

Emerging Leaders

Sustainability Review

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Executive Summary

Both the City of London and local cultural, economic, and political leaders view the decreasing size of London's 25-44 year old demographic as a growing concern. London's 2006 net migration rate for this demographic was not only less than that in both Kitchener and Hamilton, but also had decreased by more than 50% since 2004. If these trends are allowed to continue, London will suffer from labour shortages, a lack of talent and innovation, and economic decay. With its unique focus on the young adult demographic, EL can prevent these consequences.

Emerging Leaders (EL) is a three year-old, initiative that strives to attract and retain London's 22-44 year olds in the London community through social and professional events and through researching the concerns and interests of this age cohort. EL's current objective is to provide the demographic with a voice on the challenges facing London, as well as help foster a strong commitment to the community by connecting them with local leaders and each other.

Over the last 2 years, Emerging Leaders has been operating on an ad-hoc basis without a strategic plan, organizational structure or funding model. As a result, they are currently facing volunteer burnout, decreasing member engagement and a deteriorating brand. Our assignment was to develop a viable business model for EL. Based on consultation with community stakeholders, local and best practice organizations and a survey of EL members, we are recommending a new, more focussed organizational mandate, key strategic objectives and deliverables, the adoption of a more formal organizational structure, and the pursuit of new model for funding operations. The implementation of these recommendations is necessary for EL to be sustainable in the future.

We recommend the following:

- Re-define the term "emerging leader".
- Create a mandate that focuses on retaining young adults (ages 18-35) in London.
- Define strategic objectives.
- Create a formal organizational structure that is composed of 5 action teams, under the leadership of a full-time Executive Director and advised by a Board of Directors.
- Incorporate as a not-for-profit organization.
- Pursue funding from corporate sponsors, individual and corporate memberships, a Trillium Foundation grant, and an in-kind sponsor from the Chamber of Commerce.

The new organizational mandate should include a re-definition of an emerging leader that allows for self-definition and increased inclusiveness. We propose emerging leaders be defined as "young adult leaders who are innovative, community-minded and from a diverse range of sectors. They wish to be connected with others in the London community, in order to lead in making the city a better place to live for their demographic." It is recognized that currently these people may not be EL members, but suggested that EL's role be to identify and collect emerging leaders in order to provide them with a voice and provide opportunities for them to make London more attractive.

Further, EL's mandate should focus on the retention of London's young adult demographic by connecting them with the community professionally, culturally, politically and socially to foster

an environment in which they can flourish. EL should re-focus on the young adult demographic aged 18 to 35, rather than the broader 22 to 44, and strive to become the premier city in Southwestern Ontario in retaining this population. To measure this, EL should annually track the net migration rates of London and comparable cities. Internally, the monitoring of member participation and retention is also important as they are early signs of member drop out. Measuring the percentage of events led by new members and number of applications for leadership positions will also be important indicators of member engagement.

Recommended Strategic Objectives are as follows:

1. Provide a voice for London's young adults, based on on-going data collection and analysis that will allow EL to weigh-in on important issues facing the city in the next decade.
2. Provide opportunities for members to develop and implement action-oriented solutions in each of the following areas: professional development, community development, arts and culture, and social engagement.
3. Continually analyze the demographic trends occurring in the young adult population and track metrics for EL's impact on this population to determine which initiatives are successful and ensure continual improvement.

From an organizational structure point of view, EL should incorporate as a not-for-profit organization. The formation of a Board of Directors will be required to oversee the strategic and long-term growth of EL. This Board should be composed of seven external members, and two EL members who do not sit on a committee or hold a leadership position with EL. Further, we propose that an Executive Director, who is full-time and paid, be the spokesperson for EL, act as the point of external contact and be responsible for day-to-day operations. To assist the Executive Director, two new part-time positions should be formed: a volunteer Administrative Assistant and volunteer Treasurer. We recommend that under the Executive Director's management there be five action teams (Arts and Culture, Social, Community Development, Professional Development, Research). Within each team, the action team Chair, along with the action team, would be responsible for organizing and delivering mandate-specific programming.

Revenues of approximately \$78,500 will be required to support EL's operations in the first year. It is recommended that the EL adopt a funding model based on a mix of corporate sponsorships, in-kind sponsorship, a foundation grant, membership fees and event fees. EL's sources of funding should also include an in-kind sponsor, and if necessary, a foundation grant. This diversity ensures that no single organization can control EL's mandate. Operational expenses are to be funded mainly through corporate sponsorships and complemented with a modest, annual membership fee. In addition, the Chamber of Commerce should be EL's in-kind sponsor. The Chamber will provide EL with physical resources such as a meeting venue, and administrative resources. Further funding through a grant from organizations such as the Ontario Trillium Foundation will be used only if other sources are insufficient.

The transition from the present ad hoc organizational structure to an Executive Director and supporting Board of Directors led model, in tandem with initial solicitation of corporate sponsors for operational funding, should begin immediately and be completed within the first 2 months.

INTRODUCTION

Problem Definition

After its inception in 2006, Emerging Leaders (EL) gained great momentum and recognition as a leader in engaging London's 22-45 year old demographic with the London community. However, more recently, EL's brand has been damaged by a lack of follow-through on the valuable research that was gathered during Think Tanks¹. Furthermore, EL is facing volunteer burnout, an absence of direction, and is functioning on an ad-hoc basis. These are symptoms brought on from the lack of a strategic plan, organizational structure and funding model. To ensure its sustainability, EL needs to develop and implement a viable business model that delineates a mandate and deliverables, organizational structure, roles and responsibilities, as well as the quantity of funds required, and recommendations for their source. Solving this problem is critical to the future existence of EL.

Scope

The scope of this project is to determine whether there is a need for EL in the London community and, if so, recommend a sustainable organization and funding model, and strategic mandate and deliverables.

To address this problem, the following analysis was undertaken:

- An assessment of the industry environment to determine if there is a need for EL
- An assessment of EL's current strategy and operations to determine if it is aligned with the needs of its members and other stakeholders
- An analysis of local stakeholder and local comparable organization interviews to identify key findings and define the industry's expectations of EL
- An analysis of comparable organizations in different cities to determine best practices in the industry
- An assessment of the financing that will be required, including projections and a qualitative assessment of potential funding sources

Methodology

Environment Assessment

The main objective of the environment assessment was to determine if there is a need for EL's existence. First, academic experts and publications were consulted to determine the significance of EL's target population segment. Next, city reports and demographic statistics of both London and comparable cities were analyzed to identify any concerning trends occurring in this segment. Finally, the current initiatives in London were examined to determine any gaps that exist.

¹ Think Tanks are sessions designed to foster open, creative discussion between members of the young adult demographic in London. The objective of these Think Tanks is to generate innovative solutions to issues that are important to this demographic. Four past Think Tanks, each with 130-200 participants, have been completed.

Current Strategy and Operations Assessment

EL's current strategy and operations were analyzed through interviewing EL's co-chairs, surveying 800 EL members with a 12% response rate, and consulting internal documents, such as the Think Tank documents and job descriptions of the volunteers and advisory committee. This research also provided insight into the direct stakeholders' expectations for EL's strategy and operations in the future.

Local Stakeholders and Comparable Organizations Analysis

Research and interviews were conducted with sixteen local comparable organizations and related stakeholders.² Local comparable organizations were selected based on their potential mandate overlap with EL. Assessing the similarity of mandates, deliverables, and funding to EL, opportunities for partnership and potential sources of conflict were identified. Related stakeholder interviews were conducted with community leaders from a variety of industries to identify community expectations, partnership opportunities and potential sources of funding.

Best Practices Assessment

Industry best practices were determined by performing secondary research on thirteen comparable organizations across North America and interviews with seven of them.³ This research focused on mandates, deliverables, funding models, governance structures and performance metrics. Organizations were selected based upon similarity to London in population, demographic, industry specialization and initiatives.

Financial Assessment

Once identified during interviews with local stakeholders, each type of funding source was further researched through interviews with organizations representative of that type.⁴ (See Table 5 for a list of these organizations.) Expense projections were determined through analysis of comparable organization expenses, past EL expenses and Executive Director salary research.

² Refer to Table 4 in the Exhibits for a list of the organizations contacts interviewed.

³ Refer to Tables 2 and 3 in the Exhibits for a list of the best practice organizations.

⁴ Refer to Table 5 in the Exhibits for a list of these organizations.

ENVIRONMENT ASSESSMENT

Demographic Significance

According to Economist and Business Professor Richard Florida, the key to stimulating regional economic growth is to attract the "Creative Class". The Creative Class is comprised of people who are compensated for their creative output and includes professionals ranging from engineers and professors to entertainers and designers.⁵ Since this Class generates innovation, starts businesses, and attracts business, cities with a high concentration of the Creative Class "show strong signs of overall regional vitality" as well as economic prosperity.⁶ Florida states that universities are a critical resource⁷, indicating that students and recent graduates are a key component of the Creative Class and demonstrating the importance of the younger end of the 22-44 year old age group.

High-income earners pay disproportionately high taxes that finance government services provided for the lower income population.⁸ As the baby-boomer generation ages, London will need a large base of high-income earners to support the increase in services required by the increased elderly population. Since income for full-time, full-year adult employees increases steadily from age 24 to 54,⁹ a large population of 22-44 year olds are necessary now, in order to generate high incomes and inject money into the economy in the coming decades.

Family formation is important to London's development for two main reasons: families create natural population growth, and once people establish a family in London, the probability of emigration decreases. It is important to retain women between 25-34 years old since "the bulk of the births now occur to women aged 25 to 34, who accounted for 62.1% of all births in 2004 compared with 54.7% in 1979."¹⁰

As a large component of the Creative Class, a key source of high incomes and taxes, and a segment that is crucial to family formation, the 22-44 year old demographic is essential to London's future economic prosperity and development.

London Demographic Trends

According to the London's Next Economy Report, "London has trailed most comparative new economy municipalities in population growth over the past decade. This growth gap is particularly concerning in the high value 25-54 year old age group. This latter cluster is important because of its wealth creation and community contribution capability."¹¹

⁵ Richard Florida. *Cities and the Creative Class*. Pg. 34

⁶ Ibid, Pg. 35

⁷ Ibid, Pg. 144

⁸ Murphy, Roberts and Wolfson. "High-Income Canadians"

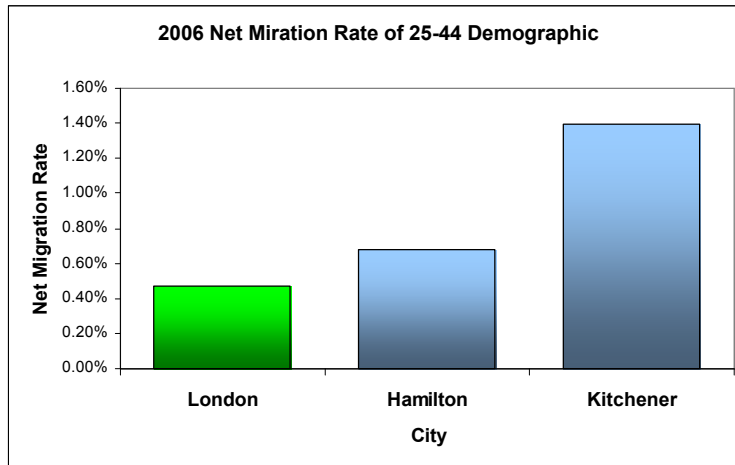
⁹ Statistics Canada 2006 Census Earnings Data.

¹⁰ Statistics Canada. Daily Quotidien

¹¹ *London's Next Economy*. 2005

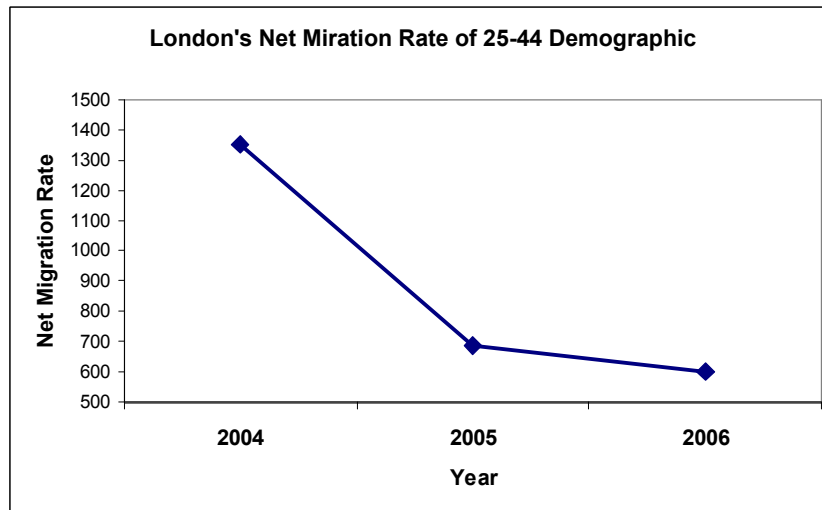
At 28%, London's 25-44 year old population is on par with comparable Ontario cities (Table 1 in Exhibits). However, the 2006 net migration rate¹² of the 25-44 year old demographic was significantly smaller in London than in both Kitchener and Hamilton (Figures 1 and 2).

Figure 1: 2006 Net Migration Rate of 25-44 Year Old Demographic



Source: Table 1 data

Figure 2: London's Net Migration Rate of the 25-44 Year Old Demographic



Source: Table 1 Data

Furthermore, between 2004 and 2006, the net migration rate of London's 25-44 year old demographic decreased by more than 50%.¹³ If these trends are allowed to continue, London's 25-44 year old population will be significantly lower than comparable cities in the near future.

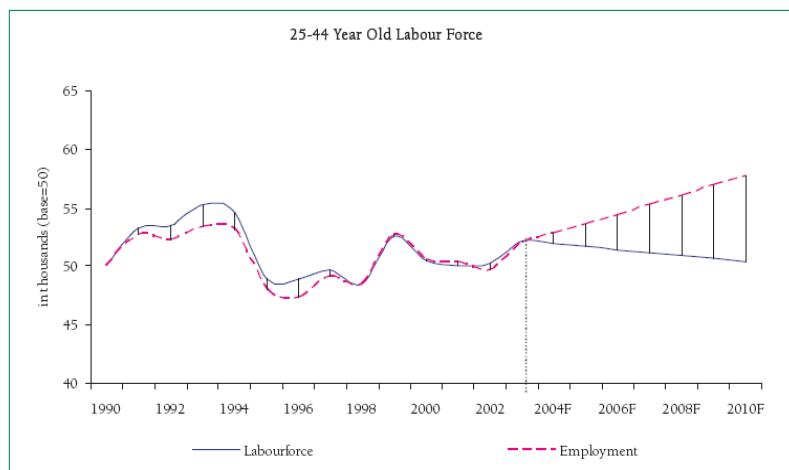
¹² Calculated by subtracting the emigration rate from the immigration rate

¹³ 2006 Economic Prosperity Report Card.

In 2006, London’s post-secondary institutions, the University of Western Ontario (UWO) and Fanshawe College, had Graduate Retention Rates of 31% and 34%, respectively.¹⁴ First-year enrolment rates for UWO’s 2006 graduating class show 21% of students originating from London.¹⁵ With student populations at more than 10% of London’s total population and a 10% retention rate of students not originally from London, there is significant opportunity for increasing London’s 22-44 year old population through increased retention at graduation.

Given the decreasing size of London’s young workforce population, London is particularly vulnerable to skills shortages in the future. With Canadian baby-boomers retiring, Dr. Julie McMullin, Professor of Sociology at UWO, concludes that “employers and policy-makers will have to become much more age-oriented in their decision-making”.¹⁶ In London, the retirement replacement ratio¹⁷ decreased 27% between 2001 and 2006.¹⁸ Based on the decrease in this ratio and low net migration rates, the size of London’s 25-44 year old workforce has been decreasing. As shown in Figure 3, labour force projections show that there is and will continue to be a shortage of labour force supply in the 25-44 year old demographic if the current trends continue.

Figure 3: Projected Labour Shortage of 25-44 Year-Old Demographic



Source: LEDC. “A Workforce Development Strategy”. Page 36

Overall, the implications will be severe:

- London will have a smaller base of high-income households from which to draw taxes to pay for services that support an aging population.
- The decrease in London's 22-44 year old demographic will mean a decrease in families and population growth, furthering the labour shortage and resulting in a dangerous cycle.

¹⁴ 2007 Creative. Diverse and Innovative City Report Card.

¹⁵ University of Western Ontario. Full-time First-Year Enrolment by Geographic Origin, 2001-2002.

¹⁶ Julie McMullin. Labour Force Ageing and Skills Shortage in Canada and Ontario. Pg. iv, Executive Summary

¹⁷ The ratio of the population under 14 years old to the population aged 50-64

¹⁸ London Economic Development Corporation. A Workforce Development Strategy for London, 2007. Pg. 17

- London's economy will lack young talent, especially in technology sectors, where labour shortages are predicted and the average age of an employee is below Ontario's median workforce age.¹⁹
- Declines in the technology sector and graduate population will make the city unattractive to the Creative Class, and further inhibit London's innovation and economic momentum.

Current Local Initiatives

Issues pertaining to the challenge of attracting and retaining London's younger demographic are well-known to both the City and local cultural, economic, and political organizations.²⁰ The Creative City Task Force concludes that,

“London is losing much of our 25-44 population through a net migration to Toronto and other major Canadian and US centres. London generally has failed to connect with college and university students. London's assessment growth, future prosperity and downtown development will be driven in large part by the creative industries and the people who work in them. London needs more ‘buzz’ in, by, and about, our City of London [...]. London must aggressively support, develop and encourage creative industries so that good jobs will be available to graduating students and young entrepreneurs and encourage co-op and mentoring between London businesses, unions, students and immigrants”.²¹

While the City recognizes this as a pressing issue and has raised awareness about it, very little action has been taken to ease the problem. Several organizations operating in London have mandates that may improve London to make it more attractive for the 22-44 year old demographic. These organizations, including the London Economic Development Corporation, London Arts Council and London Creative Network, do not focus on this demographic, nor do they measure the impact of their actions. United Way's GenNext initiative does focus on this demographic by helping connect them to volunteer and philanthropic opportunities, but it does not address other factors that make London attractive to them. While Ambassador London does aim to attract people to London, it does not focus on a specific demographic, nor does it address the issue of retention. Ambassador London operates solely outside of the city to promote London and does not work to improve it.

Environment Assessment Conclusion

There exists a need for an organization that addresses the decreasing population of the London 22-44 year old demographic. Further, the most value can be added by retaining the 18-34 (Young Adult) demographic. This age range focuses on students and recent graduates who are an essential part of the Creative Class. The age range is also in line with when most family formation occurs. In addition, psychologist Erik Erikson suggests that 18-34 year olds share similar needs due to their stage of development.²² This segment, called Young Adults, provides a theoretical grounding for EL to concentrate on the 18-34 year old demographic.

¹⁹ Habtu, Roman. “Information Technology Workers.”, HRSDC Publications. Shortages

²⁰ 2007, 2008 Mayoral State of the City Address, City Report Cards, London's Next Economy, and the Creative Cities Task Force Report

²¹ Creative Cities Task Force Report. 2005

²² Erikson, Erik H. Identity and the Life Cycle. New York: International Universities Press, 1959.

ORGANIZATION SIZE-UP

Strengths & Opportunities

Strategy

EL holds the vision to develop 22-44 year olds in London, by connecting them to the community and providing them with opportunities to contribute to important issues concerning the city. With this vision and initial program deliverables of Think Tanks, OnBoard and MentorNet, EL quickly gained success without a formal strategic plan. Without a long-term strategy, it is difficult to know which deliverables are best aligned to fulfill EL's mandate. This gap, along with a weak organizational structure and lack of a funding model, has led EL to a period of "inaction" which threatens its brand and member retention.

Organizational Structure

EL's success has largely been driven by the efforts of its two co-chairs, Lindsay Sage and Jeff Sage. The co-chairs, along with the Steering Committee, serve as volunteers and have functioned without a formal organizational structure. This is especially problematic from the perspectives of community stakeholders and surveyed EL member respondents. These stakeholders have expressed concerns on the lack of inclusion in the organization's programming and on strategic decisions. In addition, though the Steering Committee was valuable at the inception of EL, in recent months, they have played a minor role. The importance of clear roles and responsibilities in an organizational structure can reduce chances of staff burnout and improve internal accountability. Also, since so much of EL's current operations rely upon the co-chairs, appropriate knowledge transfer is necessary for sustainability.

Financing and Funding

Currently, EL has no formal funding model. Instead, funding is solicited mainly through personal relationships which provide small amounts, or through event donations from a large number of different sources. This results from EL's lack of strategic direction and from an organizational structure that plans programs on an event-by-event basis. EL is not developing meaningful, long-term relationships with its funders, and to continue managing its current relationships in this manner is not sustainable from a human resources or financing perspective. A formal funding model will provide EL with renewable sources of funding, an accountability system, as well as internal metrics which are critical for strategic and long-term planning.

Management Preferences

Given the current organizational structure and lack of a funding model, EL's co-chairs are experiencing volunteer burnout. In addition to their full-time positions (external to EL), they have devoted thousands of hours to found and run EL, and though they prefer to remain involved, the current workload is no longer manageable. Fortunately, they recognized the need to undergo an objective sustainability review, and are open to changes in the near future.

Resources and Capabilities

Over the past two years, EL has developed strong brand recognition. Those contacted during this study recognized EL as an organization that focuses on London's younger demographic. There is an opportunity to become the expert in this area. Though the brand has been tainted because of recent "inaction", EL can rebuild its brand as a credible organization that retains young adults, delivers action, and has a positive impact on London's future.

Secondly, EL has developed an extensive membership and connections with many influential members of the community who in turn have been critical in providing direct funding and event sponsorship. EL should formalize systems and structures to increase the member base and strengthen long-term funding relationships.

EL GOING FORWARD

Member Preferences

Methodology

Of the 800 EL members who were contacted to complete a survey, 98 independent responses were tallied and analyzed to present the following findings. It is important to be mindful that the survey results represent only the opinions of EL's most engaged members, since they are most likely to volunteer their opinions. Therefore, the views of potential or less engaged members are not represented in the survey. Further, the average respondent indicated that they have lived in London for more than 10 years. Since EL was founded in 2006, this means that respondents do not reflect the young adult demographic which they are striving to retain. In order to serve and give voice to London's young adults effectively, EL should frequently update and augment the data from this survey in relation to membership fees, other potential revenue sources, and programming.

Deliverables and Member Engagement

Overall, survey respondents indicated that they derive value from EL's current deliverables, such as Think Tank, networking events, speakers and seminars, and programs like MentorNet and OnBoard, and would like to see them continue in the future. Respondents want the results from their Think Tank communicated to them through regular correspondence with EL.

Further, survey respondents desire an increase in the frequency and variety of events. 80% of respondents agree or strongly agree that if provided with more opportunities, they would participate, and an interest in greater social inclusion through event locations and times was a recurring comment.

Organizational Structure Model

Survey respondents expressed the concern that EL's current strategic and organizational decisions are being made only by a small group of individuals. Respondents want to be involved in the decision-making process and would like to see a larger, more diverse group of members included in that process. The opportunity to formalize the role of members and incorporate their input should be outlined in the new organizational structure. Further, to retain its members and brand, it is crucial that EL's new vision commit to inclusion principles and communicate them to its members and the community. Lastly, when asked whether or not EL should be an independent organization (versus under the umbrella of another organization), the respondents were not fully committed. 47% agree or strongly agree that EL should be an independent organization, 42% are neutral, and 10% disagree or strongly disagree.

Funding Model

Survey respondents are undecided on whether or not they prefer to pay an annual membership fee (about one-third of respondents strongly disagree or disagree, one-third are neutral, and one-third agree or strongly agree). Weighing the obvious benefits of a membership fee and respondent preferences, likely no more than a modest fee should be implemented.

Community Preferences

Mandate & Target Segment

It was agreed through interviews with community stakeholders that young adult attraction and retention is vitally important to London. However, many felt that including attraction in the mandate could potentially be overly ambitious due to EL's lack of control over this issue. Instead, EL could effectively help those already living in London become connected and rooted into the community. This connection would deter them from leaving London and create a more vibrant community.

Graduation from post-secondary institutions is a key migration point, and thus UWO and Fanshawe are crucial to London's retention. Stakeholders have suggested that there is an opportunity to connect with the young adult segment before their graduation in order to increase the likelihood that they will stay in London. Several interviewees suggested decreasing the bottom of EL's target age range to 18 in order to achieve this. A related finding was the belief that EL provides less value to older members, and that by shifting away from the 35 and older segment, EL can narrow its focus to provide better value to its members and the community.

Clearly defining EL's target segment was a concern raised by most community stakeholders interviewed. Despite an inability to pinpoint what the precise age range should be, many struggled to define or understand what defines an "emerging leader". The key finding extracted from these concerns was that providing a precise age range in the definition of an "emerging leader" may not be in the best interest of EL. Interviewees were concerned that EL can add more value to the London community as an inclusive organization rather than an exclusive one, and that concrete definitions would lead to the latter. Currently EL has defined an emerging leader as an individual between 22 and 44 who is a creative, community-minded leader. Instead, an "emerging leader" could be defined loosely and self-defined by its members in order to be inclusive.

Potential Partnership

Each local comparable and related stakeholder interviewed expressed interest in partnering with EL. Most believed the partnership would be mutually beneficial for both sides. These partnerships would help EL members develop personally and connect with the city, and could benefit the London community as well. Mentorship was identified as a key deliverable of EL's which could be supported through partnerships. Most organizations suggested partnerships on an event-by-event basis, although some suggested full partnerships or absorption by EL, in

order to manage a certain function (e.g. social events). The Chamber of Commerce expressed particular interest in partnering with EL holistically and has offered to be an in-kind sponsor providing a physical space for EL and some additional resources.

Deliverables

EL must deliver more than research. Few stakeholders identified specific desired deliverables, but underscored the need for action. Data collection, even if it is actionable, is unhelpful to related stakeholders and is no substitute for real action. It has been suggested that EL should be acting on the needs of its members, and the data addressing this. In order to measure this, it was suggested that EL publish reports on the data it has collected from its demographic. By voicing the needs and wants of its demographic, EL can ensure that the community, including political, business, and social organizations are cognizant of these needs and can act on them to the benefit of this age group.

Funding Model

Related stakeholders tended to recommend a funding model that relies on sponsorship and donations from corporations. It was suggested that multiple and diverse corporations be targeted to prevent any control over EL's agenda. Virtually all interviewees agreed that EL should use a funding model that allows for autonomy. Direct government funding was identified as a "last resort", as it could create government dependence and resentment from comparable organizations. It was stated that a strong mandate and deliverables are required to avoid attempts of control from funders.

Organizational Structure

Stakeholders identified a formalized structure as being a necessity of delivering action and a key driver for sustainability. Interviewees have expressed concerns that London is already inundated with not-for-profit organizations. Many of these organizations do not focus on action, and over time become burnt out or complacent, which allows funders to drive their mandate and provides little benefit to the community. There was no consensus among related stakeholders on whether employing paid staff or only volunteers would be optimal. While paid staff would bring a degree of commitment that is difficult to foster in volunteers, it is dependent upon the quantity of financing available. As such, interviewees tended to agree that employing paid staff would be optimal, if the funding is available.

BEST PRACTICES

Funding Model

Government Funding

Despite the initial ease and reputation afforded by a direct government sponsorship, relying on financial resources from the government often leads to a dependence that can result in mandate corruption. Sudbury Young Professionals (SYP) currently pays for its Executive Director and most other operational expenses with funding from the municipal government. Although this model was beneficial at inception, the government has gained significant influence over SYP's mandate and deliverables, and SYP is now trying to gain independence. However, with the government controlling SYP's resources and reputation, this secession is extremely difficult.

Targeted government funding is only used for specific initiatives over a defined time period, which ensures that an organization's mandate and deliverables are not subject to political influence. Communtech has found such funding to be particularly effective for financing events. Since targeted funding is granted on a case-by-case basis and thus less sustainable, it should be used as a complement to other revenue sources.

In-Kind Sponsorship

Organizations have also found success in sponsors who are willing to provide non-financial resources. FUSION receives in-kind sponsorship from the Greater Halifax Partnership, a partnership between the three levels of government and Halifax corporate investors. Despite the Partnership's association with the government, their support of FUSION has been extremely helpful and has not influenced FUSION's well-defined mandate or deliverables. Kawartha Young Professionals (KYP) receives in-kind sponsorship from the Chamber of Commerce, and by accepting only non-financial resources from the Chamber as well as funding from other corporate sponsors, KYP has been able to retain its autonomy. KYP has had many difficulties related to operating in an area that is largely a retirement community, but they cite the Chamber's in-kind sponsorship as the reason they have been able to continue operations in difficult times. EPIC also receives in-kind sponsorship from the Chamber of Commerce. EPIC is responsible for its own mandate, events, funding and initiatives, but the Chamber of Commerce provides the organization with a meeting space as well as administrative assistance, website development and event planning assistance. EPIC's key to success has been this formal link, which has provided a sustainable structure and reputation within the community. EPIC attributes the success of this relationship to having a clearly defined mandate and strategic plan.

Membership Fees: Corporate and Individual

Both EPIC and PUMP offer corporate memberships that allow employees to access all the benefits of an individual membership without incurring the cost directly. The corporate membership fee depends on the number of employees and increases in step costs. With PUMP's corporate membership, the corporation derives value from the professional development of its

employees and gaining access to a network of intelligent, young leaders. EPIC offers additional incentive to its corporate members in the form of advertising at events and in different print mediums. Both organizations have found corporate memberships to be a sustainable source of revenue, and in 2008, EPIC's annual corporate membership renewal rate was 100%.

The majority of comparable organizations charged an individual membership fee for which members gain free access to regular events and discounted access to special events. Membership fees increase member commitment and the membership applications allow comparable organizations to track member demographics. Membership fees range from \$20-\$40 annually and have been received with little opposition. Even EPIC, whose \$75 membership fee is outside the usual range, had a renewal rate of over 90% in 2008.

Kawartha Young Professionals does not charge a membership fee because the community is very price-sensitive. They have found it challenging to predict member renewal and event attendance without this financial commitment and have cited free membership as a limiting factor of their success.

Event Fees

Event fees charged to non-members are commonly used by comparable organizations as a source of revenue. Allowing the outside community access to specific events increases awareness and the potential membership base. However, financing entirely based upon event fees has been determined by Kawartha Young Professionals to be unsustainable. Due to the unpredictable attendance in the planning stages, it is extremely hard to cover actual expenses, and results in an unfavourable variance.

Partners

Partnering with local organizations for certain events and initiatives is a common theme within the industry due to the benefits of resource sharing. Partnering can also improve relationships with other local organizations and prevent future conflict.

Corporate Sponsorship

Corporate sponsorship is the most common primary source of revenue among the best practice organizations and has been very successful. Sponsorships ranged from a renewable annual fund to a one-time event sponsor. The sponsors receive recognition on the organization's website and at the event. In FUSION's case, the sponsor's brand is linked to one of FUSION's action teams to avoid dilution. Communitech, with the consent of its members, provides its premium event sponsors with event attendance lists. However, such opportunism in an organization that is less business-oriented than Communitech could be viewed poorly by its members and the community.

Organizational Structure

Action Teams/Committees

FUSION, EPIC and MAGNET have found that action teams/committees organized based on their area of focus (such as community involvement or economic development) are effective for maintaining a multi-focus. FUSION and MAGNET provide each of their teams with the autonomy to operate under their own mandates and create their own deliverables, within a budget. In contrast, EPIC's teams do not have autonomy or their own mandates. Both approaches have proven to be successful, provided that individual team mandates align with the overall organizational mandate.

Paid vs. Volunteer Staff

Larger organizations, such as FOCUS, have paid staff of 15 individuals. Smaller, successful organizations, including EPIC, MAGNET, and Sudbury Young Professionals, have only one paid position. A paid staff position increases accountability and dedication, while decreasing the risk of volunteer burnout. Only Metropolis in St. Louis has been sustainable with an entirely volunteer-based staff, and most organizations cited burnout as their greatest challenge. EPIC has successfully reduced burnout by clearly establishing the commitment required for each position and rotating positions every two years. However, volunteer burnout continued to be a concern of organizations as something that can not be expected to be fully mitigated.

Weaknesses to Overcome

Although organizations such as EPIC have developed strategies to reduce volunteer burnout, it is a risk that cannot be fully mitigated and is the main challenge for comparable organizations. Maintaining organizational objectives has also proven to be challenging. For example, many organizations have tried to affiliate with FUSION and claim it as their own initiative. FUSION overcame this by asserting independence through clearly defining and differentiating their mandate. Aside from membership renewal rates and member surveys, comparable organizations lacked success metrics. An opportunity exists for EL to be the leader in tracking success effectively.

RECOMMENDATIONS

POSITIONING

Since there are many local organizations that have potential for overlap with EL, not in mandate, but in deliverables, EL's opportunity to create value for London is in its focus on the young adult demographic. EL should position itself as the expert on London's young adult demographic, striving to understand their needs and develop London into a city that is attractive to them. To take advantage of resource sharing and avoid redundancy in programming, EL must continually communicate with local existing organizations and partner appropriately for its events.

We recommend that the term "emerging leader" be re-defined. Direct and community stakeholders expressed confusion about the current definition²³ and did not understand if the term "emerging leaders" refers to a type of people, members of an organization, or the organization itself. In addition, stakeholders expressed a desire for a more inclusively-defined organization. To achieve this, we recommend explicit age references be removed from the definition. Emerging leaders should be defined as "young adult leaders who are innovative, community-minded and from a diverse range of sectors. They wish to be connected with others in the London community, in order to lead in making the city a better place to live for their demographic." Though these people are not necessarily EL members, EL is interested in finding and collecting them, in order to provide them with a voice and the resources to lead.

MANDATE, STRATEGIC OBJECTIVES AND DELIVERABLES

Based on our environment and stakeholder assessments, we recommend that EL be formalized with the following mandate: "To retain London's Young Adult demographic by connecting them with the community professionally, culturally, politically, and socially, in order to foster an environment in which they can flourish." As discussed in the Environment Assessment, targeting the young adult demographic will allow EL to capitalize on London's wealth of post-secondary institutions and increase the young adult population through improved graduate retention rates. In addition, since the young adult demographic spans only one life development stage, they have similar needs and priorities that can be better determined and catered to, than if the range spanned over two stages. Furthermore, local stakeholders and other potential funding sources indicated they would be more interested in EL if it were to decrease the lower age limit to include post-secondary students. In the mandate, the term young adult is used because it effectively communicates that EL's focus is on a younger demographic while minimizing the exclusivity that would be caused by stating an explicit age range. This language will also allow people to self-define as an "emerging leader", further promoting the inclusive nature that current EL members and community stakeholders cited as an area for improvement. The mandate focuses on retention because research shows that retention is an easier objective

²³ For the current definition, refer to Figure 4 in the exhibits.

than attraction, and that both cannot be maximized with the same resource allocation.²⁴ In addition, focusing on retention will avoid overlap with Ambassador London's mandate, which focuses on attraction.

Defined by the value that EL can provide to its members and stakeholders, we recommend EL focus on the following strategic objectives:

1. Provide a voice for London's young adults, based on on-going data collection and analysis that will allow EL to weigh-in on important issues facing the city in the next decade.
2. Provide opportunities for members to develop and implement action-oriented solutions in each of the following areas: professional development, community development, arts and culture, and social engagement.
3. Continually analyze the demographic trends occurring in the young adult population and track metrics for EL's impact on this population to determine which initiatives are successful and ensure continual improvement.

As EL's value creation stems mainly from its ability to understand and represent the young adult demographic, one key deliverable should be research reports generated through an annual ThinkTank session. These reports must be released within a month of each ThinkTank session to ensure that EL is viewed as action-oriented. The other deliverables fall under the category of programming and will be developed from the ideas generated through research and member suggestions. Programming should focus on the four key areas important to young adults that are outlined in the strategic objectives: professional development, community development, arts and culture, and social engagement. The precise events will be dependent upon the demographics' current concerns and desires, and may evolve with time. In addition, deliverables will be constrained by the funding available. Therefore, exact deliverables cannot be fully determined at this time. Refer to Appendix B for suggested deliverables in each of the key areas.

MEASURING SUCCESS

With a net migration rate of only 0.5% in 2006, EL's target demographic in London is decreasing in size, and its net migration rate is trailing comparative cities, Hamilton and Kitchener.²⁵ EL should aim for London to be the premier city in Southwestern Ontario in its ability to retain the young adult demographic. To measure EL's progress toward this goal, on an annual basis, EL should track and compare young adult demographic trends in London to those in Hamilton, Kitchener, and Guelph. Monitoring these trends will also allow the research team to re-evaluate EL's value to the London community and communicate that value to community stakeholders and potential sponsors. However, since demographic trends are influenced by a multitude of uncontrollable factors, it is difficult to measure EL's direct impact on retaining

²⁴ Reinartz, W., J. Thomas, et al. (2005) "Balancing Acquisition and Retention Resources to Maximize Customer Profitability." *Journal of Marketing* 69 (January): 63-69

²⁵ Refer to Figures 1 and 2.

young adults. Therefore, demographic metrics should be tracked in conjunction with other metrics that are linked directly to EL.

Metrics directly associated with EL should include the volume of actionable recommendations and the percentage of these recommendations that are acted upon to ensure that EL remains action-oriented, as many stakeholders indicated that lack of action is a key concern about the current organization. In addition, EL should track the quantity of and attendance at events, as well as member volume, participation, and retention to determine member engagement and mitigate the risk of member burnout. The percentage of events spearheaded by new volunteers and the number of applications for volunteer positions should also be tracked to ensure that signs of volunteer burnout can be detected early and prevented. Member surveys and interviews are recommended as a method to determine both the key success factors for retaining members and where members and the community derive value. For a summary of the suggested metrics, refer to Appendix C. As metrics are an area of weakness in comparable organizations, EL has the opportunity to become an industry leader in this area.

ORGANIZATIONAL STRUCTURE

Based on analysis of similar organizations, best practices, and interviews with direct and indirect EL stakeholders, it was determined that a formal organizational structure is in EL's best interest. Key success factors are clear accountability, division into action teams, opportunity for member participation, ability to develop research and programming, and flexibility depending on available funding. Given these criteria, we recommend the following organizational structure:

EL should be governed by a Board of Directors that will focus on long-term planning and strategy to ensure it is sustainable and fulfilling its mandate. The Board should be responsible for distributing funding to each action team and reviewing proposals for large events. The Board should be composed of 7 external community representatives, the Executive Director and 2 EL members neither sitting on an action team nor holding other EL positions. EL member representation on the Board allows for the increased inclusion in decision-making that was found through member surveys to be desirable. Board members should be representative of the EL membership and therefore include a diverse range of fields and ages. The Board should meet monthly in the first year, after which time, they will meet bi-monthly. To reduce burnout, Board positions will be held for a maximum of two, two-year terms.

The Executive Director will be the only paid EL staff member and will be chosen by the Board. This position should be full-time and paid to mitigate volunteer burnout and ensure the Executive Director can focus on EL. The Executive Director will act as the spokesperson and external contact for EL and will therefore be responsible for building relationships between EL and other organizations and corporations. In addition, the Executive Director will be responsible for funding acquisition with the support of action teams. The funding model must be reviewed with the Board as it relates to long-term strategy. The Executive Director will be supported by the Administrative Assistant and Treasurer (see Figure 5 for responsibilities). Both the Administrative Assistant and Treasurer will be volunteer positions that are appointed by the Executive Director through an application process. Selecting dedicated and experienced

applicants will be critical at least until appropriate procedures and systems are in place. After this, these positions may be post-secondary students that are interested in gaining leadership experience.

To ensure an equal focus on each of EL's objectives, we recommend that EL be organized into action teams, with each team focusing on one objective. The action teams will be largely autonomous, organizing and running their own events, but the action team Chairs and Executive Director will meet regularly to ensure that the teams keep communication open and are not siloed. Each action team Chair will be asked to submit an annual roadmap outlining their events and planning steps for the year. This coordinates resources and events to ensure that action teams are not operating in conflict with each other. action team Chairs will maintain accountability over event and budget responsibilities. Further, budgets will be published to illustrate to sponsors the impact of their support, as well as a brief project report upon completion of each event.

The teams will consist of the Chair and five team members. Each chair is appointed by the Executive Director and responsible for supervising the planning and execution of all initiatives and events for their team, ensuring that an agreed number deliverables are provided each year, and that the team stays within budget.

The Chair will also act as the spokesperson of the action team and be accountable for its success. They will have a two-year term (open to re-appointment upon review). They will choose the action team members for a one-year term from applications submitted by EL members. Each event will be spearheaded by a Project Champion, who must be a member of EL. The Project Champion can engage interested members to help organize or run events. Action teams will meet regularly to review past events, and discuss upcoming events and new ideas. EL members are welcome to attend action team meetings if they wish to provide input, but they will not have formal decision making power. We recommend that the following five action teams are created:

1. The Research Team will be responsible for understanding the Young Adult demographic and determining what makes a city attractive to them. The team will organize future Think Tank and produce quality publications about the young adult demographic, in hard copy and online, interactive format. In addition, this team will ensure that the ideas generated are communicated to the appropriate action team for execution. The Research Team will also monitor success, and periodically re-assess and update the metrics as necessary. If the resources are available, the Research Team should also publish a quarterly EL publication profiling exemplary EL members and upcoming events.
2. The Professional Development Team will facilitate the professional development of EL members and connect EL members with local professional opportunities. Programming may include networking events, speakers, and a summer program to engage students in summer employment and network building in London.
3. The Community Development Team will engage EL members in improving the city by focusing on community service, the environment, and local politics.

4. The Social Team will work to develop relationships between EL members and create an inclusive and accepting EL culture. This team will also demonstrate that London offers opportunities for a work-life balance.
5. The Arts and Culture Team will promote arts and cultural development in the London community, focusing on events that appeal to EL's demographic. This team will work closely with existing organizations, such as the London Arts Council.

Incorporation as a Not-for-Profit Organization

With a more formal organizational structure, it is recommended that EL incorporate as a not-for-profit organization. EL has already been struck by volunteer burnout, and with only one paid staff member, it is foreseeable that volunteer burnout will continue to exist, while hopefully at a lower level. Thus, as the organization will be changing hands in management and contribution, the separate legal entity distinction of an incorporated business will be beneficial to ensure limited liability protection to its members. This will ensure that individual members are not personally liable for EL's debts and obligations, and that changes in members will not affect the organization. In addition, as EL engages in activities for the benefit of the community, the not-for-profit status will not only assist in attracting funding from organizations, but will ensure the organization is operating in the benefit of the community. The actions required to gain this incorporation are discussed in Appendix D.

FUNDING MODEL

Projected Expenses

Projected expenses and assumptions for the first three years of operations can be found in Table 6. Total expenses are projected to be \$78,350 in the first year of operations. The operating expenses will consist principally of a \$50,000 salary for the Executive Director. It was suggested through secondary research, that a comparable Executive Director with at least five years of experience would be approximately \$50,000. It is essential that EL recruit an individual with such experience as the work load will be heavy in the first few years while the organization is beginning operations. Figure 7 contains a recent survey which provides support for this decision.

Event costs will be variable and based on specific events, and thus will be budgeted once details of the events are determined. However, to subsidize the cost of each event, a budget of \$10,000 has been allotted to miscellaneous event costs which will be distributed across all events. This amount is expected to grow in year two and year three once membership increases and larger events are required.

In-Kind Sponsorship from the Chamber of Commerce

The Chamber of Commerce has expressed interest in becoming an in-kind sponsor, providing meeting space and some additional resources. This sponsorship would give EL a physical presence and a credible reputation increasing its clout in the London community. EL

will remain fully autonomous from the Chamber of Commerce and will have full control over its mandate and actions. Through best practices analysis, EPIC and MAGNET both indicated that their relationship to the Chamber of Commerce was the key to their success. The organizations remained fully autonomous, but enjoyed the benefits of a sustainable location and reputation from the shared space. It has been deemed that a physical location will increase EL's reputation as well as provide a necessary house for the Executive Director and so the rent savings are a critical component to this relationship. However, the sponsorship agreement must be discussed in further the detail with the Chamber of Commerce once a clear vision of EL has been established, as the Chamber of Commerce requires a clear strategic plan to understand EL's structure and mandate in order to move ahead with the sponsorship.

Membership Fees

EL expenses will be funded through the use of membership fees. As seen in comparable best practices, membership fees are critical to sustainability as they increase member involvement and provide a tangible source of annual funding. It is recommended that a segmented membership fee model be implemented to target the three different members EL needs to attract: students, corporations and the general public. The standard membership is a moderate \$40 annually and the benefits include free access to regular events, discounted access to special events, the ability to contribute on the various boards and action teams with EL and the introduction to a network of local professionals. The same benefits will arise for the student population, but with a discounted fee of \$35 in order to attract this more price sensitive market. It was found through best practices that a corporate membership proves to be successful with a strong renewal rate of close to 100%. In order to attract these corporations to become members and allow their employees unlimited access, the fee is discounted to \$35 for an *average* of their workforce. For example, a workforce of 20 employees will have a membership fee of \$700. In the first few years of operations it is projected that the average workforce for corporate memberships will be twenty employees, and thus \$700 per corporate membership.

While membership fees are necessary, they alone will not cover the total expenses for EL. In the first year, membership fees will only cover \$13,150 and will increase in year two and three to \$20,200 and \$25,600 respectively. With expenses of close to \$60,000 each year, additional models are required.

Corporate Sponsorship

The use of corporate sponsors will be crucial for EL's sustainability to provide funding to cover the remainder of the expenses. Two marquee sponsors should contribute \$10,000 each and will be marketed as key sponsors. The remainder of the sponsors will contribute \$2,500 each on average, as found through comparable organizations. It is estimated that EL will be able to solicit six sponsors in year one with an increase of two per year until the end of year three. The increase in sponsors is necessary to provide sustainable funding and to ensure a diverse sponsorship base to prevent any sponsor from influencing EL's mandate or image. When choosing these sponsors, it is important to include many different sectors of the economy and areas of London to reduce exposure to downturns in certain industries.

Trillium Foundation Grant

Additional funding will be required in the first two years of operations to cover additional start up costs and expenses until EL's membership base matures to a reasonable population. The use of a grant from the Trillium Foundation is recommended to provide the required funding in the first two years. The Ontario Trillium Foundation has a Community Program that provides funding to organizations that create a positive local impact. During this time, additional corporate sponsors including another marquee sponsor must be solicited to ensure that funding is available when the Trillium funding ends for year three. While comparable organizations confirmed that direct government funding hinders organizational autonomy, the use of indirect or targeting funding will ensure the government has no control over EL's mandate. Recurring government funding is not recommended in order to remain separate from political institutions.

Alumni as a Source for Future Funding

EL is unique from comparable organizations because its members will likely be leaving at the pinnacle of their personal and professional success. As such, these alumni should be considered as a source of future funding as they will have more disposable income than EL members. However, this will not be viable until EL reaches maturity at which point it should be further evaluated.

IMPLEMENTATION PLAN

IMMEDIATELY

- Announce to members and the community the completion of Sustainability Review
 - Communicate next steps with members and the community via email and website
- Release the outstanding ThinkTank Report to the community
 - Publish the report online as well as in hard copy
- Current Co-chairs with help from the Advisory Committee put together Funding Pitch

MONTHS 1-2

- Get funding for Executive Director (see Figure 8 for characteristics)
 - Target corporate sponsors, followed by a one-time government grant if necessary
- Publicly announce the acceptance of applications for Board of Directors
- Advisory Committee appoints Board of Directors
 - 2 EL members (chosen at later date) and 7 Community members
- Announce acceptance of Executive Director applications

MONTHS 3-4

- Board selects Executive Director
 - Require Executive Director to present ideas on future of EL (road map)
- Executive Director and Board select action team Chairs (with roadmap) and other Organizational positions
 - Including Administrative Assistant and Treasurer as needed

MONTHS 5-6

- Executive Director solicits additional funding (ongoing)
 - Target corporate sponsors and donors who will provide a fixed amount rather than targeted event-based funding
- Communicate re-launch of EL with London Community for publicity and update
- Announce accepting team member applications
- action team Chairs selects team members
- Develop programming based on member preferences and the Think Tank Report
 - Divided by action team, spearheaded by Chairs

LONG TERM

- Develop new programming
 - Ongoing development stemming from member needs and new reports
- Launch annual Think Tank
 - Publish and disseminate reports
- Refresh positions as necessary
- Solicit funding from corporate sponsors, foundations etc.
- Regularly publish updates to the community

EXHIBITS

Table 1: 2006 Population and Migration Data for London and Comparable Cities

	London	Kitchener	Hamilton	Windsor
Total number of population in 25-44 age range:	127,325	135,820	189,315	93,780
Percentage of the population in the 25-44 age range:	28%	30%	27%	29%
Net Migration Rate of 25-44 age range:	601	1893	1280	-292
Percentage Net Migration Rate of 25-44 age range:	0.47%	1.39%	0.68%	-0.31%

Sources: Statistics Canada 2006 Census Data

The City of London. "2007 Creative, Diverse and Innovative City Report Card."

Table 2: Best Practices Organizations - Primary & Secondary Research

Organization	City	Country	Interview Contact
FUSION	Halifax	Canada	Peter Moorhouse, Founder
Communitech	Kitchener-Waterloo	Canada	Karen Gallant, Director of Talent Networks
Kawartha Young Professionals	Kawartha	Canada	Brian Rump
Young Professionals Association	Sudbury	Canada	Isabelle Lortie, Youth Strategy Coordinator
MAGNET	Madison	United States	Rebecca Thorman, Executive Director
FOCUS St. Louis, Connect With St. Louis	St. Louis	United States	Christine Chadwick, Executive Director and Nikki Weinstein, Director of Policy and Community Engagement
EPIC	Toledo	United States	Joel Jerger, President and CEO

Table 3: Best Practices Organizations - Secondary Research Only

Organization	City	Country
SEED	Winnipeg	Canada
SYPE	Saskatoon	Canada
PUMP	Pittsburgh	United States
Metropolis	St. Louis	United States
BEAN	Seattle	United States

Table 4: Local Comparable Organizations and Related Stakeholders List

Organization	Contact	Position
City of London	Jennifer Kirkham	Chief Strategic Planner
	Jeff Fielding	CAO
	Anne Marie DeCicco	Mayor of London
	Judy Bryant	City Councillor, Member of Creative City Task Force
Chamber of Commerce	Gerry McCartney	CEO and General Manager
TechAlliance	Carmen Gicante	VP Business Services
LEDC	Kapil Lakhota	LEDC Director, Research and Business Development
GenNext	Kelly McManus	Executive Director
Ambassador London	Lori DaSilva	Member of AL Steering Committee
Young Professionals Group	Jeff Harris	Co-Founder
IABC	Michele Martin	Chair
Pillar NonProfit Network	Michelle Baldwin	Executive Director
London Creative Network	Jason Recker	Founder
London Arts Council	Andrea Halwa	Executive Director
University of Western Ontario	Dr. Roderic Beaujot	Professor of Sociology
The Centre for Social Innovation	Johnny Fansher	Lead Coordinator

Table 5: Funding Stakeholders

Chamber of Commerce	Gerry McCartney	CEO and General Manager
3M Canada	Richard Chartrand	Executive Director, Display and Graphics
Selectpath Benefits and Financial Inc.	Gordon Hart	President and CEO
Ontario Trillium Foundation	Shelia Simpson	Program Manager, West

Figure 4: The Current "Emerging Leader" Definition

An Emerging Leader is someone who:

- Is between the ages of 22-44, from a range of sectors (business, technology, education, science/research, political, creative, cultural...)
- Is creative, entrepreneurial, and innovative in thought process and action
- Is community-minded and/or interested in issues and challenges facing the London community
- Demonstrates community leadership or intentions towards same
- Is willing to contribute meaningfully to think tank sessions and share knowledge and ideas with peers

Table 6: Projected EL Financing and Funding Requirements

	Year 1	Year 2	Year 3
Revenues			
Individual Memberships (1)	\$ 6,800	\$ 12,000	\$ 15,200
Student Memberships (2)	\$ 2,800	\$ 3,500	\$ 4,200
Corporate Memberships (3)	\$ 3,500	\$ 4,200	\$ 5,600
Total Revenues	\$ 13,100	\$ 19,700	\$ 25,000
Operating Expenses			
Salaries expense (4)	\$ 50,000	\$ 50,000	\$ 50,000
Advertising & Promotion (5)	\$ 5,000	\$ 8,000	\$ 7,000
Website (6)	\$ 2,000	\$ 2,000	\$ 2,000
Administrative Expense (7)	\$ 2,400	\$ 3,000	\$ 3,000
Total Operating Expenses	\$ 59,400	\$ 63,000	\$ 62,000
Programming Expenses			
Miscellaneous Event Costs	\$ 10,000	\$ 13,000	\$ 15,000
Annual Think Tank (8)			
Venue	\$ 500		
Food	\$ 400		
AV - Presentation	\$ 500		
AV - Recording	\$ 500		
Whiteboards	\$ 1,000		
Post-its	\$ 100		
Printing	\$ 250		
Photography	\$ 200		
Misc.	\$ 150		
Post-Social/Mixer	\$ 500		
Annual Think Tank Expense	\$ 4,100	\$ 4,100	\$ 4,100
Total Programming Expenses	\$ 14,100	\$ 17,100	\$ 19,100
Start Up Costs (9)	\$ 5,000		
Total Expenses	\$ 78,500	\$ 80,100	\$ 81,100
Financing Gap (10)	-\$ 65,400	-\$ 60,400	-\$ 56,100
<u>Required Funding to Cover Financing Gap</u>			
Trillium Foundation Grant	\$ 30,000	\$ 20,000	\$ -
Corporate Sponsorships			
Marquee sponsors (11)	\$ 20,000	\$ 20,000	\$ 30,000
Corporate Sponsor (12)	\$ 15,400	\$ 20,400	\$ 26,100
Total Required Funding	\$ 65,400	\$ 60,400	\$ 56,100

Assumptions

Standard Membership Fee (1)	\$40
Student Membership Fee (2)	\$35
Average Corporate Membership Fee (3)	\$700
Marquee Sponsorship Average (11)	\$10,000.00
Corporate Sponsorship Average (12)	\$2,500.00

	Year 1	Year 2	Year 3
# of Standard Membership (1)	170	300	380
# of Student Membership (2)	80	100	120
# of Employees per Company (3)	20	20	20
# of Corporate Members (3)	5	6	8
# Marquee Sponsors (11)	2	2	3
# Corporate Sponsors (12)	6	8	10

- (1) Estimated 170 members at \$40 per member (decrease from present due to membership fees)
 - Large increase in year 2 assumed based on most BPA's doubling in size after first year
- (2) Estimated to be approximately 30% of total individual membership base
- (3) Estimated 5 memberships, average 20 employees per workplace, \$35 per membership in year 1
 - Steady increase for years two and three, but assumed same average number of employees
- (4) Please see Figure 7 for survey analysis on Executive Director Salary of \$50,000
- (5) Increase in advertising for year 2 assumed to attract additional members for strong growth
 - Advertising based on similar BPA expenditures related to size
- (6) Based on similar estimates for upkeep and maintenance - could solicit for in-kind sponsor
- (7) Based on \$200 per month for paper, internet, phone, etc. with increase once growth occurs
- (8) All ThinkTank expenses derived from past EL sessions
- (9) Start up costs include computer, printer, miscellaneous fees
- (10) Financing gap is defined as the amount of additional funding required to meet expenses
- (11) An increase to 3 sponsors needed in year 3 when no expectation of Trillium funding

Figure 5: Roles and Responsibilities for the Administrative Assistant and Treasurer

<p>Administrative Assistant</p> <ul style="list-style-type: none">• Coordinate Board meetings• Provide meeting minutes• Write communications to EL members• Support Executive Director with various administrative tasks• Support Board meetings
<p>Treasurer</p> <ul style="list-style-type: none">• Manage the EL bank account• Write and track invoices• Provide cheque requisitions.• Produce and monitor the budget• Sit in on Board meetings, as needed• Prepare financial statements• Set up financial systems and accounting controls

Figure 6: Recommended Organizational Structure

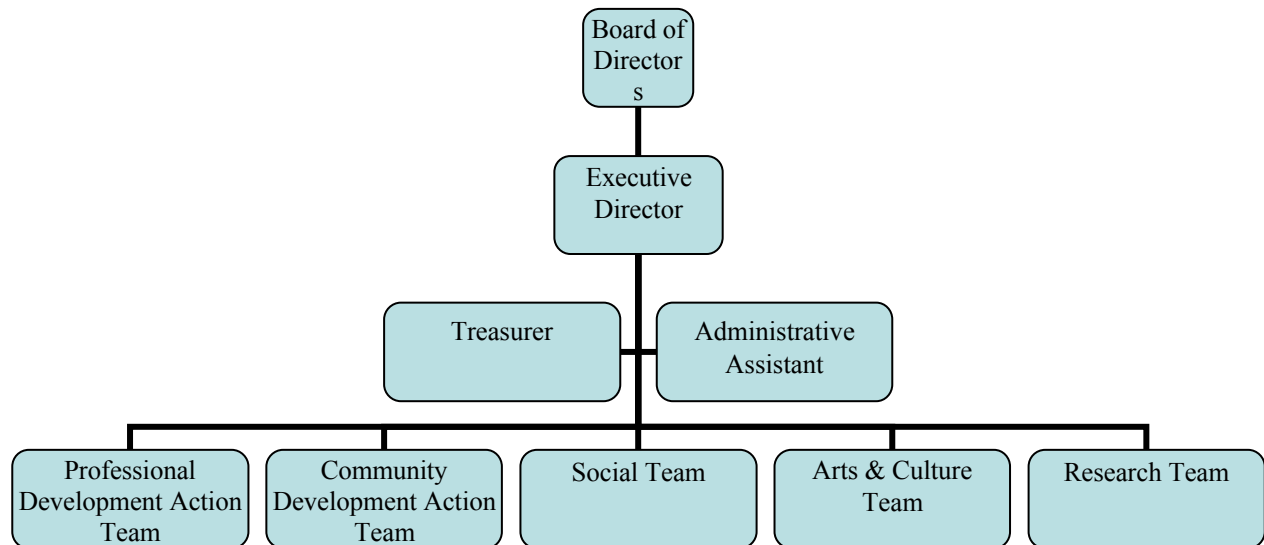
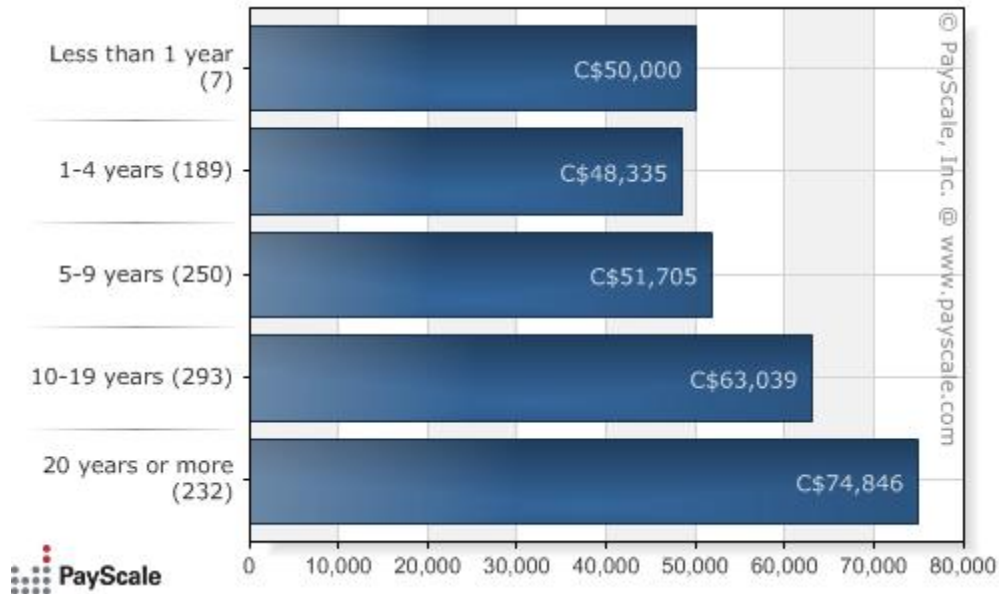


Figure 7: Salary Survey Report for Job: Executive Director, Non-Profit Organization

Median Salary by Years Experience - Job: Executive Director, Non-Profit Organization (Canada)



Currency: CAD | Updated: 8 Jan 2009 | Individuals reporting: 971

http://www.payscale.com/research/CA/Job=Executive_Director%2c_Non-Profit_Organization/Salary

Figure 8: Executive Director Characteristics

Personal Characteristics:

- Ability to build and manage relationships
- Exceptional communication skills
- Entrepreneurial spirit; Creativity
- Flexibility and open-mindedness
- Political “savvy-ness”
- Connection with the community

Professional Requirements:

- At least 5 years experience with a similar organization
- Previous experience working with Board of Directors
- Ability to manage staff
- Experience acquiring funding

APPENDIX A

EL'S CURRENT MEMBER PROFILE

The following information was concluded from the 98 member surveys that were returned to us:

Snapshot of EL Member Profile

Characteristic	EL Member
Age	23-30 years old
Length of time lived in London	More than 10 years
Length of EL membership	1-2 years
Industry	Education
Occupation	Professional

Age: 88% of surveyed members are between the ages of 23–40. This age of surveyed members fits within EL’s defined and communicated vision of engaging members within the 25-44 demographic.

Membership: 75% of surveyed members have been members of EL for 1 or more years, with the rest (25%) having joined EL for less than one year. This shows that the majority of surveyed members joined EL during its 2006-2007 think-tank, and few members have joined since.

70% of surveyed members have been in London for 5 years or more. In fact, over half of the members surveyed (51%) have been in London for more than 10 years. This means that over half of EL members may already have established ties with the community prior to being a member.

The surveyed members work in a wide variety of industries, with the majority in education (21%), not-for-profit (20%) and finance/insurance/real estate (14%). The industries not represented by members include agriculture, trade, automotive and construction. Members of EL are specialized in industries not proportionally representative of London’s industries, since London’s industrial profile is concentrated into 17% in business service, 17% in other services, and 15% in manufacturing.

EL’s surveyed members are leaders within their organizations; 33% are professionals, 18% are senior managers and 18% are middle managers. Only 3% are in junior positions at their organization. This presents an opportunity for EL to evaluate their effectiveness in engaging and increasing the involvement of the 22-44 year old demographic, if 36% of members are currently middle to senior managers. Also, there is an opportunity to market EL to a “less emerged” demographic.

There are three main themes to why survey respondents are members of EL.

- Opportunity: Members joined EL because they enjoy connecting with other like-minded, similarly-aged, young professionals in London. They like the opportunity to do this through networking events.
- Passion: EL members feel very passionately about London. They joined because they believe in the EL vision, and want to be a part of developing London into a thriving city.
- Future leaders: Members recognize the important role of the 22-44 demographic in shaping London's future and want to be involved in the process. They believe that for this to happen, this demographic needs a collective voice – something EL can provide them with.

APPENDIX B

DETAILED OUTLINE FOR EL'S FUTURE MANDATE, VISION, STRATEGIC OBJECTIVES AND DELIVERABLES

Mandate:

To retain London's Young Adult Demographic by connecting them with the community professionally, culturally, politically, and socially, in order to foster an environment in which they can flourish.

Who are Emerging leaders?

Emerging leaders are young adult leaders who are innovative, community-minded and from a diverse range of sectors. They wish to be connected with others in the London community, in order to lead in making the city a better place to live for their demographic. Though these people are not necessarily EL members, EL is interested in finding and collecting them, in order to provide them with a voice and the resources to lead.

Objectives:

1. Provide a voice for London's young adults, based on on-going data collection and analysis that will allow EL to weigh-in on important issues facing the city in the next decade.
2. Provide opportunities for members to develop and implement action-oriented solutions in each of the action teams: Professional Development, Community Development, Arts and culture, Social, and Research.
3. Continually analyze the demographic trends occurring in the young adult population and track metrics for EL's impact on this population to determine which initiatives are successful and ensure continual improvement.

Values:

Inclusion – member and event
Leadership
Diversity
Innovation
Taking action
Members first (avoid burnout)
Communicate with community

Vision for:

Emerging Leaders: To foster within emerging leaders a sense of investment in the London community and its future as a world-class city.

The London community: To encourage a sense of ownership among established business and community leaders to invest in the development of the young adults demographic as London's next generation of leaders

Action Teams' Mandates and Deliverables:

RESEARCH TEAM:

Mandate: To understand the role of the young adult demographic in London, in order to communicate these needs within EL and to the community. From this research, they are responsible for suggesting actions-oriented solutions that should be implemented by the action teams and community partners.

Deliverables:

1-2 research projects per year on a relevant issue concerning young adults in London
Arising from this research, forward solutions that action teams can implement
Organize and lead annual Think Tank
Monitor and communicate EL progress metrics
Quarterly EL publication to members and the community

PROFESSIONAL DEVELOPMENT TEAM:

Mandate: To facilitate the professional development of emerging leaders, and in doing so, generate business development and entrepreneurial opportunities for London.

Deliverables:

Identify and communicate with potential professional partners
Ensure opportunities spanning a diverse range of sectors
Organize and lead:
 Professional networking events – develop professional networks
 Professional speakers
 EL Summer program
 MentorNet
 OnBoard

SOCIAL TEAM:

Mandate: To develop relationships between EL members and the London community by fostering a culture of inclusion and leadership, while having fun.

Deliverables:

Promote and/or coordinate social opportunities that are unique to London, such as Lola
Organize and lead monthly social mixers (ex. bowling night)
Work with existing organizations to organize events, such as the Young Professionals Group
Work closely with the Arts and Culture action team to coordinate events

COMMUNITY DEVELOPMENT TEAM:

Mandate: To inspire and engage emerging leaders to improve London by contributing to their communities.

Deliverables:

Work closely with local NPOs and community service organizations as event partners
Connect members with volunteer activities run by local organizations, such as GenNext
Environmental initiatives such as an environmental education campaign
Social and political awareness (for example, political debates)

ARTS AND CULTURE TEAM:

Mandate: To enhance the quality of life for young adults in London through the development of arts and culture.

Deliverables:

Organize opportunities to experience arts and culture
Promote local arts and culture initiatives, including showcasing emerging leaders
Work with existing organizations such as the London Arts Council to organize events
Work closely with the Social Team to coordinate events

APPENDIX C

SUMMARY OF SUGGESTED METRICS

- Net migration and emigration rates of the young adult demographic in London, Kitchener, Hamilton, and Guelph.
- # of Members
- Member participation (# of events members attend per year)
- Member retention
- Total # of Events
 - # of Events per action team
- Event Attendance
- % of Events spearheaded by new volunteers
- # of applications received for volunteer positions
- # of actionable recommendations generated
- % of these actionable recommendations that are acted upon
- Member survey data

APPENDIX D

INCORPORATION PROCESS

1. The board of directors should develop the mandate for EL to assist in the official “objectives” in the incorporation process.
2. Contact the Ministry of Governmental Services Companies Branch at 1 800 361 3223 to discuss the application process and/or to attain a copy of the not-for profit incorporation form.
3. Either hire a consultant, or ask a board member to conduct a NUANS search (i.e. Newly Upgraded Automated Name Search). For CA\$60 the consultant will verify whether the proposed organization name is already taken. This is a mandatory step, as the original NUANS report must be sent to the *Ministry of Governmental Services, Companies and Personal Property Security Branch* along with your application.
4. Obtain legal advice on the application prior to submitting the incorporation form.
5. Complete the non-profit incorporation form in duplicate, sign both copies.
6. Send the completed application form *and* the original copy of the NUANS search to: *Ministry of Governmental Services, Companies and Personal Property Security Branch, University Ave, Suite 200, Toronto ON M5G 2M2*. Include a cheque payable to MINISTER OF FINANCE. The cost of processing the application is CA\$155 for four to six weeks, or CA\$255 for seven day service. For the seven day service, include a covering letter explaining that you want expedited service.

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