Executive Meeting SBWI

21 June 2021 5:00p-6:45p

Attendees: Luke Barnett, Bob Vogel, Dane Nelson, Brent Mercer, Dan Butler, Joel Barss, Mike Ricco (virtual)
Purpose of the meeting:

- Clarify the state of operations at SBWI
- Begin a long term plan for development of the SBWI
- Identify strengths, weaknesses, threats and opportunities present in the operation
- Evaluate and prioritize those strengths, weaknesses, threats and opportunities
Methodology

• Strengths, weaknesses, threats and opportunities (SWOT) were identified one at a time
• Each board member was allowed ten “units of importance” to attach to each item identified
• Items were then ranked in order of importance from greatest to least importance, top three identified for focus
• Bob Vogel was the facilitator and did not vote on items
All Strengths

- Customer loyalty
- Availability of raw material
- Expertise
- Low cost structure
- Lack of competition
- 501(c) structure
- No debt
- Capital improvements (equipment)
- Community relationships

- Employees
- Balance sheet
- Established relationships with donors
- State certification
- Political capital
- Good value
- Demand vs. supply
- Ability to grow
- Goodwill re: Veterans program
- Strong diploma program demand
Top 3 Strengths Ranked

- State certification (12 units)
- Veterans program / goodwill (10)
- Employees (9)
All Weaknesses

- Facilities
- Instructor recruitment
- Bank account
- Capacity limited by internal expertise
- Lack of a dedicated manager
- Development plan lacking
- Lack of defined vision/strategy

- Seasonal cycles
- Reliance on donations/gifts
- Tenant not owner of facility
- Not locally attended
- Depreciating equipment
- Dependent on short term classes
Top 3 Weaknesses Ranked

- Capacity limited by internal expertise (15)
- Lack of defined strategy (12)
- Reliance on gifts (10)
All Opportunities

- GI Bill / Title 4 Designation
- Trade skill legislation pending
- Capture expertise
- Train in house expertise
- Not at capacity currently
- Woodworking is in vogue

- Evolve curriculum
- No competition
- Forging alliances with other players
- Online opportunities
- Clarified career path / matriculation
- Festival
Top 3 Opportunities Ranked

- GI Bill / Title 4 designation (18)
- Not at capacity (17)
- Train in house expertise (9)
All Weaknesses

- Facility lease
- Lack of expansion facilities
- Luke could become incapacitated
- Demand changing
- Lack of available talent in the area
- Liability for personal injury
- Over reliance on donors
- Pandemics
- Risk of GI Bill / subsidies not working
- Start ups or online competitors
Top 3 Weaknesses Ranked

- Over reliance on donors (16)
- Luke being injured / incapacitated (12)
- Risk of not being subsidized (11)
<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
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<tbody>
<tr>
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Next steps:

- Define the long term vision for SBWI
- Identify ways and means to the vision
- Develop plans of action and milestones
- Form task groups, create teams, assign and delegate responsibilities
Executive Meeting SBWI

19 July 2021 5:00p-7:00p

Attendees: Luke Barnett, Bob Vogel, Dane Nelson, Brent Mercer, Dan Butler, Joel Barss, Mike Ricco
25 year vision for SBWI:

- 650 students enrolled in year long programs
- 10 students per class
- Two classes per week at 4 hours per class
- Open shop or “lab time” also required for class, about 8-12 hours per week
- A straight line projection for this goal is to add 25 students per year
- 25 students/year not feasible right now as the current facility can only accommodate 40 students maximum
- Initial expansion goal (up to year 4) will be to add ten students per year, which means adding larger enrollment than 25/year after year 4
Near term requirements for expansion and growth

- Facilities
- Staffing
- Funding
Facilities

- Current facility only supports a maximum of 40 students
  - An additional ten students/year requires facility to be upgraded by year 4 to stay on goal
  - Ideally the next facility would support at least 100 students
  - Ideally the next facility would be expandable to accommodate 650 students in 25 years
  - Specific requirements of the next facility must be identified early and in detail as there is a significant lead time/process to acquisition (2 years minimum)
  - Specifically: Land, building, allocation of space, and required equipment
  - May be a repurposed existing facility or an entirely new facility
  - A team should be organized to this purpose, once requirements are identified
Staffing

• Instructors
  • Organic development of an instructor from zero hours requires at least two years, probably more
  • Externally sourced instructors with experience are more expedient but are potentially more costly
    • Potential relocation allowances
    • Higher salary
  • Specific number of instructors and qualifications must be identified
Staffing

• Support staff
  • Current staff must be expanded as class size grows
  • Staff must be in place prior to commencement of larger enrollment
  • Estimated three to six month lead time to hire and train new staff
    • Specific salary requirements
    • Job descriptions, titles, and responsibilities
    • Easier to source organically or locally than instructors
Funding

• Positive revenue from classes offered must sustain growth and expansion, as sustained donor subsidies will not work long term (see SWOT/Weaknesses)
• SBWI must either remain debt free, or only accumulate debt that can be repaid on schedule from class revenue
• A Development Committee is required to specify funding requirements and options for capital structuring past year 4
• The Development Committee should be identified as early as possible, and begin work no later than year 2
Constraints / Requirements

• The quality of the program (brand strength) must be maintained
  • Student exit surveys (or some student feedback metric, i.e. job placement or accreditation) must verify high satisfaction/value
  • The quality of the classes must remain at a level that sustains demand for the classes
  • The curriculum should be continually evaluated and refined both in terms of value added to consumer (student) and profit margin for SBWI
Constraints / Requirements

- Documentation (Metrics)
  - The value of the program to students
  - The economic impact to community
  - The profitability of each program offered (curriculum)
  - Employee satisfaction/retention
    - Instructors
    - Staff
  - As much detail as possible, as metrics documented in detail give more options to the Development Committee for funding from donors or lenders
TODAY
1 YEAR
+10 Students

2 YEAR
+20 Students

3 YEAR
+30 Students

4 YEAR
+40 Students

Instructor training program
Curriculum review
Facilities plan established and team formed
Staff development plan
Economic impact
Annual data on curriculum
Marketing plan

Development committee for funding past year 4

Facilities upgrade required to enlarge class size

25 YR
650 Students
Immediate Action Items

- Identify specifically the requirements of a facility for a 100 student minimum enrollment
- Identify specifically the qualifications and characteristics of the instructor(s) desired/necessary to teach classes
Next steps:

- Identify potential members of a facilities team
- Identify potential members of the Development Committee
- Work on applicable items listed as year one goals (timeline slide)