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Increasing efficiency of VoxUkraine operations

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Executive summary

VoxUkraine is	Think tank (non-profit). It creates public good for donor funding. Revenue in 2021: USD 746k
Goals	Impact/ outreach and diversification of funding enabled by efficient use of resources
Key challenges (problem statement)	To attract new audience → to turn new readers into permanent readers → to turn permanent readers into donors

This requires:
→ Production of high quality, well-packed content and developing relations with audiences
→ Including personal communication with donors, policy-makers, volunteers, some readers
→ Which in turn requires effective use of financial and human resources

Organization growth requires better management of organization staff and community

Executive summary

Main goals	Managerial solutions for 2022	IT instruments to be implemented in 2022
More outreach and impact	• Lighter content and its delivery (e.g. infographics) • 'Following the readers' (social media, newsletters, direct communication) • Indirect outreach: work with media	• Improved web-site • Migration of Reform Index • CRM • Online feedback/ question form for journalists
Diversify funding sources	• Attract new grants… • Collect … from VoxClub/ Crowdfunding • Start selling merch (2023)	• CRM • Project management software • Online shop (2023)
More efficient use of resources	• Allocate time of Comms, PM's, analysts from admin tasks to content production, development and fundraising • Reduce administrative costs to below 10% of total cost	• PM software • Vchasno e-docs signing system

- Digitization of communication, project management, marketing and document turnover closes both **performance** (revenue, time and cost) and **opportunity** (audience/impact growth, new project search) **gaps**.
- **Total cost of improvements is …**

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Description of the organization

VoxUkraine think tank: key facts

Established in 2014,
Registered as an
NGO in 2015

Main product: publications
on economics, society,
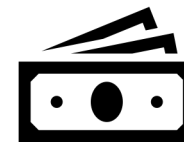governance and reforms;
factcheck

Success measures:
outreach and impact

28 employees
Several dozens of volunteers
200+ interns/alumni interns

Budget increased
from USD 100k in
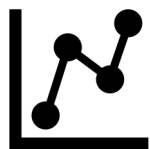2015 to USD 746k in
2021

Funded by grants
and individual
contributions

Main activities: 'production' and 'distribution'

Main products
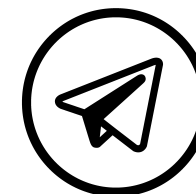
Blog

Reform Index

Factcheck

Research

Editors' Club

Packaging

Distribution channels

Business model canvas

Key partners	Key activities	Value proposition: new knowledge with minimum effort	Customer relationships	Customer segments
Other think tanks Donors Analysts Authors Provide funds and expertise	Content production & distribution	**For decision-makers:** data-based policy recommendations	1) one-time reader 2) permanent reader/ subscriber 3) donor or partner	We create value for **all Ukrainians** (they would benefit from better decision-making) by creating value for **policy-makers** (they get ideas and arguments to support them) and by providing knowledge to **journalists**
	Key resources Human capital Data Reputation	**For general public and journalists:** truthful, impartial and concise explanations **For donors**: impact	**Channels** Web-site, social media, newsletters Personal Media	Thus, we help **donor organizations** to [indirectly] make impact and contribute to Ukraine development

Cost structure	Revenue streams
Over 60% staff salaries; ~20% other services (translation etc.) The rest – rent, ads, other	Grants Readers

Market analysis & business needs

PESTEL

Political	Low demand for analytics
	EU vector of Ukraine, high donor support of think tanks
	Tax & labour legislation
Economic	Low productivity and wages
	Underdeveloped financial markets
	Development of medium business lately; growing IT sector
Social	'Survival' values
	Low quality of education, low economic and media literacy
	Switch to the online mode due to the pandemics
Technological	Social media algorithms that 'hide' pages of organizations
	Access to data
	Many ready-made IT solutions, including free ones
Ecological	Priorities of donors switch to climate change and ecological issues
	Pandemics: employees may need more sick leave days; distant work lowers creativity
Legal	Lobbying and advocacy stay in the grey area
	Charity contributions are not tax deductible

Enablers, constraints

5 forces: competition

High threat of new entrants but the market is large

Competition hand in hand with cooperation

No substitutes but internalization is possible

Suppliers: analysts, EB, have high power, authors medium

Donors have high bargaining power, policy-makers medium, general audience – high as a group, low individually

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S

Peer review
Team
Community

W

Mostly volunteer EB
Texts take a lot of time and effort

O

Cooperation with KSE
Shift to online
New generation of businesses and people

T

Financing mostly by international organizations
Information overload
Media attacks possible

Goals & business needs

Goals	Business needs	Managerial needs	IT solutions
1. Increase outreach and impact	Produce high quality publications	Manage analysts, EB and external authors	PM software, CRM, web-site improvements
	Reach audiences directly and via media	Provide 'lighter' products, personalized communication	CRM, MailChimp, social media
2. Diversify revenues	Crowdfunding Vox Club	Turning readers into donors, keeping donors involved	CRM, communication tools, funding tools (liqpay)
3. Use time of employees more efficiently	Reduce time for admin work, detect and address problems with projects early	All projects in one place; allocation of time and costs simplified	PM software, Vchasno

Goals quantified

Goals	KPIs
1. Increase outreach and impact	1. Increase the web-site audience by 50% by the end of 2022 compared to the end lof 2020 2. Increase the number of FB followers by 20% by the end of 2022 compared to the end of 2020 3. At least 200 people participate in offline events (if these events are allowed), at least 1,000 in online events in 2022 4. Increase the number of subscribers to newsletter by 20% by the end of 2022 compared to the end of 2020
2. Diversify revenues	1. Collect at least … in small-scale individual donations 2. Collect at least … in large individual donations · 3. Total revenue in 2021 … 4. Revenue in 2022 … 5. New grants in 2022 … 6. Start selling merchandize in 2023 7. Decrease shares of each organizational donor in revenues … 8. Adopt investment policy in 2021
3. Use time of employees more efficiently	1. Reduce indirect cost to … of total cost, reduce admin cost to … of total cost 2. Split working time of employees and allocate costs between projects, simplify compilation of project budgets and organization budgets: introduce PM software in 2022 3. Reduce operational costs for paper documents turnover: introduce Vchasno in 2022

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Suggested solutions & prioritization

IT architecture

Web-sites

```
                    ┌──────────────┐                              ┌──────────────┐
                    │  Main web-   │                              │  Main web-   │
                    │    site      │                              │    site      │
                    └──────┬───────┘                              └──────┬───────┘
┌──────────────┐          │                     ┌──────────────┐        │
│ Reform Index │          │                     │ Online shop  │        │
│  web-site    │          │                     │              │        │
└──────┬───────┘          │                     └──────┬───────┘        │
   ┌───┴────┬─────────────┤                        ┌───┴────┬───────────┤
┌──────────┐ ┌──────────┐ ┌──────────┐    ┌──────────┐ ┌──────────┐ ┌──────────┐
│Database of│ │  MPs     │ │  Media   │    │Database of│ │  MPs     │ │  Media   │
│  lies    │ │efficiency│ │ecosystem │    │  lies    │ │efficiency│ │ecosystem │
└──────────┘ └──────────┘ └──────────┘    └──────────┘ └──────────┘ └──────────┘
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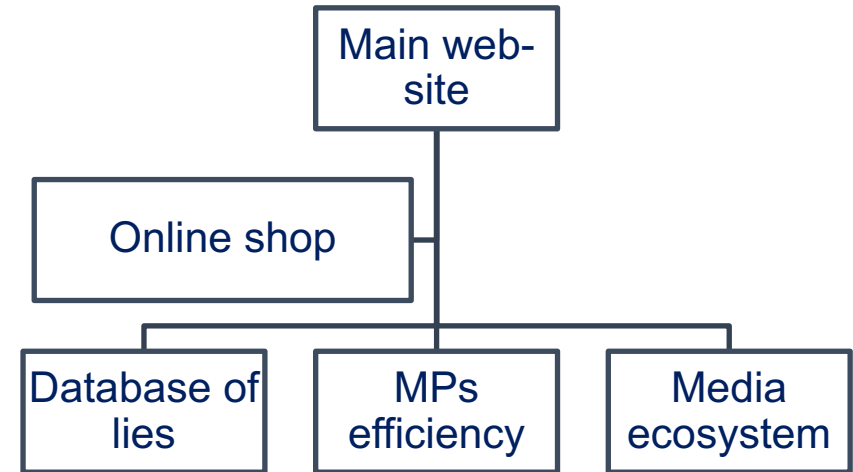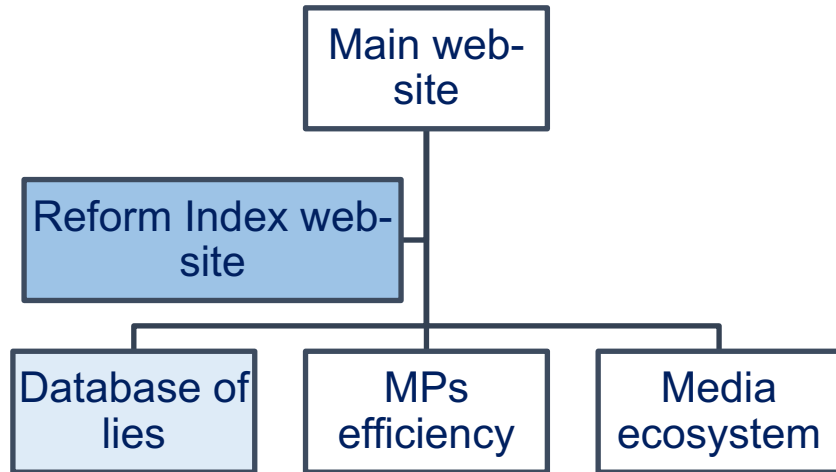
Other

ASANA for publications
Slack, Teams, messengers for internal communications
MailChimp, Zoom for external communications
1C for accounting
MS office for everything else

Nifty for project management
CRM for community management
Vchasno for document signing
Other soft as needed

Costs and resources required - 1

	Payment to external providers, UAH/ year	Staff involved	Number of people-hours/ month	Salary cost for project, UAH/ month	Total cost, UAH/ year	Total cost, USD/ year	Expected impact
Regular infographics		…	…	…	…	…	increased FB subscribers by 10%, Instagram subscribers by 30%
Newsletter for journalists		…	…	…	…	…	open rate - no less than 20%; re-publications of VoxUkraine articles grow by 20%
Project for media sphere analysis: monthly database updates and publications		…	…	…	…	…	each publication gets at least 2000 views and 1 republication
Improvement of Anthology of lies	…				…	…	Increased # of views; more journalists use the instrument
Introduction of Vchasno	…				…	…	reduces operational costs for paper documents turnover

marked blue are additionally budgeted costs of improvements

Costs and resources required - 2

	Payment to external providers, UAH/ year	Staff involved	Number of people-hours/ month	Salary cost for project, UAH/ month	Total cost, UAH/ year	Total cost, USD/ year	Expected impact
Project management software (Nifty 'Business')	…				…	…	releases PM's and analysts time and allows them to implement more research projects
CRM	…				…	…	releases Comms team's time for VoxClub (increases donations)
Transferring Reform Index database to the main web-site	…				…	…	increases web-site views
Online shop (2023)	…				…	…	revenues from the sale of merch*
IT manager remuneration (gross)			…	…	…	…	better management of web-site and other IT instruments
Total additional costs					…	…	
Total costs					…	…	

*we need to survey users to estimate possible revenues and whether it's worth it

Value attributes analysis

Stakeholders	VA Impact	Impact/ Reputation 31%	Increasing audience 29%	Product quality 30%	Diversification of funding sources 7%	Optimal use of the team 4%
Readers	1	3	3	4		
Current donors	0.9	3	2	2	3	
Team	0.9	1	3	2	1	3
Supervisory board	0.8	2	3	2	2	1
Editorial Board	0.7	3	3	3	1	
Potential large contributors	0.7	3	3	3	1	
Embassies and international organizations	0.7	4	2	4		
Reform Index Experts	0.6	4	3	3		
Partners on current projects (NGO)	0.6	4	3	3		
Authors	0.6	3	4	3		
Central and local media	0.5	3	4	3		
Policy makers	0.5	4	2	4		
Small contributors (crowdfunding)	0.4	3	4	3		
Reformers (MP and middle-level public officials)	0.4	4	2	4		
International Advisory Board	0.3	3	2	4	1	
TV channels	0.3	4	3	3		

Value Attributes Analysis determines stakeholders' major spheres of interests. Followed by Alternatives Analysis to set priorities in the action plan

Impact/ reputation, Increasing audience and **Product quality** are most valued by stakeholders with the highest impact

Analysis of alternatives

Value Attribute (VA)	Impact/ Reputation	Increasing audience	Product quality	Diversification of funding sources	Optimal use of the team	total score
	VA score from 1 to 4					
VA Share	30%	29%	30%	7%	4%	-
Produce lighter products and infographics (B2C): communication channels	3	4	3	1	2	3.1
Communicate with journalists of central media (B2B): personal communication	4	4	3	1	2	3.4
Communicate with journalists of local media (B2B): Editor's Club, joint events, placement of materials	3	4	3	1	2	3.1
Manage authors (PM tool, CRM, communication tools)	4	3	4	1	1	3.4
Outreach other than web-site (newsletter, social media, SM pages of the team etc)	4	4	3	2	1	3.4
Instruments for measuring impact (CRM, Google Analytics, Slack bot, telegram bot, statistics from web-site and SM pages)	4	2	2	3	2	2.7
Manage stakeholders: specify within the communication strategy messages and channels for each group of stakeholders, incuding donors (CRM, communication tools, SM pages, web-site)	4	3	2	4	2	3.0
Improve the process of tagging of posts to keep readers on the web-page: prepare the manual (web-site)	1	4	2	1	2	2.2
Start of merchandize selling (on some online platform)	1	2	1	4	1	1.5
Launch the Vox Club	3	2	4	4	1	3.0
Manage VoxUkraine friends (opinion leaders, EB)	4	4	2	2	1	3.1
Increase inflow from crowdfundig (web-site, CRM)	3	3	3	4	1	3.0
Manage Reform Index experts, keep them involved (CRM, dashboard on reform, reform database)	3	1	4	2	2	2.6
Formalize the process for new projects drafting and submission	1	1	3	4	4	1.9
Improve managerial accounting, allocate employees time and salary between projects (PM tool, 1C and extention)	1	1	3	3	4	1.9
Reduce operational costs (switch to electronic document signing -- Vchasno)	2	1	1	2	4	1.5
Optimal project and team management, collect data on participation of employees in external events (PM tool, CRM)	3	2	4	1	4	2.9

Orange denotes relevance for the first goal (raising impact), blue – for the second goal (diversification of funding) and green – for the third goal (more efficient use of resources).

A fragment of implementation plan (highest priority)

Business need	Management need	Actions	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	June-22	July-22	Aug-22	Sept-22	Oct-22	Nov-22	Dec-22	2023
Increase impact and outreach	**Increase outreach other than web-site**															
		weekly newsletters in Ukrainian														
		monthly newsletters in English														
		communication via social media and SM pages of the team														
		lectures at universities														
		regular survey of readers														
		internship programs														

Risk matrix

impact		probability		
		High	**Medium**	**Low**
	High	Fragmentation of the audience and its movement to different messengers	Political risk	Exit of international donors from Ukraine Bankruptcy of the bank where our accounts are held Ruining of VoxUkraine databases (financial information and content)
	Medium	Increased competition PR attacks on the organization	Legislative restrictions on NGOs	Exit of key staff Court cases against VoxUkraine Involvement of staff into political parties
	Low	DDOS-attacks; attempts to access admin page of the web-site or mails of employees	Attrition of experts of Reform Index	Exit of Editorial Board members Focusing on priorities of donors rather than our own Media don't want to republish our materials

Today, readers value personalized approach, think tank should 'chase' them on different platforms. Important readers need personal communication

This takes a lot of time and the organization needs to better manage time of its employees so that they are more efficient and can produce more high-quality content and also reach more readers

For this, we can employ a PM software; and also adopt a CRM to help support personalized communications with users

A necessary (but not sufficient) condition for getting permanent readers is a well-working web-site. Thus, we need to hire an IT manager who will be responsible for that

Annex. Additional info

Vision: Ukraine becomes a modern country - with functioning institutions, professional government, citizens who understand basic economic laws and their civic rights

Mission. VoxUkraine provides ideas, explains processes and tradeoffs to modernize Ukrainian economy and society for better well-being of people

Goal. To be an influential analytical center and a platform for discussion of important issues in the spheres of Economics, Society, Governance and Reforms