

Developmental Stages of CMOs

1. Human Resources, Systems & Activity

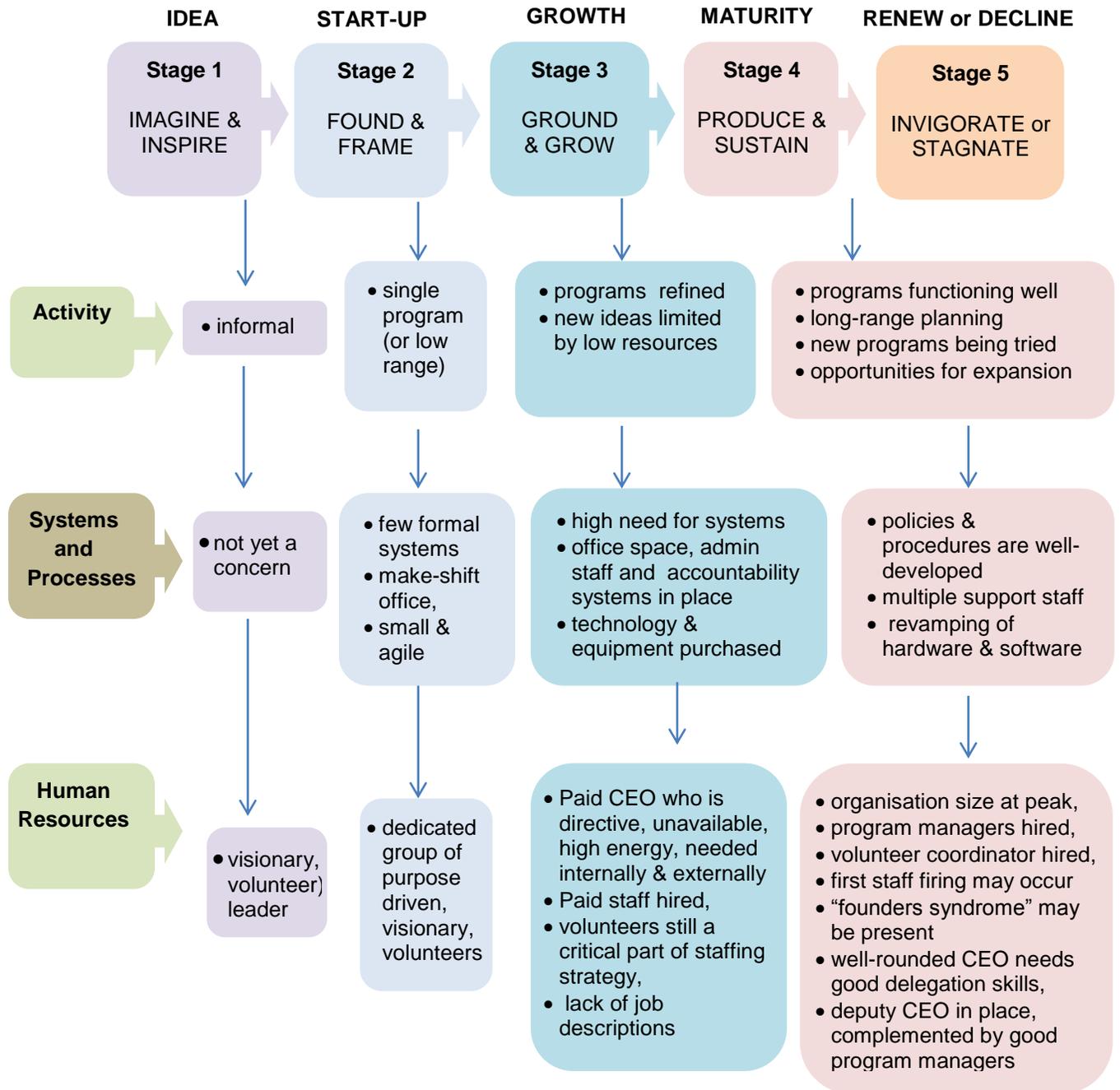


Figure 1. Human Resources, Systems & Activity aspects of CMO Developmental Stages based on Sharken Simon, J. in Elizabeth Burden (2010), and Stevens (2007).

Seven Stages of the CMO Life Cycle (Stevens, 2007)

Stage 1: <u>Idea</u>	Main Challenges	
Perceived community need sparks a founding idea or vision of what could be	– Identifying an unmet need	– Mobilising support of others
	– Developing mission and vision	– Converting the idea into action
Stage 2: <u>Start-up</u>	Main Challenges	
The beginning stage of operations - energy and passion are at their highest, but systems often lag behind	– Knowing when to say “no”	– Leveraging sweat equity into support
	– Living within budget	– Sharing vision & responsibility with staff, board, constituencies
	– Hiring versatile staff	
Stage 3: <u>Growth</u>	Main Challenges	
Program opportunity and service demand exceed current systems and structural capacities	– Too much to do, too little time	Opportunity and demand exceed
	– Developing board ownership	current systems & capacities
	– Program/strategic focus keeps creativity, vision	
	– Identifying distinctive competence	
Stage 4: <u>Maturity</u>	Main Challenges	
CMO has a reputation for providing steady, relevant and vital services to the community; operates with a solid foundation and an overall sense of security	– Remaining client-centred, rather than policy-bound	– Maintaining programmatic “edge,” cycling programs in and out based on continued relevance
	– Keeping staff mission-focused	– Becoming “position” rather than “person” dependent
	– Building financial reserves	
Stage 5: <u>Decline</u>	Main Challenges	
CMO makes status quo decisions based on internal factors rather than external client needs, resulting in diminished client status and insufficient income to cover operating expenses	– Reconnecting with community need, discarding programs that add no value	– Raising income so reserves not drawn down
	– Remembering policies, procedures, systems and structure are no substitute for creativity and risk-taking	– Examining the budget for top-heavy admin expenses
		– Keeping the board engaged
Stage 6: <u>Turnaround</u>	Main Challenges	
CMO is at a critical juncture because of lost market share and income; takes decisive action to reverse prior actions to increase relevance and viability	– Finding a turnaround champion and letting them lead	– Cutting expenditure
	– Establishing a turnaround culture / mindset	– Restoring eroded community credibility via consistency, honesty & results
	– Consistent open dialogue with constituents, funders and community	
Stage 7: <u>Terminal</u>	Main Challenges	
CMO has lost its will, reason or energy to exist	– Accepting responsibility for renewal/termination	– Communicating termination plans to clients and making appropriate referrals
	– Resisting the urge to blame others for terminal situation	– Closing up shop in an honourable manner,

References

Sharken Simon, J. in Elizabeth Burden (2010). Stages of Nonprofit Growth and Development <http://vozpopular.com/PDF/Stages.pdf> Accessed 17th September 2010.

Stevens, S. (2007). *Becoming Who You Are: A Lifecycles Approach to Nonprofit Capacity*. Based on excerpt from *Nonprofit Lifecycles: Stage-based Wisdom for Nonprofit Capacity*. (2002). Stagewise Enterprises.