



SRM & Innovation: A Perfect Pairing

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YMCA of Greater Toronto

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Our Time Together

- YMCA Context for Innovating
- SRM and YMCA Innovation
- Culture for Innovating
- Bringing Great Ideas to Life
- Sustaining Innovation
- Role of SRM Practitioner



Our Opportunity Landscape



Linking Strategy and SRM

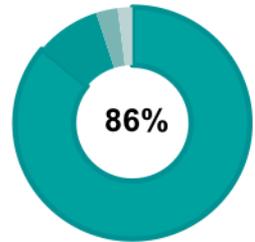
Strategic risk management (SRM)

... a business discipline that drives deliberation and action regarding uncertainties and untapped opportunities that affect an organization's strategy and strategic execution

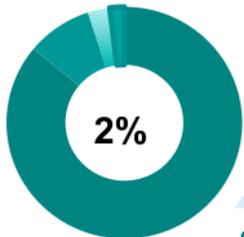
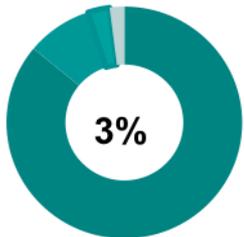
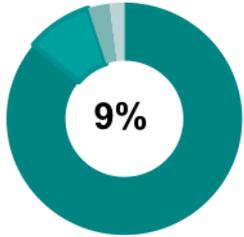
RIMS Strategic Risk Management Implementation Guide, RIMS, 2011



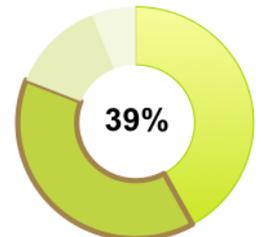
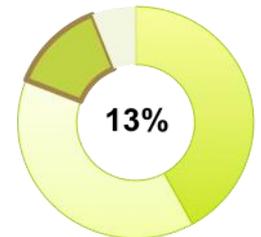
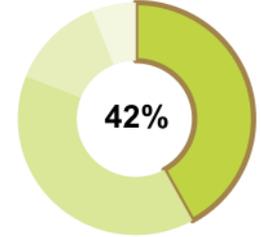
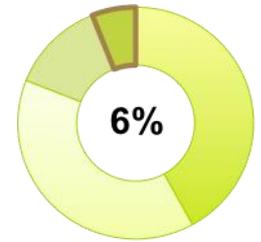
Strategic Risks Really Matter



Likelihood of Occurrence
Percentage of Risk Failure
Leading to Significant
Market Decline



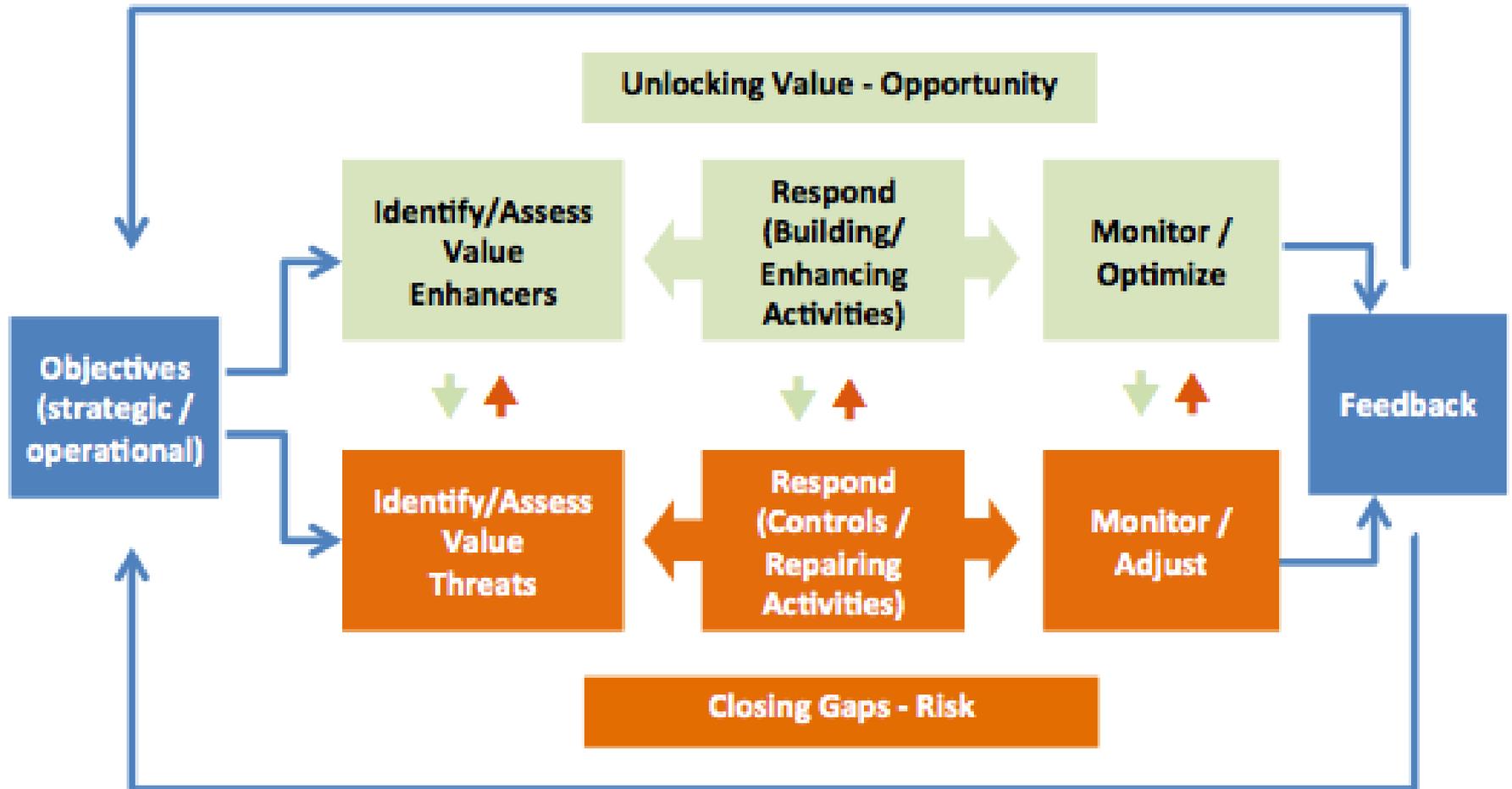
Executive Time Spent
Percentage of Time Spent
by Audit on Risk Types



Source: CEB 2014 Share Shocks Analysis from CEB Executive Guidance, Reducing Risk Management's Organizational Drag, 2014



YMCA Risk Intelligence Framework

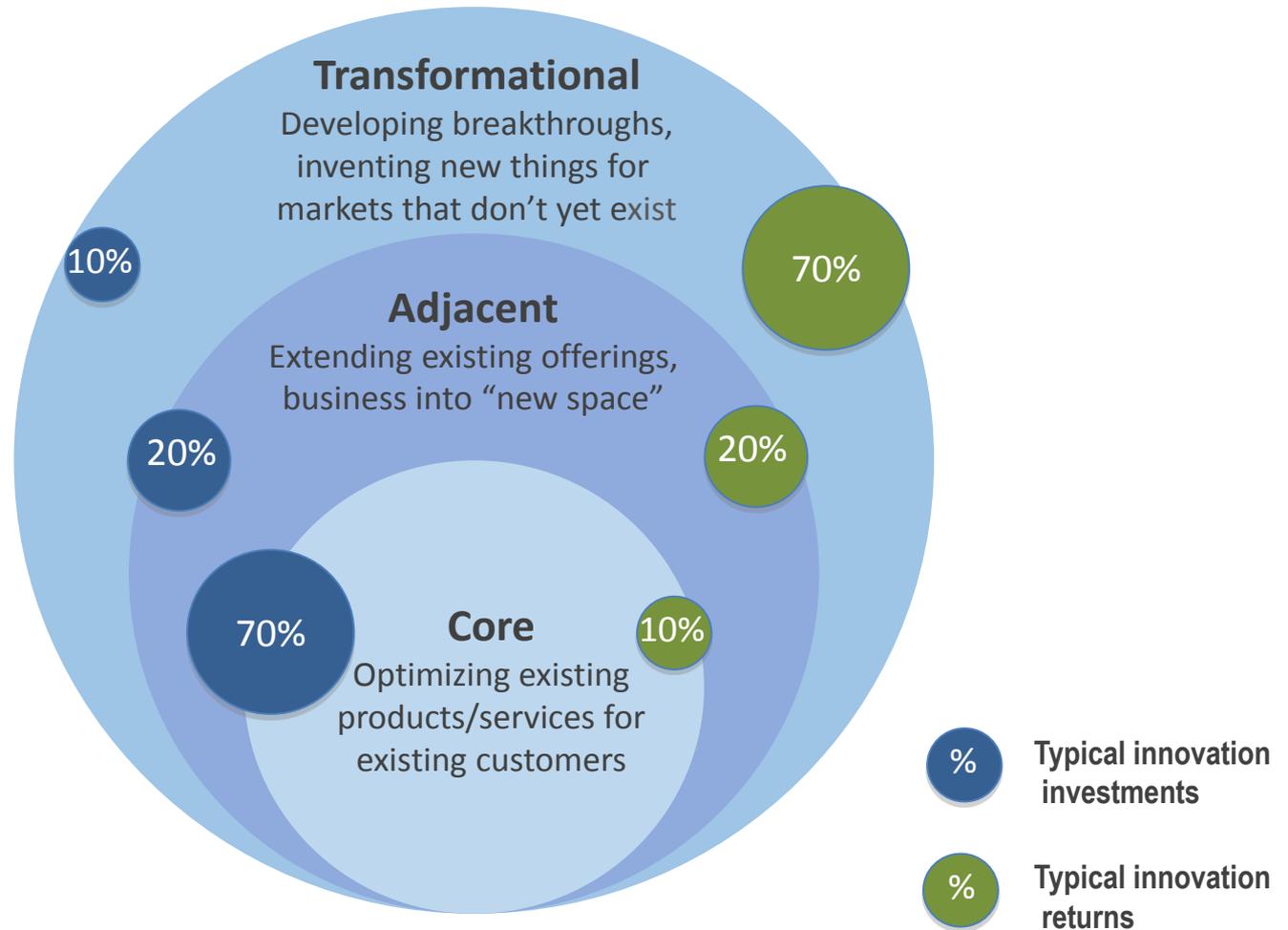


Innovating combines creativity and rigour

Innovating involves creativity to generate great ideas, and rigour to analyze and prepare ideas to make them stronger, and more likely to succeed



Planning the Right Innovation Mix



Adapted from Nagji and Tuff, *Managing Your Innovation Portfolio*, Harvard Business Review, May 2012



Exploring Capabilities for Innovating (People, Processes, Philosophies)

Organizational Capabilities	Score 1 to 5
1. We have a track record for generating innovative ideas.	
2. We actively screen for creativity/innovation skills in hiring process.	
3. Evaluating staff creative skills is an important part of performance appraisal.	
4. We frequently engage in brainstorming to generate different ideas.	
5. We encourage team members to ask questions that challenge the status quo.	
6. We cultivate new ideas by giving opportunities to observe members, competitors.	
7. We have established formal processes to network outside to find new ideas.	
8. We have adopted processes to allow frequent experiments of new ideas.	
9. We expect everyone to offer creative ideas for how we can change and improve.	
10. Our people are not afraid to take risks and fail because risk-taking is supported.	
<p>Key: 40 + = High Innovation DNA; 35-40 = Mod/High DNA; 30-35 = Mod/Low DNA; below 30 = Low DNA (Scoring Scale: 1 = strongly disagree to 5 = strongly agree)</p> <p><i>Source: Adapted from Jeff Dyer, The Innovator's DNA, 2011</i></p>	[total score]

Bringing Great YMCA Ideas to Life: 4 - Step Innovation Process Makes it Happen



The real voyage of discovery consists not in seeking new landscapes, but in having new eyes . . .

Marcel Proust

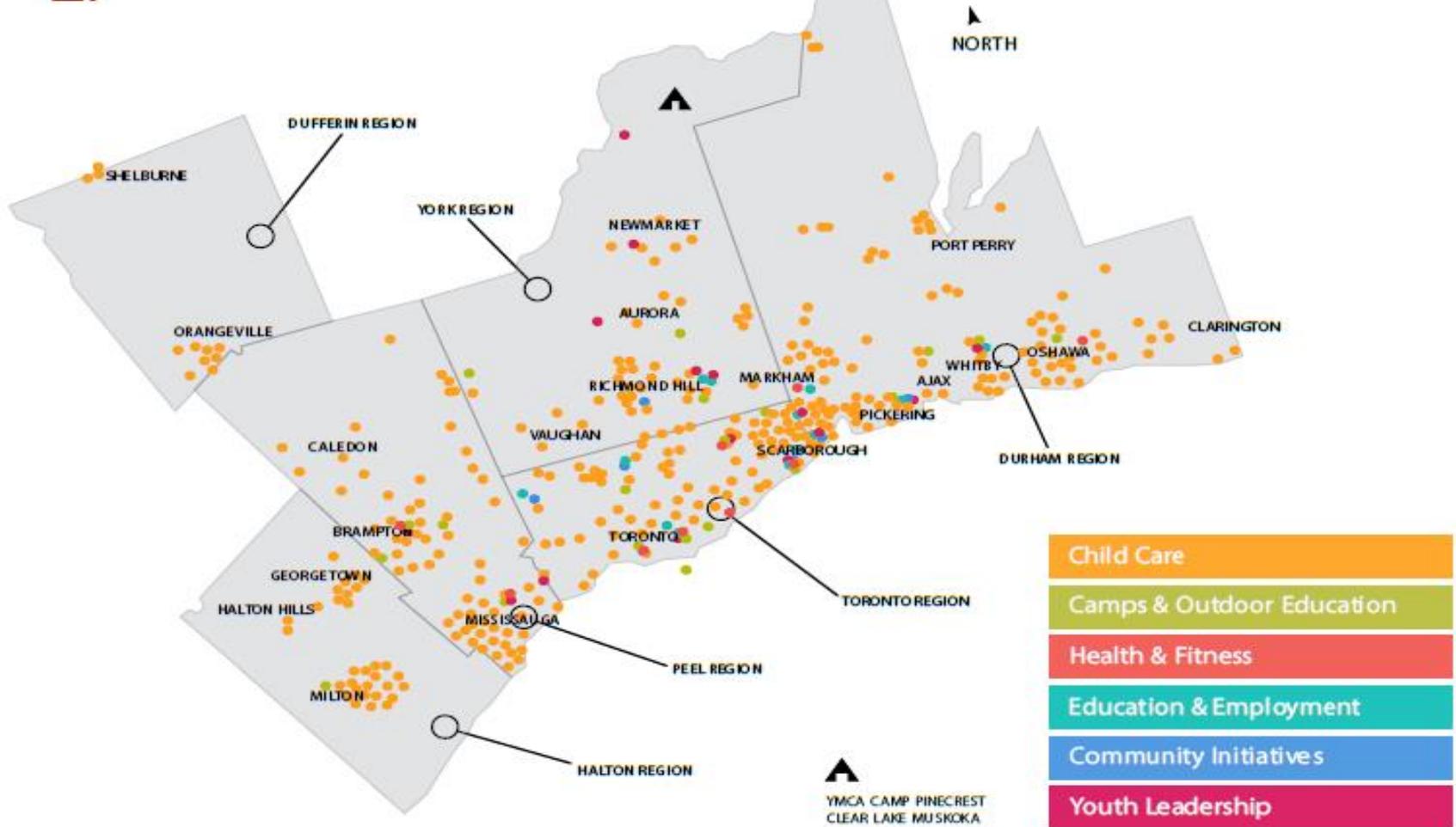


Our History of Making a Difference





YMCA OF GREATER TORONTO LOCATIONS



Our Mission: The YMCA of Greater Toronto is a charity offering opportunities for personal growth, community involvement and leadership.

Our Vision: Our communities will be home to the healthiest children, teens and young adults.

Our Values: We are guided by values that inform the way we act and decisions we make: Caring, Health, Honesty, Inclusiveness, Respect, Responsibility

Addressing the Needs of Young People

- **1 in 5** under 18 years of age live in a low income household
- **1 in 5** young people in the GTA are overweight or obese
- **95%** of Canadian youth not getting enough daily exercise
- **1 in 5** youth in Toronto express weak sense of community belonging
- Greater anxiety levels in young people today ...



YMCA Camping at-a-Glance

YMCA Camping is three products – overnight camp, day camps, and outdoor education.

Camping is delivered through 3 primary locations – Camp Pine Crest in Muskoka, 51 summer day camp locations throughout GTA, and Cedar Glen Outdoor Centre in Bolton.

- Overnight camp is traditional one week to two week sessions with activities such as canoe tripping, kayaking, swimming, archery, and crafts.
- Day Camps are offered daily in the summer with more than 65 program choices in 51 locations.
- Outdoor Education is fall, spring and winter programming for schools and community groups featuring environmental education, leadership development and outdoor fun.

YMCA Camping has 30 full-time staff, 30 part-time staff and 1,100 seasonal staff working through the summer.





YMCA Camping UVP:

What our campers,
families value... and
how we will respond



Exploring Our Strategic Problem

What is our most pressing issue we want to address?

We consider:

- Needs of our **campers, families we serve**
- The **impact we desire**
- Our **unique assets / capabilities**



Our Strategic Opportunity Statement

How might we excite campers and families
so much that they choose us every time?



How are we uniquely positioned to resolve our strategic problem / opportunity?

How are we uniquely positioned to **more effectively, conveniently, or affordably resolve an important problem or need, or satisfy a ‘job-to-be-done’** for our campers and families?

Consider the following:

- How important is the need or ‘job-to-be-done’ to campers?
- How satisfied are campers with existing solutions available?
- How well do our offerings address the need, relative to other options?
- How are our assets/capabilities for delivery, better than others?



Evaluating Camping Offerings

- Overall Satisfaction
- Net Promoter Score
- Certain to Renew
- Camper Outcomes
 - Have Fun
 - Learn a New Skill
 - Make a New Friend
- Camp Operations



YMCA Camping Initiatives

Life Changing Experiences

Extraordinary Journey

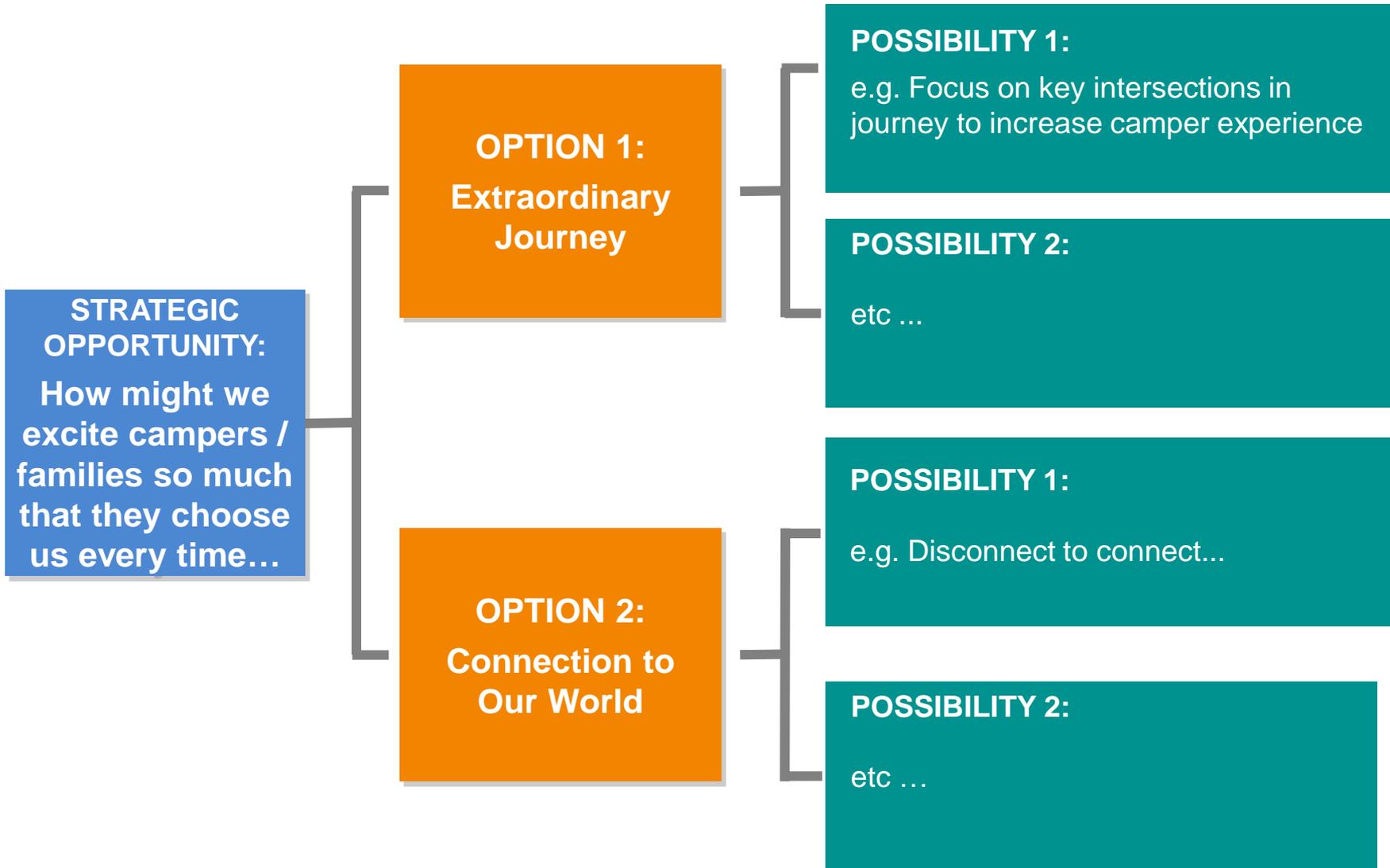
Connection to Our World

Committed Leaders

Sense of Belonging



YMCA Camping: Generating Possibilities



Understanding the Customer Journey

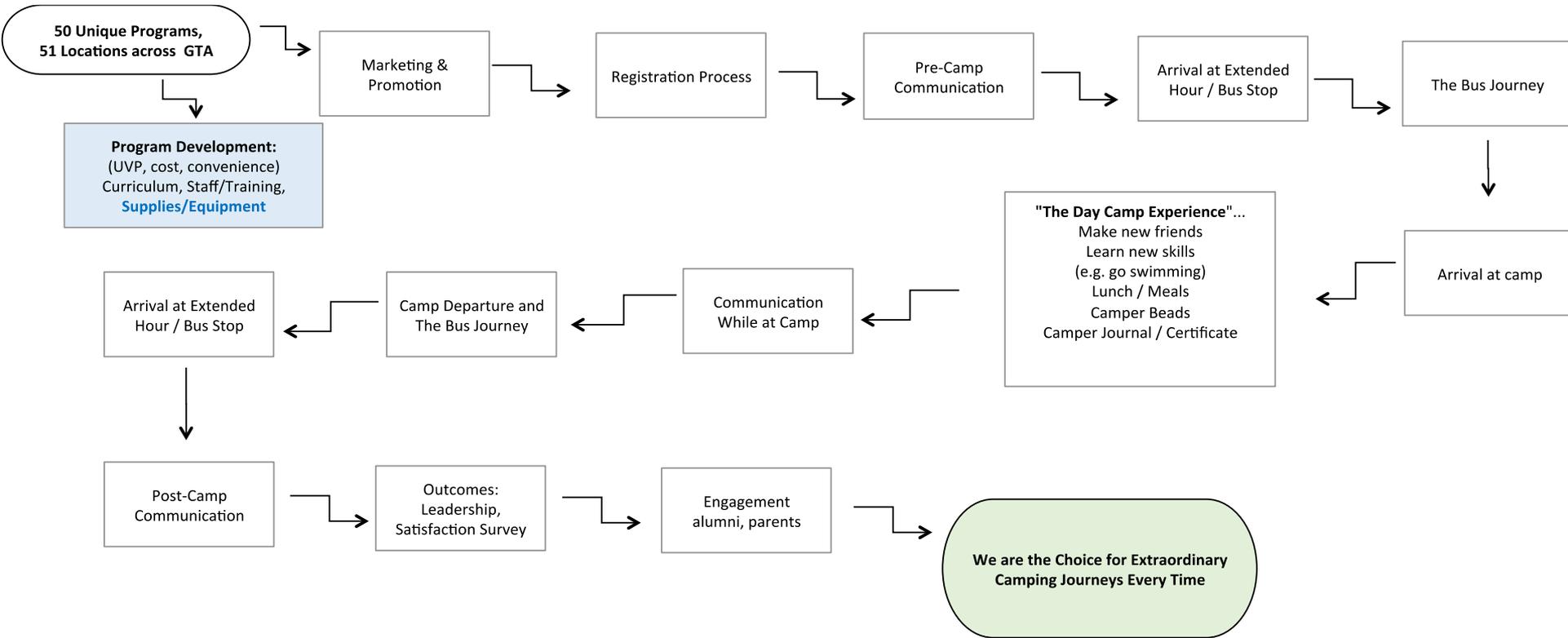
Sequence of interactions people have,
before they achieve a certain aim...

We need to understand the journeys
customers take, and optimize their experience
along the way.

Edelman and Singer, Competing on Customer Journeys, HBR, Nov 2015



Mapping Our Camping Journey



Defining an **Extraordinary Journey**: A Shared Responsibility



- **Exciting** - be inspiring
- **Empathic** - understand needs
- **Engage the senses**
- emotional connection
- **Executed with excellence**
- high standards in delivery at
at each intersection
- **Embody the brand**
- bring values to life for affiliation

Denise Lee Yohn, Steps to Deliver Better Customer Experiences, HBR Webinar, 2016



Separate Your Thinking

DIVERGE

Defer Judgment
Build on Ideas
Seek Wild Ideas
Go for Quantity

CONVERGE

Be Deliberate
Check Your Objectives
Improve Your Ideas
Be Affirmative
Consider Novelty



Bringing Great YMCA Ideas to Life

Issue Definition

1 to 2 Days

- ✓ Member Insights
- ✓ Challenge Statement
- ✓ Explore Uniqueness
- ✓ Strategic Options
- ✓ Generate / Prioritize Possibilities

Idea Generation

1 Day

- ✓ Ideation Session
- ✓ Internal/External Insights, Excursions
- ✓ Member Journey Needs / Wants
- ✓ Range of Solutions
- ✓ Selection Criteria
- ✓ Prioritize Ideas

Prepare for Implementation

2 Days

- Refine Top Ideas
- Key Uncertainties
- Build Idea Profiles
- Validate Ideas
- Impact Potential
- Capabilities/Support Requirements
- Communication/Change
- Pilot Plan - Team/Time/Funding to Implement

Test & Learn

60 Days +

- Learning Approach, Establish Measures
- Launch Pilot
- Milestone Reviews, Learn and Adjust
- Scale What Works

... Our system for innovating successfully at the YMCA

M. Merrifield, YMCA Innovation Roadmap, YMCA of Greater Toronto, 2016



Managing Uncertainty within the Innovation Process

Innovation Step	SRM Practitioner Contribution, Techniques
Issue Definition	Ensure Problem to be Solved is Compelling Explore Organization's Uniqueness to Resolve Problem Reinforcing Strategy Cascade for Success Likelihood
Idea Generation	Team Diversity External / Internal Insights, Emerging Trends Diverge First, then Converge, Beware of Anchor Bias 10 Types of Innovation
Preparing for Implementation	Selection Criteria Reverse Engineering to Surface Must Be True Conditions Impact Potential Capabilities/Support Requirements
Test & Learn	Measures - Back and Forward Looking Milestone/After Action Reviews, Adjust/Pivot, Learn



Navigating uncertainty when venturing into the unknown ...

*“Employing frameworks, techniques and tools can provide a **common language** to help frame a problem, uncover uncertainties and identify options that will lead to a **chosen response** that a leadership team can all agree on, which otherwise might not have been possible.”*

Source: Monica Merrifield, Bridging Strategy and Implementation with SRM, RIMS Executive Report, 2016



Strategy is the Answer to 5 Questions



Building Our Cascade: Extraordinary Camping Journey

Be the Choice for
Life Changing Experiences

What is our
impact
aspiration?

- YMCA Camping is the choice for life changing experiences
- We provide extraordinary camping journeys every time

Where will
we achieve
impact?

Camper/Participant: Day/OE/Overnight Campers, Families, Parents, Alumni, Care Givers, Donors
Channel / Partners: School Boards; Conservation Authorities; Like-minded organizations
Offering: Day Camp, Outdoor Education, Overnight Camp
Geography: Local/GTA

How will we
achieve
impact?

- Building a values-based camp culture focused on life changing experience and key intersections in extraordinary journeys
- Embedding accessibility in offerings

What
capabilities
must we
have?

- Build deeper understanding of needs/wants of who we serve
- Enhanced positioning
- Continuous innovation, program renewal efforts for quality offerings and delivery

What
management
systems do
we need?

- Staff training that extends beyond focus on quality to become agents of life changing experiences at journey intersections
- Enhanced marketing and enabling technologies
- Enhanced learning and measures include back/forward looking



Reverse Engineering

What is
true?



What
would
have
to be
true?

Using Types of Innovation to Spot Opportunities

1. Profit / Value Model

How we convert what we do into value

2. Network

How we connect with others to create value

3. Structure

How we organize and align talent / assets

4. Process

How we use superior methods to do our work

CONFIGURATION: *Innovation focused on inner workings of organization*

5. Product / Service Performance

How we deliver quality, offering speed, or unique options and flexibility that others can't

6. Product / Service System

How we create complementary services, build ecosystems that captivate/delight customers

OFFERING: *Innovation focused on core product/service or collection*

7. Service

How we support, enhance value of offerings into experiences customers come back for

8. Channel

How we deliver offerings to customers through different channels in complementary ways

9. Brand

How we represent our offerings / organization

10. Customer Engagement

How we foster compelling interactions

EXPERIENCE: *Innovation focused on customer-facing elements*

Larry Keeley, Ten Types of Innovation, 2013



Using the YMCA Idea Profile



The YMCA Idea Profile captures the **key elements of an idea** on one page. The Profile explores the key requirements for success – **member need, capacity to deliver, and ability to capture value**. A visual depiction of the idea is also included to help **make it real, and bring the idea to life**.

Idea Profile at-a-Glance

Idea Name: <i>(briefly describe...)</i>	Member Need/Issue to be Solved	Potential Barrier(s) to Member Use
Target Member/Segment	Impact Potential	Key Uncertainties
Idea Sketch	Basic Program Model Elements	Test Plan
		Metrics

Our **idea profile encourages YMCA innovators** to capture the key elements of the idea in a clear and simple way. Used as a tool and foundation for team discussion and review, the profile also helps decision makers to quickly understand the idea and how it will work. This enables giving and seeking of input to further **strengthen the idea and likelihood of success**.

YMCA Idea Profile, YMCA of Greater Toronto, 2016
(adopted from Innosight, 2014)

Idea profile captures:

Member Need or Issue to be Solved

The member need or issue that needs to be solved

Potential Barrier(s) for the Member

What prevents use? (e.g. financial, convenience, skills, etc.)

Target Member/Segment

Describe the attributes of members you are targeting

Impact Potential (Revenue/Market Reach)

Determine feasibility of desired revenue, market reach to also help justify any investment needs (i.e. IT, R&D, etc.)

Key Uncertainties

Assumptions/conditions that must be true in order to succeed

Basic Program Model

Basic elements are value proposition, key capabilities, and GC

Test Plan

How you will quickly and cheaply test key uncertainties

Metrics

Measures you will use to monitor success, trigger adjustment

Idea Sketch

Sketch or graphic overview for a visual depiction of the idea

YMCA First Year Member Idea

Two-Variable Spot Sensitivity Check*

REVENUE / IMPACT POTENTIAL

Assumptions:

- New members value interventions so much that we retain more for longer
- [assumption...]
- [assumption...]

		NEW MEMBER TARGET				
		1,500	2,300	3,000	3,500	4,500
MONTHLY RETENTION	2 mo.			\$100,000		
	3 mo.					
	4 mo.	\$125,000	\$200,000	\$500,000		
	5 mo.					
	6 mo.					

4 Ps: Population, Price, Penetration of Market, Purchase Frequency

Note: Numbers shown are for illustrative purposes, only

*Provides early check on idea viability, and insight on whether size of opportunity makes further investment worthwhile (e.g. marketing, technology, etc.)



Monitoring Innovation Success

Combining useful measures to build innovation capability

	LOOKING BACK	LOOKING AHEAD
EXTERNAL	<ul style="list-style-type: none"> • Innovation hit rate for initiatives across portfolio mix of new/enhanced offerings • Value or impact/reach • Satisfaction surveys • Net Promoter Score or Referrals 	<ul style="list-style-type: none"> • Value/impact potential of individual initiatives • Percentage of initiatives motivated by compelling member insights • Percentage of initiatives that involve co-creation with members or delivery partners or suppliers
INTERNAL	<ul style="list-style-type: none"> • Number of staff/areas engaged • Number of ideas generated • Percentage of top ideas/innovation initiatives taken to market • Revenue generated by innovation initiatives 	<ul style="list-style-type: none"> • Size, speed, efficiency of innovation pipeline • Growth in value across portfolio • Ratio of incremental to breakthrough innovation across portfolio

YMCA Innovation Toolkit – Innovation Measures, YMCA Risk Intelligence, 2016



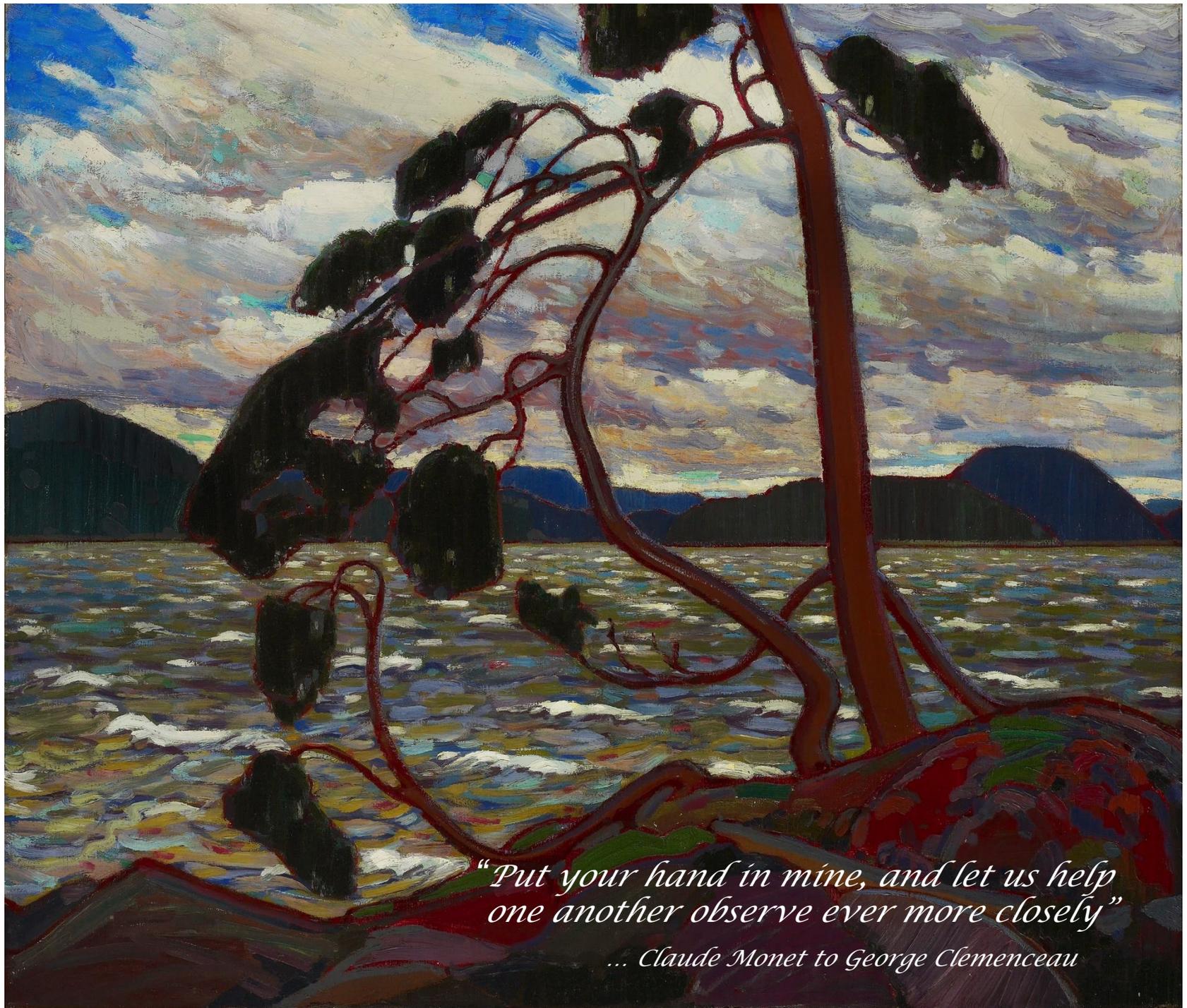


SRM Practitioner Attributes for Success

- Integrative Thinking
- Collaborative Generosity
- Translating, Toolmaking, Teamwork



Tom Thomson, *The West Wind*, 1916



*“Put your hand in mine, and let us help
one another observe ever more closely”*

... Claude Monet to George Clémenceau

Thank you!



*For more on YMCA SRM & Innovation:
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