



Enterprise Business Process and Operating Model Redesign for a Multi Entity Nonprofit

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Enterprise Business Process and Operating Model Redesign for Multi Entity Nonprofit

OPERATING SCOPE	EARLY REVENUE RESULT	RESULT PERIOD
More than \$8 million	20 percent increase	Six months

Executive Summary

A multi-entity nonprofit had accumulated more than a decade of operating deficits within a key revenue-producing function. The underlying problem extended beyond sales. The organization lacked consistent decision rights, documented workflows, performance measures, service standards, cost controls, and accountability across departments. These gaps limited management visibility, weakened execution, and left revenue-producing assets underused.

The HNC Agency led an enterprise business-process and operating-model redesign across a scope exceeding \$8 million. The engagement clarified authority, restructured roles and workflows, introduced policy and SOP governance, established performance scorecards, strengthened labor and cost controls, and aligned nonprofit and commercial functions around measurable operating expectations. Net collected hospitality revenue increased by 20 percent within the first three months.

Project at a Glance

Organization	Multi-entity nonprofit with member, administrative, facilities, and revenue functions
Mandate	Redesign enterprise processes, governance, accountability, and the operating model
Scope	Operating budget and P&L responsibility exceeding \$8 million
Functions	Operations, HR, finance, facilities, security, guest services, F&B, catering, and events
Role	The HNC Agency led assessment, design, implementation, and performance management

Business Context

The organization combined mission-driven programs with member services, administrative operations, facilities, and revenue-generating activities. Several departments contributed to the customer experience and financial result, but workflows, reporting relationships, and approval paths had developed independently. Managers lacked a shared operating framework for coordinating people, assets, service delivery, spending, and revenue.

A revenue-producing function had operated at a deficit for more than ten years. Event spaces and other assets were underused, while food and labor costs were not consistently tracked or actively managed. The organization needed a redesign that addressed the management system as a whole rather than treating the deficit as a stand-alone sales problem.

Initial Operating Conditions

- Decision rights and approval authority were unclear or inconsistently applied.
- Roles overlapped across departments, creating duplicated effort and gaps in ownership.
- Standard operating procedures and policies did not provide a uniform basis for execution.
- Service standards and key performance indicators were not defined across core functions.
- Food, labor, and other operating costs were not consistently tracked against performance targets.
- Management reporting did not provide timely visibility into operating, financial, or service performance.
- Event spaces and revenue-producing assets were underused, limiting earned-income potential.
- Vendor oversight, risk controls, and performance accountability required stronger governance.

Redesign Objectives

Clarify authority and accountability	Strengthen budget and cost discipline
Standardize recurring work	Align staffing with operating demand
Establish measurable performance expectations	Increase use of revenue-producing assets
Improve cross-functional coordination	Create a scalable structure for growth

Design Principles

- **Clear ownership.** Every recurring process required an accountable owner, defined approval authority, and a consistent escalation path.
- **Visible performance.** Leaders needed a focused set of operational, financial, workforce, and service measures reviewed routinely.
- **Controls built into work.** Policies, approvals, documentation, and reporting had to operate within daily workflows.
- **Practical implementation.** The redesigned model had to work within existing funding, staffing, mission, and governance constraints.

Redesign Approach

The engagement combined current-state assessment, management redesign, process standardization, and implementation. Each workstream addressed a specific control gap while supporting a common operating model.

WORKSTREAM	REDESIGN ACTIONS
Governance and decision rights	Mapped approval paths, clarified final decision authority, separated advisory input from management accountability, and established escalation expectations for spending, staffing, vendors, and operational changes.
Organization and workforce	Reviewed reporting relationships, overlapping responsibilities, scheduling, and coverage. Redesigned roles and staffing models to align labor with demand, strengthen supervision, and assign clear ownership.
Policies procedures and controls	Created and strengthened SOPs, operating policies, payment and booking controls, risk protocols, vendor expectations, and documentation requirements.
Performance management	Defined KPIs and scorecards for service, labor, cost control, workflow accuracy, timeliness, guest experience, and revenue.
Financial and management reporting	Strengthened budgeting, cost tracking, labor review, forecasting, and operating reporting, with routines for identifying corrective action.
Revenue and asset utilization	Reviewed pricing, capacity, events, catering, accommodations, programming, and underused spaces. Developed initiatives to improve utilization and a framework for a proposed commercial subsidiary.

Implementation Method

- Diagnose the current state through financial review, workflow observation, management interviews, policy review, and operating-data analysis.
- Stabilize high-risk and high-friction processes by clarifying authority, closing control gaps, and setting immediate operating expectations.
- Standardize recurring work through policies, SOPs, defined handoffs, service standards, and management routines.
- Measure execution through scorecards, budget reviews, labor and cost monitoring, and documented accountability.

- Build the future state by aligning structure, systems, staffing, and revenue opportunities with the organization's growth plans.

Results and Organizational Impact

The redesign produced an early measurable revenue result and established the management infrastructure required for continued improvement. Completed results are separated below from future-state work that remained in development.

AREA	OBSERVED OR COMPLETED RESULT	STATUS
Revenue	Net collected hospitality revenue increased by 20 percent within the first three months.	Completed
Management system	Decision rights, SOP governance, service expectations, KPI reviews, and operating controls established a consistent basis for accountability.	Implemented
Workforce and reporting	Selected roles, coverage, cost tracking, and management reporting were redesigned to improve labor use and performance visibility.	Phased
Business expansion	An operating and profitability framework was developed for a proposed commercial hospitality subsidiary.	In development

Selected Deliverables

- Current-state assessment of governance, workflows, roles, controls, and performance information
- Decision-rights and accountability framework
- Organization, staffing, and coverage recommendations
- Policy and SOP governance structure with priority operating protocols
- KPI scorecards and management-review practices
- Budget, labor, vendor, payment, and reporting controls
- Revenue, asset-utilization, and proposed subsidiary frameworks

The HNC Agency Contribution

The HNC Agency served as the strategic and operational lead for the redesign, translating board and executive priorities into operating structures, management controls, and department-level expectations. The work combined cross-functional leadership, financial analysis, policy and process design, performance management, and sustained implementation within active daily operations.

Key Conclusion

The long-running deficit reflected a management-system problem as much as a revenue problem. Clear authority, standardized processes, reliable performance information, and disciplined operating reviews created the foundation for stronger execution. The 20 percent early revenue increase demonstrated that financial improvement could begin while the broader operating model was still being implemented.