



Strategic Plan 2002-2007

MACED works with people in Kentucky and Central Appalachia to improve the quality of life by creating economic opportunity, strengthening democracy and supporting the sustainable use of natural resources

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Executive Summary

MACED's strategic plan is based on our vision of the region and clarifies our core beliefs. Over the next five years MACED will continue to work toward improving the quality of life for residents of Eastern Kentucky and Central Appalachia. We will work through multi-strategy and multi-purpose community development efforts aimed at building the capacity of those we work with, particularly low-income people, to create change. MACED staff and board developed the plan through extensive interviews, research, analysis and discussion.

Our strategic plan is based on a vision of Eastern Kentucky and Central Appalachia where people have a better overall quality of life due to greater access to economic opportunity, active participation in community decision-making and the sustainable use of natural resources.

MACED recognizes that many of the central issues that face the region are interconnected and this requires solutions that are similarly interrelated. As MACED cannot address all of the issues that face the region, we have identified leverage points that make a difference on several levels.

MACED's emerging work rests on four interrelated core strategies.

Create economic opportunity—Building the financial assets of individuals, institutions and communities.

Build capacity—Work to learn from and build upon the skills, capacity and collaborative potential of local partners.

Impact public policy—Informing decision-makers and the public by documenting and sharing lessons from our and other development efforts.

Demonstrate innovation—Demonstrating innovative development efforts that make a real difference.

These strategies relate directly to our goals over the next five years.



1) Improve the quality of life for low-income individuals by building their financial assets and enhancing their economic opportunities.

MACED seeks to grow the financial assets of individuals and remove barriers to economic opportunity, particularly for low-income people. MACED will expand our business development lending, develop start-up funds, engage in micro-enterprise development and increase our technical assistance efforts.

2) Build the skills, leadership abilities and collaborative potential of individuals, institutions and communities.

MACED seeks to strengthen the capacity of organizations and institutions to be more effective in their efforts. MACED will initiate an organizational capacity building initiative aimed at providing organizations with community and organizational development skills, training and expertise.

3) Develop, identify and educate the public and decision-makers about policy alternatives that support community based economic development activities and strengthen communities.

MACED seeks to educate the public and decision-makers with information that supports stronger communities. Through direct research and collaborations, MACED will identify policy leverage points and conduct educational activities. MACED will continue its sustainable forestry efforts by focusing on defining policies that support the economic potential of sustainable forestry.

To achieve these ends, MACED will:

Focus on communities in need and/or where clear opportunities to make an impact exist.

Be strategic in our work through research, evaluation and learning.

Communicate and build partnerships with organizations and communities.

Focus on working directly with individuals and organizations impacted by the conditions in the region.

Over the next five years, MACED knows we must strengthen our organization to achieve these ambitious program goals.

To achieve our goals, MACED will:

Strengthen and diversify our financial base.

Develop an ongoing evaluation and research component to strengthen our programmatic efforts.

Enhance our board and staff development systems and structures.

Develop a clear communications strategy that effectively shares with key stakeholders MACED's mission, work and impact.



**executive
summary**

Our Foundation

As a key element of our strategic planning efforts the MACED board and staff reviewed our core purpose, vision and the ideas that are the foundation of MACED's work. We emerged with a clearer and slightly different perspective on the basic information that shapes MACED and our efforts from this point forward.

Mission

MACED works with people in Kentucky and Central Appalachia to improve the quality of life by creating economic opportunity, strengthening democracy and supporting the sustainable use of natural resources.

Vision

We envision an Eastern Kentucky and Central Appalachia where people have a better overall quality of life due to greater access to economic opportunity, active participation in community decision-making and the sustainable use of natural resources.

This means a time . . . when strong economies provide access to real economic opportunity for all . . . when diverse people and organizations are able to participate freely, actively and effectively in civic life and the development of their communities . . . when our environment is clean, cherished and better protected.

MACED's vision is built on an understanding that the key issues that face the region are interconnected and this requires solutions that are similarly interrelated. In our vision, MACED is as an effective, collaborative and strategic organization working to address systemic challenges that face Appalachian communities through creative and concrete solutions.

Our vision is based on the belief that real change is possible and that we are an agent of that change.

Core Beliefs

MACED holds a set of core beliefs that shape our work. These core beliefs are central tenets that inform how MACED functions to achieve real change in the communities in which we work.

Capacity building: Fundamentally, MACED believes that people and organizations are critical assets that all communities possess. MACED believes our work should strengthen self-reliance and empower people and organizations to build what they need and use what they have to create the desired changes in their communities. Because community leadership and civic engagement are important foundations on which to build healthy communities, capacity building is critical. In all of our efforts, MACED works to build the capacity of individuals, institutions and communities.

Excellence: To be successful, organizations and communities need to strive toward holding high standards and achieving excellence. The many challenges that Appalachian communities face require creative and effective solutions that push the limits of traditional thinking and performance. MACED's efforts are aimed at working with communities to achieve excellence. We apply the same standards to ourselves--seeking to reach a high bar in our work, being strategic in our efforts and delivering on what we say.

Collaboration: MACED recognizes that the many challenges communities face require complex and multi-faceted solutions. We know we cannot go it alone. MACED seeks to be a good partner to those individuals, organizations and communities committed to excellence and seeking real change.

Equity: MACED believes that open access to opportunity is a necessary ingredient to healthy communities. Appalachian communities cannot afford to restrict access to opportunity to a few, but rather must seek to provide real opportunity to all, particularly to those most often left out. Our work is



based on challenging barriers to opportunity and developing avenues that give all people an equal chance to succeed.

Long-term perspective: Community development is difficult work aimed at changing fundamental structures and systems that influence people's lives and shape communities. Because of the interrelated nature of the issues that impact communities, MACED strives to understand the long-term consequences of short-term development efforts. Addressing the causes of many of the problems that Appalachian communities face requires this. Because we are committed to long-term change that improves the quality of life for people in the region, we also acknowledge the need for institutions like MACED and others to be engaged in this work for the long haul.

Geographic Focus

MACED focuses its efforts on improving the quality of life for the residents of Eastern Kentucky and Central Appalachia. MACED's primary service area is comprised of the Kentucky Appalachian counties as defined by the Appalachian Regional Commission.

Within this primary service area, MACED prioritizes working in those counties and communities in the most need and/or where clear opportunities exist to make a significant impact. MACED works to exercise these priorities across all of our work.

MACED works more broadly in Kentucky and Central Appalachia on initiatives that have direct bearing on Eastern Kentucky or are collaborations that leverage MACED's ability to create change in Eastern Kentucky and the region.

Development Principles

Over the past 25 years, MACED has learned a lot about community development efforts. As we move forward into the next five years, we affirm much of this learning by

its continued use in our work. The following principles are useful touchstones that we will use to shape our work and desired impact.

Our work should:

- ✓ Flow from our vision, mission and core beliefs.
- ✓ Build self-reliance and empower individuals (especially low-income individuals), institutions and communities to make well-informed choices.
- ✓ Build on and enhance the assets of people and groups that live and work in the region.
- ✓ Create longer-term strategic change growing out of day-to-day problem solving.
- ✓ Focus on key issues—MACED's work should be based on an understanding of the region grounded in direct experience. This experience should inform our analysis, understanding of the region and identification of key issues.
- ✓ Intervene at an issue's strategic leverage point—MACED's work should be targeted where change can best be achieved.
- ✓ Combine development and the promotion of ideas—MACED's work should be aimed at moving decision-makers, institutions and others to focus on the core issues and workable strategies in eastern Kentucky.
- ✓ Address the creative tensions between the economy, the environment and issues of social equity—MACED works to improve the quality of people's lives by strengthening the economy, while protecting the region's natural resources and encouraging participation from those not often at the development table.



our foundation

Analysis of the Region

As a central element of our strategic planning work, MACED created a summary analysis of the region based on research and interviews with key stakeholders. This analysis is a broad overview of MACED's perspective on the region and possible solutions that address key problems and build from opportunities. Our work over the next five years will flow from this analysis. We plan to continually sharpen and deepen it as we move forward.

Several main themes emerged from our work to define the parameters of today's Appalachian Kentucky.

The issues that impact Eastern Kentucky and Central Appalachia are complex, interdependent and connected. While coal employment continues to decline, it remains a significant employer and yet continues to have a negative impact on the environment of the region. Dramatic changes to tobacco farming are radically reducing its economic impact and influencing peoples' incomes and identities, as well as creating new opportunities.

The region is diverse and changing. Appalachian Kentucky is more than just isolated, rural communities—the counties are now comprised of five metropolitan counties, 10 non-metro counties that are adjacent to metro counties and 36 non-metro counties that are not adjacent. While Appalachian Kentucky lags behind the rest of the state in average median household income, non-metro Appalachian counties posted a greater increase in average median household income than the rest of Kentucky during the 1990's. The region is also experiencing demographic changes including a growing number of Hispanic residents and the aging of residents in the Appalachian Kentucky region.

The conditions have improved over time and opportunities for more positive change exist. Between 1989 and 1999, the percentage of people living in poverty in

the Appalachian region decreased by 17%. Over the last 25 years, significant improvements have been made in access to healthcare, roads, water, sewer and educational opportunities.

The region continues to face many difficult issues.

The Appalachian Regional Commission defined 42 of Kentucky's 51 Appalachian communities as distressed, meaning that income is less than two-thirds the U.S. "market" income and poverty and three-year unemployment rates are at least 150 percent of the U.S. rate. In Kentucky's 51 Appalachian Counties only 51% of adults 25 years old and older have completed high school, compared to 72% in the U.S. as a whole. Persistent poor logging and agricultural practices continue to wash away topsoil and deposit silt in the streams of Eastern Kentucky.

The following key opportunities, challenges, causes and possible solutions inform our understanding of the region.

Opportunities

- Increased awareness by decision makers of importance of community participation and total quality of life.
- Natural resources present economic opportunity if used responsibly.
- Positive aspects of culture and rural life that exist in the region.
- Strengthening small businesses to diversify local and regional economies.
- Increasing role of local and regional institutions in community development.



✓ Positive aspects of globalization and use of technology to access other resources.

✓ Residents who have moved away and want to return.

✓ Improving physical infrastructure if used properly.

Challenges

✓ Too few economic opportunities exist.

✓ Environmental degradation.

✓ Weak civic infrastructure and lack of participation by residents in civic life.

✓ Ineffective local governments.

✓ Continued insufficient physical infrastructure (sewer, water, roads).

✓ Educational systems remain insufficient across much of the region.

✓ Aging of Appalachia and loss of young.

Causes

✓ Historical dependence on coal as primary economic force and related results of coal development.

✓ Insufficient economic infrastructure (workforce, access to capital, entrepreneurial support, etc.).

✓ Increased competition due to negative aspects of globalization.

✓ Small group of elite who have been supported by too little economic competition and the political system.

✓ Lack of accountable local governments and political corruption.

✓ Complacency and continued resistance to change by some.

✓ Inappropriate public policy.

Possible broad solutions

✓ Increase wealth and assets of individuals, especially low-income individuals.

✓ Empower people with education.

✓ Effective and broader community leadership.

✓ More collaborative and cooperative governments and organizations.

✓ Richer capacity of individuals, organizations and institutions to affect change.

✓ Strategies built on the assets of the region.

✓ Effective and honest local government.

✓ Public policies that improve the quality of people's lives and strengthen community development activities.

MACED's efforts over the next five years seek to impact many of the challenges and their causes listed above while building from the opportunities. We will focus on four core strategies that flow from our understanding of possible solutions to the issues that impact the region. We know we cannot work alone to implement all of the solutions indicated.



**analysis of
the region**

Defining Our Place

MACED recognizes the many capable local and regional organizations, community groups, state agencies and other entities that serve the Eastern Kentucky and Central Appalachian region.

Important current and potential organizational allies provide key development activities to people in need; housing services are provided regionally by organizations like the Federation of Appalachian Housing Enterprises and locally by organizations like Homes, Inc. and the Hazard-Perry County Housing Development Alliance; economic development opportunities are provided in specific areas by organizations like the Kentucky Highlands Investment Corporation, East Kentucky Corporation and others; research and policy analysis are provided by the Kentucky State Data Center, Kentucky Long-Term Policy Research Center and others; leadership development activities are conducted by Brushy Fork Institute, Leadership East Kentucky and others; natural resource protection is being advanced by the Kentucky Natural Lands Trust, Kentuckians for the Commonwealth and others.

Increasingly, educational institutions like the state's major universities and the community and technical college system are playing a larger role in the development of the communities in which they operate. Many state economic and community development entities are being more deliberate in their attempts to partner with other organizations.

MACED also acknowledges that many of the issues that face the region do not recognize borders; we will connect to some of our key partners in bordering states like Rural Action in Ohio, the Freshwater Institute in West Virginia and Appalachian Sustainable Development in Virginia.

These and other organizations provide a fertile environment for collaboration. They reflect a range of strategies and approaches to community development efforts, from grassroots community organizing to business development through lending.

MACED is a multi-purpose community development organization that serves all of Appalachian Kentucky and Central Appalachia; our strategies intersect with many of the organizations above and others not indicated. Our multi-strategy and multi-purpose efforts provide us with an important vantage point and perspective on the region. We seek to address the root causes of problems communities face from multiple angles. This position reinforces our belief that we cannot go it alone.

Partnerships and collaborative efforts are a critical strategy for MACED as we move forward. They leverage social change efforts, build mutual capacity, develop informed partners and create a community of connected organizations. In a time of shrinking resources and economic downturn the region requires innovative and effective solutions that operate at significant scope and scale. As we seek to achieve our goals and advance our program, we will communicate and partner with the organizations necessary to advance our collective goals of building stronger communities in Appalachia.



defining our
place

Core Strategies

To improve the quality of life for residents of the region, MACED works to implement the following core strategies.

Create economic opportunity—Building the financial assets of individuals, institutions and communities.

Build capacity—Work to learn from and build upon the skills, capacity and collaborative potential of local partners.

Impact public policy—Informing decision-makers and the public by documenting and sharing lessons from our and other development efforts.

Demonstrate innovation—Demonstrating innovative development efforts that make a real difference.

These four core strategies relate to four key community building blocks that MACED believes are necessary to create systemic change and improve the quality of people's lives—human assets, social assets, financial assets and natural assets. Increased control over and the growth of these assets—financial, human and social—in addition to the wise use of natural resources, provides people with self-determination and the ability to choose.

MACED's core strategies are aimed at building the capacity of individuals and organizations to increase their skills and effectiveness. MACED also engages in wealth building strategies that remove barriers to economic opportunity and provide capital and technical assistance to those who need it most. MACED's continuing focus on public policy is aimed at highlighting and strengthening policies that support the development of these same assets.

MACED's interrelated core strategies seek to build toward a better quality of life by providing people with access to the assets necessary to exercise choice and further their self-development and contribution to their communities.



Five Year Goals

MACED has identified three specific goals to shape our activities and programs over the next five years.

1) Improve the quality of life for low-income individuals by building their financial assets and enhancing their economic opportunities.

Intended outcomes

- ✓ Increase the number of businesses and jobs located in distressed counties.
- ✓ Encourage higher wages and minimal environmental impact of jobs created.
- ✓ Increase the number of self-employed residents in Eastern Kentucky.
- ✓ Identify and demonstrate strategies to overcome barriers that inhibit the growth of financial assets for low-income individuals.

Short-term activities

- ✓ Identify program opportunities that provide better access to economic opportunities for low-income people.
- ✓ Target lending activity in distressed areas of the region.
- ✓ Develop a micro-lending component of MACED's lending.
- ✓ Tie micro-lending to existing programmatic efforts in Harlan, Bell and Perry counties.
- ✓ Conduct research to determine the need and strategy for new venture capital loan funds aimed at creating new

businesses and the creation of specialized loan funds.

- ✓ Provide and collaborate for the provision of technical assistance to entrepreneurs.

Longer-term activities

- ✓ Significantly increase MACED's loan fund and equity pool.
- ✓ Continue research to create a development bank to provide capital to enterprises in the region.
- ✓ Research strategies to determine MACED's role in providing capital for housing development.

2) Build the skills, leadership abilities and collaborative potential of individuals, institutions and communities.

Intended outcomes

- ✓ Increase the number of organizations working effectively and collaboratively to improve the quality of life in the region.
- ✓ Increase the number of people of different gender, race, age, economic status and residence in the initiation, design, implementation and evaluation of development programs in the region.
- ✓ Strengthen MACED's learning about the region from community partners and strengthen their ability to conduct development activities.

five year goals

Short-term activities

Develop a community planning assistance initiative aimed at supporting organizations and governments in the creation and implementation of collaborative plans to strengthen their communities.

Develop an initiative aimed at building the organizational capacity of nonprofit organizations in Eastern Kentucky to be more effective at achieving their goals.

Develop and evaluate program strategies that increase collaboration among local stakeholders.

Long-term activities

Define additional leverage points for MACED to work in collaboration with communities and organizations.

Evaluate the creation a work-force development initiative.

3) Develop, identify and educate the public and decision-makers about policy alternatives that support community based economic development activities and strengthen communities.

Intended outcomes

Identify two to three key policy arenas that support MACED's community development agenda and strengthen the communities we serve.

Develop the key partnerships, internal expertise and organizational capacity necessary to engage in policy development and public education about key issues.

Short-term activities

Implement a policy initiative to strengthen the economic viability of sustainable forestry activities.

Capture policy lessons and policy implications from other programmatic efforts.

Develop ongoing media efforts to inform the public.

Long-term activities

Conduct research to identify policy leverage points that positively impact community development activities in Eastern Kentucky.



five year goals

Organizational Capacity

MACED recognizes that to achieve the goals laid out in this strategic plan, we will need to enhance our organizational capacity. To strengthen MACED's ability to carry out our programs, we will engage in the following activities.

1) Strengthen MACED's financial base.

Intended outcomes

Expand the base of financial resources available to MACED.

Diversify sources of income supporting MACED, including increasing MACED generated and non-grant income.

Activities

Strengthen MACED's fundraising infrastructure and process.

Create a two-year fundraising plan.

Build on past work to explore increasing revenue beyond grants to include donations and fee-for-service efforts.

Build corporate support for MACED's efforts.

Build an endowment.

2) Develop an ongoing evaluation and research component to strengthen MACED's programmatic efforts.

Intended outcomes

Document learning from efforts.

Develop more coherent and connected programs.

Increase understanding by staff and board of the issues that impact Eastern Kentucky and the identification of effective strategies to address these issues.

Activities

Increase the amount of time allocated to staff for activities in communities we serve in Eastern Kentucky.

Implement a process that evaluates programmatic implementation and impact (including discussion with program participants, impacted communities, researchers and others).

Develop an internal research capacity to identify key issues and leverage points.

Develop systems to use evaluation material and research to strengthen programs.

3) Strengthen board and staff development systems and structures.

Intended Outcomes

Increase staff and board capacity to serve our constituents and achieve our goals.

Maintain high level of accountability

Activities

Strengthen staff development and training efforts.

Implement a board rebuilding strategy and a board development program.

Establish program oriented and/or community advisory boards.

4) Strengthen the structures and processes that make MACED an effective organization.

Intended outcomes

More effective internal structures and processes.

organizational
capacity

More effective communication and collaboration among staff.

Better delivery of programmatic efforts.

Activities

Clarify staffing structure and responsibilities.

Strengthen internal communications mechanisms.

Strengthen internal problem-solving mechanisms.

Implement performance expectations, work-planning structures for staff and annual organizational work-plans.

5) Develop a clear communication strategy that effectively shares with key stakeholders MACED's mission, work and impact.

Intended outcomes

Enhance MACED's recognition as a highly effective community development organization in the state and region.

Enhance MACED's fundraising efforts through its communications tools and products.

Increase the number of stakeholders in MACED's work.

Increase MACED's understanding of and connection to the work of others.

Increase the visibility of alternate community development strategies.

Activities

Revise our identity materials.

Develop materials to support an expanded fundraising strat-

egy including any needed marketing materials.

Develop a public relations and marketing strategy.

Work with program staff to integrate communications into their work and their work into communications.

Publish MACED material and message in existing publications.

Provide regular informational updates to funders and other community development players.

Ongoing Implementation, Evaluation and Planning

MACED acknowledges that this strategic plan is an important map to help shape our work over the next five years. We also acknowledge that, over time, we will learn new information, conditions in the region will change and MACED will evolve.

To be sure MACED is advancing its analysis and implementing the best strategies possible, we will engage in the following processes to implement and adjust this plan over the next five years.

Create an annual operational plan that includes objectives, action steps and responsibilities, as well as an annual budget. Annual plans will be submitted to the board for review and discussion.

Regularly evaluate our programmatic efforts and integrate those lessons into ongoing planning. Specific evaluation strategies will be developed to ensure ongoing evaluation activities.

Review lessons learned, program information and our analysis to adjust current and future plans.

implementation,
evaluation and
planning