advantage of this is that some items, such as “suggested donation” boxes can be easy to set up and can make a small amount of money for the effort it takes to set them up. Given time these funds start to add up. For example, at the bicycle fun day, if there had been a suggested donation box of a pound and a significant number of people donated money, 30 pounds could have been made. Thirty pounds from every weekend in the year could add up to enough to help fund a small event, helping the community. Of course, larger fundraising projects carry more risk because they require higher initial investments of capital. One of the reasons the Centre does not engage in general fundraising is that the Pollards Hill area is predicted to have a very low return on money raised due to the general economics of the area. A way to counter this problem may be to set up fundraising programs in other areas, such as Wimbledon. Fundraising in a neighboring community could be called a “help your neighbor” event. People may feel that by taking part in the fund raising event, they will spread the wealth from the affluent areas of the community to make the entire region better.

Whatever is decided, the fact remains that the Centre needs more funding in order to do its job. The organization already has numerous good programs in place, but the future is always unknown due to budgets which only last one year. This can put a real damper on programs and make it difficult for the organization to plan on long term goals. This problem is combined with the fact that the Centre is overly dependent on certain programs to maintain key positions such as the executive director. The New Horizon Centre needs additional funding in case a program such as the Lunch Club ever lost funding, in which case the Centre would be at risk of losing key personal. Specific to the Lunch Club, the Centre needs a compelling argument designed to preserve the Lunch Club in case the program ever comes under consideration to be dropped by the Merton Council. By starting on such an argument now, the Centre can be prepared in case such a worst case scenario ever occurs.

## 5.4 Job Clarity

Part of the merging process was to provide clear descriptions of the staff's positions. As a result of the merger it will be useful to change some positions to fit better with the new structure of the organization. Andy Hodge's<sup>1</sup> official position should be Building Operations Manager, and he should have responsibility for managing the physical space, planning for further development of the space, and general maintenance. He should play less of a role as a liaison for patrons, which would free him to concentrate on the function of the building as a whole. It would also be prudent to move both Andy Hodge and Linda Jefferson<sup>2</sup> into an office farther back in the building so that they could act more in employee management roles than as representatives to the public. It would also be beneficial to have Fanfan Banza Mkongu<sup>3</sup>, in his job, report more to Andy in regard to the physical operations of the building. The two of them hold similar roles in their respective organizations, and once the merger is complete they should work as a tandem for the New Horizon Centre as a whole. With Andy moved from the front office, having a staff member work in the front office with some of the duties of a receptionist would be fitting. This person would act as a liaison for people entering on that side of the building, as well as handling room rentals. The receptionist could also be held responsible for asking patrons how they were referred to the New Horizon Centre in order to track the effectiveness of specific forms of communication. Given that hiring a new hand to fill this role is not likely to be feasible, it would be possible to reposition an existing staff member to the new location in order to take up the receptionist role in addition to their existing duties.

## 5.5 Monitoring

### 5.5.1 Leaflet Distribution

In order to keep track of advertising through leaflet distribution a simple system needs to be in place. One way to do this would be to print out black and white street maps of the area that the New Horizon Center serves and highlight areas where leaflets

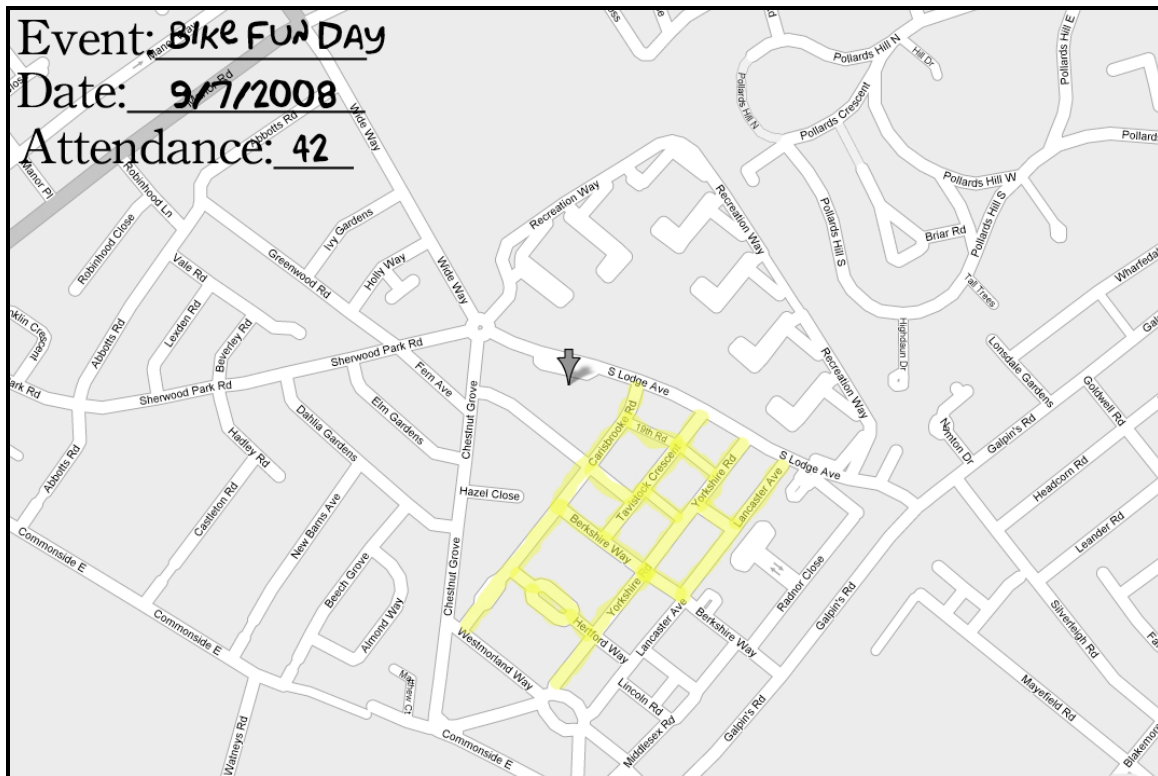
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<sup>1</sup> Andy Hodge, currently PHCC Operations Manager

<sup>2</sup> Linda Jefferson, Current PHCC Office Manager

<sup>3</sup> Fanfan Banza Mkongu, Current CCDT Rooms Manager

have been distributed for each event. On each map the date and the name of the event being advertised could be recorded. A new map for each event should be used. After an event the staff can review the areas where leaflets were distributed and compare that to the attendance numbers they received from the event. This would allow the staff to determine which areas are more likely to attend events when notified with leaflets. Determining what areas have not recently been included in leaflet distribution is another benefit to this method. As an example a map with sample data is shown in figure 1.



**Figure 1: Example Leaflet Distribution Map**

### 5.5.2 Room Rental Advertisement Effectiveness

The advertising of space available for rent is an area of concern due to its importance to the wellbeing of the New Horizon Centre. To find out which advertising media and outlets work the Centre a new method must be introduced into the regular routine of scheduling a client for a room rental. The receptionist will ask where the client heard about the available space and record it in a book. At the end of each month the book will

be reviewed with consideration for where the Centre is advertising and the resulting effectiveness gauged by patron response. If there is a place the Centre is advertising that is not being cited by clients, for several months, the advertisement should be stopped to conserve money. Inadequate return on money spent must be avoided. If certain advertisements are very successful, funding for less successful advertisements could be diverted towards advertising in similar locations or mediums.

## **5.6 Program Recommendations**

The Café in the Community and the Market at the Centre are two distinctive programs, both with the potential to serve as more than just places to shop and eat. In their current incarnations, the Café is strictly a non-profit program for providing job help and advice one day a week with the food being an added incentive, while the market is a strictly profit driven for-profit program. Both have the potential to be more useful for the community and for the Centre.

Research suggests that turning the Café into a profitable group is not out of the question, but might be difficult. The only other café in the area recently went out of business, but it is not known if this was due to monetary or legal troubles. If due to monetary troubles, supporting another café might be unfeasible in the Pollards Hill area, but if the other café failed as a result of legal troubles or for some other reason, then the community has an opening where a for-profit café might be feasible and act as an additional source of income for the Centre.

On the other hand, the Café could continue in its current manner and rather than try to make a profit, could expand upon its recent success and run more days a week in an effort to help serve the community better.

The Market also has potential to be more than a for-profit group and be very beneficial towards the community. One of the issues in the area is the lack of a butcher and perhaps if the management of the market extended an invitation to a traveling meat van, it could get more business and provide a service for the community. There also appears to be an issue with the Market management: only one of each stall type is allowed preventing competition. Commonsense could step in and perhaps direct/manage the market as a program. Unfortunately, doing so could potentially anger the merchants. If the merchants pull out of their contracts, then the New Horizon Centre would lose one

of its largest and most consistent rentals, which could prove to be a crippling blow to the budget.

What is recommended is a cautious approach to the Market. Since the merger is just now occurring, it may be useful to not make any major changes immediately to the market in order to prevent anger from being directed specifically to the Commons side portion of the Centre, but instead to wait until after the Community sees the Centre as one entity.

The Market has the potential to be a rich and diverse place providing items that the community needs but cannot get. In its current state there is no competition due to the Market director's control. A lack of competition is good for the sellers, but not good for the community. Perhaps individual sellers could pay the Centre for their floor space instead of a single group booking the rooms for a certain length of time. This would be a more subtle method to promote competition in the Market by removing some of the current director's control. Since they would not be able to rent the entire space themselves, they would not be able to decide who is allowed to stay. This would hopefully make the market better for the community and the consumer.

## **5.7 Expansion**

### **5.7.1 Floor Space**

The New Horizon Centre could benefit from more space by expanded the building and this is something to strive for in years to come. It is a difficult goal but with a long term vision the organization could set goals such as this. One method to expanding activities and work space would be to enclose the court yard area between the two wings of the Centre. This would also help to unite the two ends of the building and allow easier access to both sides. Another method could be to build a second floor onto the Centre.

The purpose of such an expansion would be to allow the Centre to house a wider range of opportunities for the community to use to better themselves and unite with other members of the community.

This recommendation is a long term goal and we understand that it is not immediately feasible. It could be feasible in the future if plans are made and if a building fund is created in which money can be saved up towards an expansion.

### **5.7.2 Expanding to More Centres**

Another option of expansion that may be more feasible could be to open up more Centres in the Merton area. This would allow the CCDT to better the lives of more people by expanding the range of the Trust's services. This could also potentially offer more space for any staff that does not to be onsite at the New Horizon Centre to do their job. Since the Trust would be reaching more people by setting up another Centre, attempting this could be more feasible because extra funding will be easier to obtain.

### **5.7.3 Collaboration with Youth Center and Library**

Due to the close physical locations of the New Horizon Centre, the Youth Centre and the Pollards Hill Community Library, all efforts should be made to work together on events and activities. Formalization of a weekly email from each organization to the others would help toward uniting the separate entities. These emails would include a schedule of events along with ideas for future events and possibilities of collaboration with any of the organizations. The organizations can help each other by placing advertisements in their pamphlets and event dates on their activities calendars.

Another way to accomplish the same goal would be to hold a monthly meeting with representatives from each organization, for discussion of events and collaborative planning. This has been reported by board members to have worked in the past at this location and surrounding areas.

An example of an event that could be held by both the New Horizon Center and the Youth Centre would be a "Family Fun Day." Supervision and activities for the children could be held at the Youth Centre while the New Horizon Centre offers the parents some time away from their children and enjoyable activities to relieve stress and possibly from which to acquire skills.

## **5.8 Advertising**

The current Commonsides website will be out of date after the Merger. Funders may look for the Commonsides name, but community members need to be able to find information about the New Horizon Centre. To assist in this, it may be good to create two separate websites.

The first website would be [www.commonside.net](http://www.commonside.net) and would be for the Commonsides Community Development Trust. This website would display the

information that would be relevant to funders. The home page would say “Centres run by the CCDT” and below this would be the logo of the New Horizon Centre. This logo would link to the New Horizon Centre website.

The website for the New Horizon Centre would likely be [www.newhorizon.co.uk](http://www.newhorizon.co.uk). On this website information relevant to the community, such as event schedules and room rental availability would be displayed. On this site there would also be a section called “For Funders” or something similar, and this section would explain that the legal entity is named the Commonside Community Development Trust and this section would contain a link to [www.commonside.net](http://www.commonside.net).