

## New Initiative Assessment Tool

### Introduction

As major new initiatives (ongoing or one-time), it is important that an appropriate evaluation be conducted on the new opportunity itself as well as the incremental impact on the organization as a whole. The purpose of this checklist is to assist management in conducting a structured and formal assessment of new and proposed new initiatives prior to undertaking them to allow for early identification of cross-department impacts, strategic considerations, risk and risk mitigation strategies. We recommend that the evaluation be documented and form an integral part of a formal review and authorization process.

#### 1. **Strategic Alignment – *Should we do this; why or why not?*** Consider:

- Is this the business/activity we want to be in and that our shareholders/members see as a priority? Are there any concerns with “mission creep”?
- How does this impact other activities that are already being undertaken?
- Does the new initiative support or distract from our ability to focus on the organization’s key challenges and goals?
- How will this initiative enhance the organization and how it will be communicated to stakeholders?
- What is the risk of not doing this?

#### 2. **Legal/Regulatory Compliance – *Are we allowed to do this?*** Consider:

- Are we allowed to do this? Do we need expert third party advice to make this assessment?
- Does the initiative introduce any new compliance considerations that fall outside of our normal operations (e.g. privacy, accessibility)?
- If the initiative is funded in whole or in part by the government, will the incremental funding amount bring cumulative government funding to a level that triggers additional regulatory requirements (e.g. Ontario Public Sector Salary disclosure, Broader Public Sector Procurement Directive)

#### 3. **Operational Capability and Capacity – *Do we have enough resources and with the right skills and experience to do this?*** Consider:

- Can we do it within our current staff complement and organizational configuration or can we acquire or build the necessary capability and capacity within an acceptable timeframe (including for example, human resource skills, technology, physical capacity, management capacity)?
- Have we considered and estimated how much internal capacity will be required? This would include up-front staff time for developing business cases and budgets for funding proposals, project plans, advice on contracts, financials and later for promotion of the initiative.
- Have we consulted with and sought input from all departments who may be impacted during any phase of this initiative (proposal, planning, execution and post-execution)?

#### 4. **Partnership Risk – *Can we trust our partners in helping do this?*** Consider:

- Can we trust and rely on partners if any, to fulfill their commitments?

- Have we identified key risks in working with each partner and a mitigation strategy including a documented memorandum of understanding or formal agreement? If necessary, are we prepared to enforce the terms of the agreement? Is the amount of any 3<sup>rd</sup> party funding (government or otherwise) of such a magnitude that could compromise our organization's economic independence?

**5. Reputational Risk – *Could doing this be embarrassing to us?*** Consider:

- Are we satisfied that undertaking this initiative will not impair the organization's reputation or require significant effort and resources to defend our reputation?

**6. Economically Viable – *Can we afford to do this?*** Consider:

- What are the projected proceeds and costs, distinguishing between one-time and on-going?
- Do the "all-in" financial projections support adequate cost recovery for direct costs (internal and 3<sup>rd</sup> party) as well as indirect costs (administration and infrastructure)?

**7. Limits of Authority – *Do we need approval from the Board of Directors and/or members to do this?***

*Consider:*

- Does this activity fall within the limits of management's authority to approve?
- Are there any aspects of this proposed initiative that the Board of Directors or broader membership would expect us to consult with or at least inform them about in advance?

Having challenges in evaluating the risks associated new programs or other initiatives? StraightUp can help. Contact us at [info@straightupmanagement.ca](mailto:info@straightupmanagement.ca) for a free consultation.