

Case Study: Furniture Bank

August 6, 2019

“Scaling a social enterprise is difficult at the best of times. Doing so within a charity like Furniture Bank would have been impossible without the Innoweave Impact and Strategic Clarity Module.”

– Dan Kershaw, Executive Director, The Furniture Bank

Furniture Bank was founded in 1998 to help individuals and families in the Greater Toronto Area (GTA) establish their homes. With their partner agencies, Furniture Bank provides furniture at no cost to people transitioning out of homelessness, women and children escaping abusive situations and refugees and newcomers to Canada. Its social enterprise, which covers 60% of its operating costs, employs individuals with barriers to employment and provides job training while serving its mission of furnishing homes.

Strategic Challenges

In 2013, when Furniture Bank started Innoweave's Impact and Strategic Clarity module, the organization faced several strategic challenges and questions about how to best serve its various client groups, how to set priorities and allocate its time and resources, and on which dimensions to grow.

How should we best serve our diverse client groups?

Furniture Bank serves a wide range of clients through its two primary activities: furniture distribution and the Leg Up employment program. One of the organization's key challenges was to understand the similarities and differences between its beneficiary groups, clarify the impact it aims to achieve for each one, and determine how best to achieve those outcomes through its services.

How should we prioritize our services and allocate our time and resources?

While furniture distribution and employment training are both important focus areas for Furniture Bank, the relative prioritization of these two aspects of their work was unclear and a key focus of the strategic clarity project.

How should we grow our impact?

Furniture Bank wanted to scale up its furniture distribution operations and was faced with a number of options for growth, each of which presented difficult tradeoffs. Specifically, the organization was contemplating the degree to which it should deepen its reach within Toronto,

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expand to new parts of the broader GTA, and/or support the growth and development of similar social enterprise-based furniture distribution models beyond the GTA altogether.

Impact and Strategic Clarity Module

In 2013, Furniture Bank engaged with Innoweave coaches Robin Cory and Margot Smart to develop a Theory of Change to guide the organization's work over the subsequent five years and form the basis for its next strategic plan.

Robin and Margot spent 6 months facilitating and coaching a Furniture Bank working team, comprised of three staff members (including its Executive Director) and three Board members through the Innoweave Impact and Strategic Clarity program (an initiative of The J.W McConnell Family Foundation).

Defining Furniture Bank's intended impact

As the first step in the development of its Theory of Change, the Furniture Bank team identified the differentiated needs of its key beneficiary groups—the furniture recipients and the participants in its Leg Up employment training program. By first clarifying the needs of each group, the team was better able to define the specific impact it aimed to achieve for each one. It was also able to prioritize among these outcomes to determine where to place its primary focus.

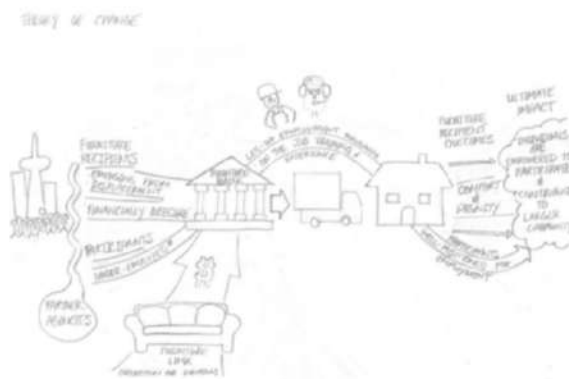
The team concluded that the organization's central goal is to deliver furniture to a large number of individuals in need, with a focus on generating comfort and dignity for these beneficiaries. Its secondary goal is to provide employment training and work experience to a smaller group of individuals facing barriers to employment. These conclusions are reflected in Furniture Bank's intended impact statement:

"By 2019, through the collection and delivery of furniture, Furniture Bank will have provided comfort and dignity to 21,000 financially insecure persons who are emerging from displacement. As an integral part of the furniture delivery operations, Furniture Bank will have positioned for employment 30 people who have the potential for, but are facing barriers to, full time employment."

This articulation of its intended impact also highlights the prioritization of its programming. The team concluded that its core purpose is to deliver furniture to vulnerable individuals. The Leg Up program, while generating important outcomes for a small set of individual participants, is Furniture Bank's secondary focus.

Creating Furniture Bank's Theory of Change

Following the intended impact statement, Furniture Bank developed a Theory of Change framework to articulate, in a visual way, how they works and which activities that help to achieve their intended impact.





Furniture Bank's TOC at conclusion of strategic clarity project.

Examining growth options based on the Theory of Change

Once clear on the framework, the team examined growth options for Furniture Bank. The group determined that the purpose of growth would be to expand the organization's reach, by distributing more furniture to more individuals. To reach that goal, the team explored three growth options:

1. Strengthening existing operations,
2. Forming partnerships to launch new operations, and
3. Expanding online.



Strengthen existing operations?

The team explored their operations with a specific focus on ways to make their programs more efficient so that they could serve more people with more furniture. The areas they investigated, through data analysis and surveys of staff, clients and volunteers, included Furniture Bank's:

- Organizational structure
- Warehouse layout
- Truck fleet availability and capacity

This research concluded that Furniture Bank's truck fleet possessed additional capacity, which could be leveraged, and that the warehouse layout could be altered to become more efficient for both workers and clients. By implementing these changes, Furniture Bank was able to serve more individuals with more furniture through its existing operations.

Form partnerships to launch new operations?

The team interviewed other agencies in the GTA to examine the potential for future partnerships that could enable Furniture Bank to expand its reach. The team identified three factors that would help determine whether expansion into a particular location through partnership would be feasible:

- Funding is available to open and sustain the new location
- Amount of warehouse space
- Adequate continuous supply of used furniture to pick up and distribute
- Limited "competition" in the area

This research helped the team identify Scarborough as a viable location for expansion. This also included identifying additional showroom space and an agency with which it could partner for the launch of new operations.

Expand online?

Lastly, the team explored expansion via an online sales tool. Furniture Bank had been using a sales system to measure its impact since 2010. The team explored how this software could be used as an online tool to expand the organization's reach and potentially serve clients in regions without a showroom.

To study the pros and cons of an online sales system, the team interviewed a furniture bank in Mississauga that used online tools to serve its clients. They also spoke to clients of this organization that had used the online service, to understand the impact of their experience.

The team sought to determine:

- Whether clients had the same level of satisfaction as they did in a showroom
- Whether the convenience of an online platform with less choice outweighed the benefit of choosing one's own furniture in a warehouse with greater selection
- How much efficiency is gained by using an online system as a principal sales tool

The results of this research showed that, while the online system was more convenient for clients, it did not provide them with the same level of satisfaction as they gained through a showroom experience. The choice offered in the showroom is an inherent contributor to dignity, which is a critical aspect of Furniture Bank's intended impact.

Near-Term Conclusions and Actions Taken

As a result of this strategic clarity project, Furniture Bank chose to expand to Scarborough through a partnership identified and fostered through the research conducted to assess growth options.

The research conclusions also informed the team's decision not to pursue an extensive online model. Furniture Bank instead decided to provide logistical support to the furniture bank in Mississauga, and to use online tools to enhance efficiencies within their own operations.

After concluding the Impact and Strategic Clarity project, Furniture Bank used its Theory of Change as the basis for its 3-year strategic plan. This plan outlines the organization's goals for 2018 of becoming self-funded, expanding its employment program and expanding its team to

... of becoming self-reliant, expanding its employment program and expanding its team to support these efforts. Centrally, the plan focuses on Furniture Bank expanding its reach in the GTA through partnerships.

Where Are They Now (18 Months Later)?

The leadership team and board continue to use their Theory of Change as a basis for their growth decisions. Since the end of the Innoweave Impact and Strategic Clarity module, Furniture Bank has focused on implementing the priorities articulated in its strategic plan. After opening its second location in Scarborough through a partnership, the organization has expanded to provide logistical support to the Mississauga furniture bank, expanding its reach to a new community and increasing the delivery capacity through a truck sharing agreement. The agreement enables Furniture Bank to use the excess capacity of a truck that the Mississauga furniture bank purchased to assist its clients in the GTA. The organization continues to seek opportunities to expand through partnerships to other areas in Ontario as well.

Furniture Bank has also continued to refine its Theory of Change based on new knowledge gained through experience, for example adding an additional intended outcome related to waste reduction in landfills as enabled by their work. Given the important role Furniture Bank can play in redirecting furniture and mattresses from landfills to recycling facilities, the organization has explicitly added this work (and impact) to its Theory of Change.



Furniture Bank's Theory of Change 18 months after completion of the Impact and Strategic Clarity coaching support.

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