



HARNESSING TECHNOLOGY & CHANGING LIVES

Final Report December 2010

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Name of Project: Launching Communities
Across California

Grant Number: (See the Grant Agreement to locate the number.) 2096353

Start Date: January 1, 2008 **End Date:** December 31, 2010

I. Financial Summary

- Total Project Budget Spent: (Attachment B contains the detail.) \$2,319,358
- CETF Grant Amount: \$600,000
- Additional Grant: (if applicable) N/A
- Percentage of Match Funds Raised against Goal (\$2,916,737): 97.3%
- Cost Per Unit of Outcomes: (Total Outcomes/Total Budget) Multiple Outcomes

II. Project Description, Goals and Objectives, and Outcomes

Project Description

(Provide the Purpose Statement from Grant Agreement. Please update to make the most sense. This section serves as the primary introduction to the project for the reader.)

The Stride Center's "Launching Communities Across California" (LCAC) program is enabling low income adults with access to the benefits of a technology economy through education, equipment, employment, and community. The Stride Center's goal was to launch an expansion of its proven successful social enterprise model by collaborating with community-based organizations across the state to address the issues of poverty and unemployment through access to technology and career opportunities in the tech sector.

Disadvantaged neighborhoods in most need of technology benefits are also the least likely to have available resources. Stride's programs have been developed upon a foundation of economic self sufficiency and sustainability. This approach provides a robust platform upon which services and resources enables broadband deployment efforts and the launching of self-sufficiency for individuals, families, community-based organizations and neighborhoods simultaneously.

Research suggests that simply expanding availability of broadband does not result in adoption of broadband. In order to enable adoption there are broader elements that are needed such as: access to low cost computers and affordable technical support, technical training and access to technical career opportunities. By creating a robust infrastructure within disadvantaged neighborhoods The Stride Center reaches those populations, currently

deemed most at risk and least likely to adopt broadband, and encourages and accelerates economic self sufficiency for community members.

Through this LCAC program, Stride increased financial self sufficiency and broadband adoption in underserved neighborhoods and communities in California through the expansion and replication of its successful workforce development, tech support, and social venture business programs.

Goals and Objectives Summary

Stride’s LCAC proposal had several key components aimed at expanding the reach and scale of its training and social venture business to increase the number of people it could serve through its programs. Over three years, the Stride Center successfully expanded its training program from 2 to 6 training locations, increasing annual enrollment from 100 to nearly 500 in 2010. In addition, the Stride Center scaled up its social venture enterprise, ReliaTech, increasing the number of locations from 1 to 3, and growing revenue from \$149K to over \$500K annually. 100% of Stride’s goals were met in all areas except for job training enrollment and job placement outcomes. In this area initial targets were reduced. To the reduced targets, training completions exceeded goal by 8% and job placement reached 83% of revised targets.

Project Outcomes Summary

Outcome Description	Actual	Goal	Percent Completed
Number of Households Newly Using the Internet	34	351	10%
Number of Persons Employed After Training	395	480	83%
Number of Adults Completing Digital Literacy Training (Revised)	100	103	103%
Number of Adults Completing Workforce Training (Revised)	650	601	108%
Number of Computers Distributed	1350	1808	134%
Number of Disability Clients Served	12	12	100%
Accessibility Trainings/Plans	1	1	100%

IV. Accomplishments and Challenges

Summary of Accomplishments and Impacts of Project

Assessment of Outcomes Achieved in Comparison to Grant Agreement

- The Stride Center had 7 outcomes and achieved 100% of 5 of the outcomes (2 of which were revised downward in 2009), 83% of the 6th outcome and 10% of the 7th outcome.
- The Stride Center established extremely ambitious expansion targets for its training programs. In the 2nd year of the grant, Stride requested a reduction of the enrollment and job placement targets, setting more realistic expectations. Based on the revised targets, Stride successfully expanded from 2 to 6 training locations and from 100 to 500 enrollments/year, while improving retention and certification outcomes.
- The computer refurbishing program, operated by ReliaTech, significantly exceeded targets based on higher than expected product donations and strong customer demand. During this period, ReliaTech established the business as an industry leader in product quality, customer satisfaction and technical expertise.
- The Stride Center is pleased to have a strong accessibility plan and to be serving clients with various abilities thoughtfully.

Delineation of Deliverables and Outcomes Not Achieved and Explanation

- Stride did not achieve job placement targets. Our goal was to place 80% of program graduates. In the first year of the grant, we achieved 81% placement. In 2009, the second grant year, 77% of Stride graduates were placed in jobs. Given the flagging economy, achieving the 2009 placement outcomes required a complete reengineering of our placement team. We grew job placement staff from one to four; implemented

monthly one on one coaching for every A+ student; upgraded the professional development curriculum and significantly stepped up employer engagement activities. 2010 witnessed a continuing poor job market and a significant growth in Stride's student enrollment figures from 320 in 2009 to 495 in 2010. The combination of the increased number of students and the lagging job market has negatively impacted placement outcomes. Indeed, in 2009, Stride placed 136 students and in 2010, we placed 168. So the overall placement numbers are going up, but not keeping pace with the number of enrolled students. Still, we continue to work with 2010 graduates and expect to see ongoing improvement in the final outcome.

- Stride significantly under-achieved its broadband adoption target. We sorely underestimated the effort involved in facilitating broadband adoption and in the chaos of growing primary program outcomes 5 fold, we did not pay sufficient attention to the poor adoption targets. The reality is that we feel we have facilitated a much larger number of "adopters" but do not have sufficient record keeping to report higher numbers. In the last year, as we work with other ACT partners to increase broadband adoption, we have come to understand the many obstacles involved with facilitating adoption. Even with lower broadband prices and inexpensive equipment, adoption is a challenging target.

Discussion of Other Positive Results from Project

This project has had a **very** significant impact on the Stride Center and consequently on the low income adult population and communities we serve. CETF's investment in expanding the Stride Center's programs will pay social dividends for many years to come in terms of numbers of adults served, the quality of program services and the ability of the business to generate income through its social venture businesses.

- In 2007, the Stride Center enrolled 119 low income adults at a single location. In 2010, Stride enrolled 475 in 6 locations across the Bay Area and Sacramento. In 2011 Stride's enrollment target is 575. By 2015, we expect to have major programs in Bay Area, Sacramento and Southern California and by 2017 we plan to launch a national expansion strategy. It was this CETF investment of \$600,000 that made all of this expansion possible. Before that time, and indeed during the 3 year period, CETF was our largest single investor. Now, because Stride has *demonstrated* leadership, business competency, capacity to grow effectively and consistent outcome success CETF is one of a growing handful of funders investing at this level. We always knew we could do it, but it took a savvy funder with a clear vision and a willingness to invest in the Stride Center to make all this possible.
- Throughout this expansion timeframe, we have kept a critical eye on program quality. Expanding programs so rapidly often undermines a small organization's ability to maintain focus on program quality. But, the Stride Center has documented and formalized practices, promoted best practice identification and replication, implemented data evaluation, reporting analysis tools and formed long standing program partnerships. Program quality has never been better, as witnessed by improving retention and certification success, and we are certain that job placement success would also have improved were it not for the recession. Today, the Stride Center is recognized as an industry leader in workforce development and social venture business management and through EmpowerNet CA is packaging its products and making them available to nonprofit organizations across the state.
- ReliaTech has grown significantly because of CETF's investment. In 2007, ReliaTech earned \$149,000. In 2010 total revenues were \$468K and projections in 2011 exceed \$550K. This business growth means ReliaTech is employing more Stride graduates, providing paid internships to more Stride Center students, creating more high quality affordable computers for the community and collecting more e-waste to be responsibly recycled. We fully expect ReliaTech to continue to grow and thrive. Our experience through this CETF funded expansion has helped us better understand ReliaTech's core competencies, key competitive advantages and emboldened our focus on our social mission. As such, we have a new business plan that will reposition ReliaTech stores as Neighborhood Technology Centers, providing a more comprehensive array of technology services in our communities including user training, free computer and wifi access and more. Further, the new business plan expands recycling and refurbishing, creates a product distribution center, and overall significantly increasing our jobs creation capacity.

Overview of Major Challenges to Achieving Planned Results

Identify Major Challenges to Successful Implementation

The Stride Center faced a number of challenges to successful implementation of this project. Most of the challenges related to the ambitious and aggressive program expansion we experienced while others related to finding ourselves in an unexpected and historic economic downturn.

- Much of Stride's expansion strategy hinged on building strong partnerships and using those relationships to rapidly and cost-effectively start-up and maintain training sites in low income communities across the Bay Area and Sacramento. While we were not new to partnership, this new model of "host site partnership" strained our expertise and presented unexpected challenges. Three years later, we still rely on host site partnerships and 3 of our current 5 locations are hosted by Goodwill, the Urban League and the Michael Chavez Center. The process of identifying, starting up, maintaining and occasionally ending partnerships has been a significant challenge.
- Operating a social enterprise with a triple bottom line is extremely challenging. It was always our vision that ReliaTech would become a source of net income to supplement Stride's operating costs. Over the course of this project we have been challenged to reevaluate our priorities, understand the accurate cost and full value of our social enterprise and come to terms with measuring success in a more balanced way. This lack of clarity early on caused a lot of stress in organization around managing a mission centered business, and making trade-offs between two generally opposing strategies.

Discuss Efforts to Address Challenges and Resolve Problems

- In order to better evaluate program effectiveness in the face of dramatic organizational change, the Stride Center set out to strengthen its process and outcomes evaluation skills. In the course of this three year grant, Stride implemented Salesforce CRM to track student progress and program outcomes. We implemented a series of student surveys to better track the student experience and developed internal systems to analyze feedback and implement process corrections in response. Stride engaged an outside consulting firm to assist us in developing a theory of change and logic model, which was then used to develop a more comprehensive data set to measure program effectiveness. These tools have helped Stride be aware when processes aren't working to make course corrections, and to celebrate those practices that are working.
- The Stride Center has a track record recognizing early when we do not have internal capacity to solve issues and seeking outside expertise to identify solutions. As such, several of the more strategic issues were solved by bringing in outside experts, normally pro bono (Taproot, Stanford Alumni Consulting Team) for help. We used Taproot Foundation services to address marketing and branding issues when we changed our name in 2008 and to assess HR capacity in light of our growing organization. We utilized the Stanford Alumni Consulting team to identify key markets for ReliaTech growth and focus our marketing, sales and productivity efforts in that direction. Stride has also strategically added members to our board of directors with expertise or networks of value to the business. Finally, Stride worked with REDF to think through our triple bottom line questions and settle on a more realistic set of income, profitability and social impact goals and measures.
- Managing the shifting organizational landscape, maintaining an entrepreneurial culture and staying focused on our core mission has been a key strategy for facing challenges of all types. Recognizing that things would change rapidly and maintaining an open communication stream with staff has helped Stride stay strong and staff remain motivated, engaged and committed to our mission.

V. Lessons and Recommendations

Summary of Lessons Learned

Lesson #1. Growth is chaotic and messy and exciting. Stay in tune with staff through the growth process to respond to the inevitable stress points and actively encourage the behaviors that are most likely to help your organization success.

Lesson #2. Change is scary for employees. Practice successful strategies for managing an organization in a high state of change: Involve staff in decision making whenever possible. Trust your staff to be active partners in the change. Inform staff of upcoming changes as far in advance of the change as possible. Inspire staff to stay focused on the core mission of the organization as a touchstone in difficult times. Don't forget to have fun.

Lesson #3. Focus on the outcomes you are working to achieve and build an infrastructure that enables timely evaluation of outcomes deeply enough to know what's working and what's not. Provide staff with tools to perform their own evaluation and instate processes to change and implement new processes.

Recommendations

Recommendations for Expanding the Project in Region or Scaling Up Statewide

Recommendation #1: Stride will continue to expand its programs across California and ultimately nationally. Our new strategic plan outlines key strategies for program improvement and expansion.

Recommendations to CETF Regarding Grants Management

Recommendation #1: Compared to most other funders, CETF has very complicated and frequent reporting expectations. I find the frequency of reporting helpful, especially because there were so many goals identified in this grant. However, I would prefer a more grantee friendly reporting approach. For instance, quarterly reports, instead of requiring a specific response to every goal, could have been a status report identifying areas where grantees were exceeding or falling behind in deliverables. In the end the reporting was manageable, but it did require a level of attention and responsiveness that I felt often took my attention away from more important activities.

Recommendation #2: The annual funder conferences were very valuable. I have developed alliances and partnerships through those conferences that will last my career. Keep them, and don't let grantees convince you they are not important or worthwhile.

VI. Grant Agreement Requirements

Purchased Equipment *(If you purchased equipment with the CETF grant, please recap what was purchased and what will happen to it now that the grant has concluded.)*

NA

CETF of Grant Funds *(If there is a balance of CETF of grant funds please indicate the balance and the agreement reached with CETF as to the disposition of these remaining funds.)*

All of the CETF grants funds were expended.