

Mapping Out the Course

FY 2010 – FY 2014



LONG RANGE STRATEGIC PLAN

Chimes first formal strategic plan was crafted in 1986 in response to the changing demands of the community. It was no longer sufficient to merely “do good,” as an organization. Chimes Board of Directors challenged its CEO, Terry Allen Perl, to build a sustainable, professional, not-for-profit that would support people with disabilities throughout their life time to achieve their goals, desires and dreams. The strategic plan included diversification of business lines and revenue streams by expanding to support people with disabilities other than mental retardation and geographic growth beyond the state of Maryland.

Today, after decades of growth and success, Chimes Family of Services has once again crafted a new strategic plan to guide the organization through the next five years of transitions, challenges, and opportunities. Broad based input from multitude of stakeholders was solicited through surveys and work groups. This long-range plan for fiscal year 2010 through fiscal year 2014 will encompass the transition of the Chief Executive Officer of 40 years and other key leaders.

The Board of Directors engaged a major consulting firm, Oliver Wyman, to assist them in navigating the process, which included board assessment and development, organizational assessment, talent management and succession planning. A

critical task included identifying the core competencies required for the next Chief Executive Officer as well as key drivers for the organization. The organizational and board assessments included interviews and frank conversations with key staff and board members. Tough questions were addressed including: What capabilities does the organization have? Where are the gaps in competencies and performance? Does the structure facilitate meeting current and future strategies? Are structural changes needed? How effective is the board structure? What works well and what needs to be changed? Will the board’s role differ in the future?

“To accomplish great things, we must not only act, but also dream; not only plan, but also believe.”

— Anatole France

The organizational assessment was shared with stakeholders including staff and board members at a retreat on November 6, 2008. Key themes evolved and included

Leadership and Governance, Meeting the Expectations of Customers, Developing the Workforce and Fiscal Sustainability. Work groups were formed to address each theme and identify possible strategic initiatives. The teams met through the winter and came back together on March 4, 2009.

In March, the stakeholders reviewed the 18 initiatives that were presented by the work groups. The four overarching goals and related action plans are enumerated on page 3.

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Mapping Out The Course – Chimes’ Long Range Strategic Plan *continued from page 1*

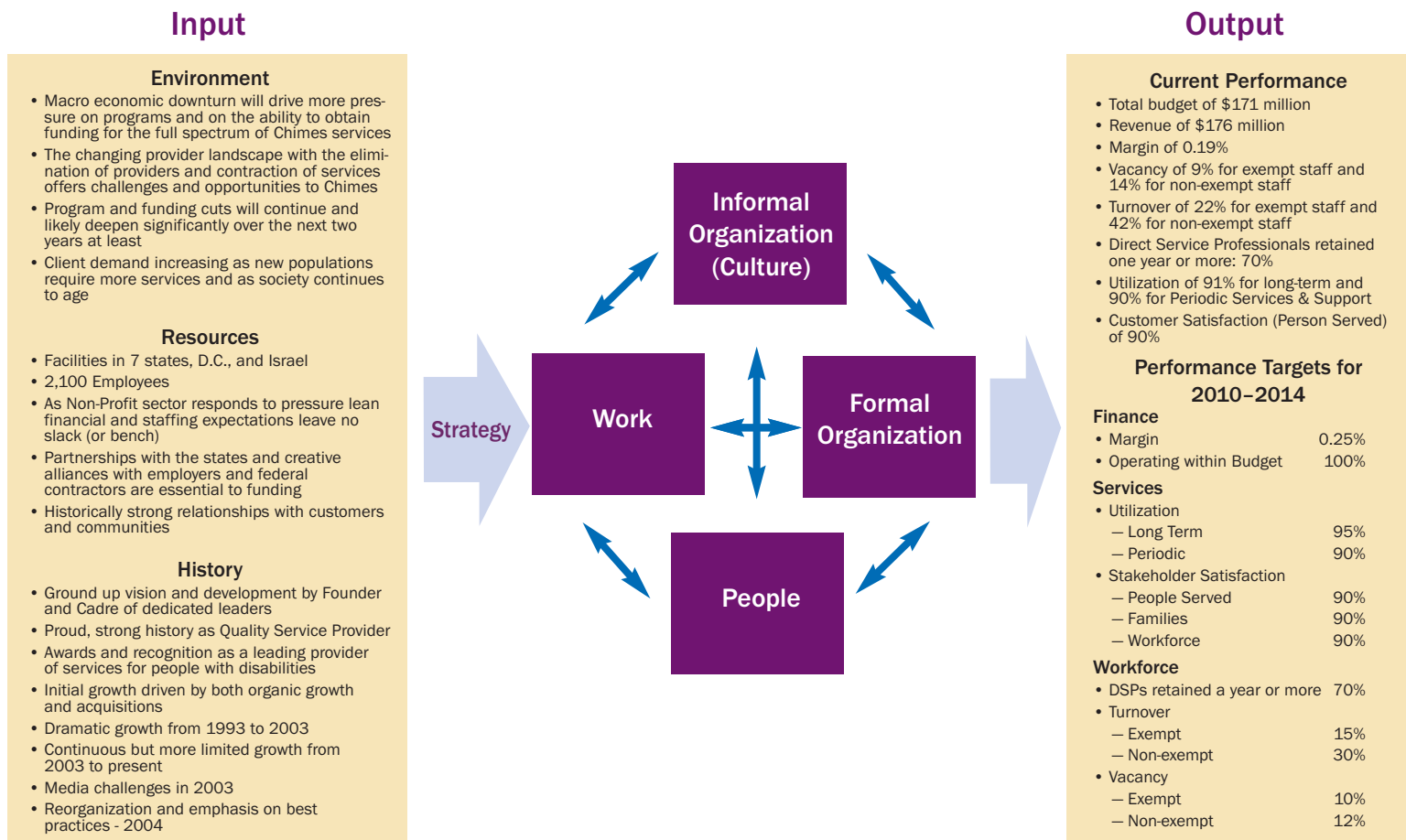
The stakeholders prioritized the most pressing initiatives that will require immediate action plans for FY 2010 as follows:

- **OPERATE WITHIN BUDGET**
Top priority reflected the stakeholders uncertainty with the economy and availability of state and federal funding for services
- **SUCCESSION PLANNING**
Includes the Chief Executive Officer, Chief Operating Officers and their direct reports
- **KNOWLEDGE SHARING, COMMUNICATION, COLLABORATION**
Stakeholders placed high value on sharing information and collaboration across subsidiaries
- **ATTRACT QUALITY APPLICANTS**
An ongoing challenge, especially for targeted positions

- **ENSURE SUSTAINABILITY**
Especially in today's environment, there is a critical need to maximize resources and operate efficiently
- **DEVELOP BENCH STRENGTH - FRONTLINE, MIDLEVEL MANAGERS**
Stakeholders opined that the best managerial staff come from internal candidates
- **LISTEN TO THE CUSTOMER**
Key success factor, flexible responsive services meeting or exceeding customers' needs

Chimes Family of Services is grounded in a solid foundation of leadership, commitment and dedication of its workforce and the strong belief in the abilities of every person, regardless of his or her ability. The strategic plan sets the course for continued successful growth and development in supporting people with disabilities to work, learn, live and participate in their communities as well as achieve their personal dreams and desires.

Congruence Model – Chimes Context for 2010-2014 Strategic Plan





Chimes Family of Services Strategic Plan FY 2010 - FY 2014

GOVERNANCE AND LEADERSHIP

Chimes will build upon a solid foundation to sustain visionary leadership and strong governance throughout Chimes Family of Services. In order to assure strong leadership and governance in the future, Chimes will:

1. Execute an effective transition for the Chief Executive Officer
2. Continue to recruit strong board members who are committed to the future success of Chimes Family of Services
 - a. Business and professional leaders
 - b. Young professionals
3. Provide board development opportunities
4. Promote opportunities which will allow volunteers to develop their skills in providing service to others
5. Institute best practices for talent management and leadership development throughout the organization
6. Systematize succession planning for key management positions
7. Formalize knowledge sharing throughout Chimes Family of Services
8. Increase employee engagement through targeted, effective communication
9. Enhance communication practices with all stakeholders
 - a. Internal communication
 - b. External communication

FINANCE

Chimes will continue to assure sound fiscal management, which is a key success factor for sustainability. In order to maintain the trust of stakeholders, Chimes will:

1. Operate within budget
2. Enhance resource utilization and management
3. Demonstrate best practices for facilities management
4. Raise public awareness in order to broaden and enhance support for Chimes Family of Services
5. Focus on sustainable growth
6. Prioritize expansion consistent with customer needs and available resources

WORKFORCE

Chimes will recruit, retain, and develop the workforce who will demonstrate core competencies and deliver outcomes consistent with Chimes mission. In order to assure Chimes Family of Services is the Employer of Choice, Chimes will:

1. Develop core competencies and train in areas which include:
 - a. Financial literacy
 - b. Computer technology/literacy
 - c. Customer sensitivity/listening to the customer
 - d. Workforce management
 - i. Emotional intelligence
 - ii. Coaching
 - iii. Assessment processes
 - e. Key job functions
2. Attract Quality applicants
3. Onboard staff effectively
4. Provide ongoing staff development by promoting a “learning organizational” culture
5. Develop bench strength throughout the organization

SERVICES

Chimes Family of Services will continue to provide innovative, flexible, and responsive solutions that are customer focused and results oriented which address the needs of current and future customers. In order to assure Chimes Family of Services is a model of excellence, Chimes will:

1. Secure input from customers and stakeholders
2. Identify and maximize all economic resources that allows Chimes to maintain, enhance, and innovate quality services
3. Consistently evaluate current and potential services in order to assure customer needs are addressed within available resources
4. Enhance development and delivery of services through effective collaboration
 - a. Throughout Chimes Family of Services
 - b. With other organizations and professionals

Looking in the Rear View Mirror

Strategic Plan Serving as Road Map

“We have a ‘strategic’ plan. It’s called doing things.”

— Herb Kelleher, founder of Southwest Airlines

Hall of Fame basketball coach John Wooden was a stickler for planning.

In fact, the legendary Wizard of Westwood, whose UCLA teams captured 10 national championships, was fond of saying, “Failure to Prepare is Preparing to Fail.” Successful organizations strategically plan for their success. In essence, the strategic plan states, where is the organization today, where does it want to be at certain points in the future and how will the organization get there.

Fortunately, Chimes has had the vision and expertise to develop a long-term strategic plan, reviews the progress of the plan and reacts with changes as needed. The plan becomes the measuring stick for the organization’s goals and objectives. Chimes implemented its current long-range strategic plan in July, 2005, with the intent of strengthening the infrastructure and building for the future. In evaluating our strengths, weaknesses, opportunities and threats (i.e., SWOT analysis), Chimes confirmed the following (i.e., here is where we were):

- *There was rapid growth within Chimes and the industry during the prior ten years*
- *Future growth would be limited*
- *Strong culture of “can do” attitude*
- *Long tenured leadership at the CEO and executive level*
- *Two long tenured Chief Operating Officers would transition out of the COO role for the largest subsidiaries*
- *There was mixed marketing awareness*
- *Need for strong political advocacy to assure appropriate access and funding availability*
- *Customer and stakeholder segmentation was lacking*
- *Insufficient satisfaction data and input from stakeholders*
- *Longitudinal data was scattered*
- *There were gaps in performance for best practices*

Based on Chimes’ thorough analysis, the organization identified eight major focus areas

for future development (i.e., here is where we wanted to be):

- *Leadership and Governance*
- *Marketing and Business Development*
- *Customer Focus*
- *Service Excellence*
- *Public Awareness and Advocacy*
- *Workforce*
- *Finance*
- *Technology*

Reflecting on where Chimes Family of Services was in 2005 and where we wanted to be on a long-term basis, Chimes has made significant strides. The most significant achievement is related to the culture shifting from a process orientation to focusing on outcomes using data to make decisions. Organizational performance is routinely assessed through metrics and using the Baldrige criteria. Stakeholders are constantly asked about their degree of satisfaction with services or employment. The data is tracked year over year

and compared longitudinally. This valuable input is incorporated into designing new processes or policies.

Best practices have been incorporated into governance and leadership roles. Chimes Family of Services continues to strive to serve as the model of excellence within the industries we operate. Chimes was recognized in state quality programs for Maryland and Delaware. In Maryland, Chimes was recognized with the top-level award - the US Senate Productivity Award - in 2006. Members of Chimes Family of Services have received multiple awards and recognition for services provided to people with disabilities.

Chimes conducted the bi-annual employee satisfaction survey in May of this year. The combined results reflect minimal change except for being valued (improved satisfaction) and looking forward to work (less satisfaction). The increased satisfaction of being valued at work may relate to the wage

enhancements provided to direct support professionals in Chimes Maryland, Chimes Delaware and Chimes Virginia. There were considerably fewer comments about wages and benefits in 2009 compared to 2007. The decrease in satisfaction in looking forward to work may reflect the general stress of the workforce in response to the economic challenges everyone is facing. It is noteworthy that in both of these areas, the results are better than the benchmark of the national ARC Link survey.

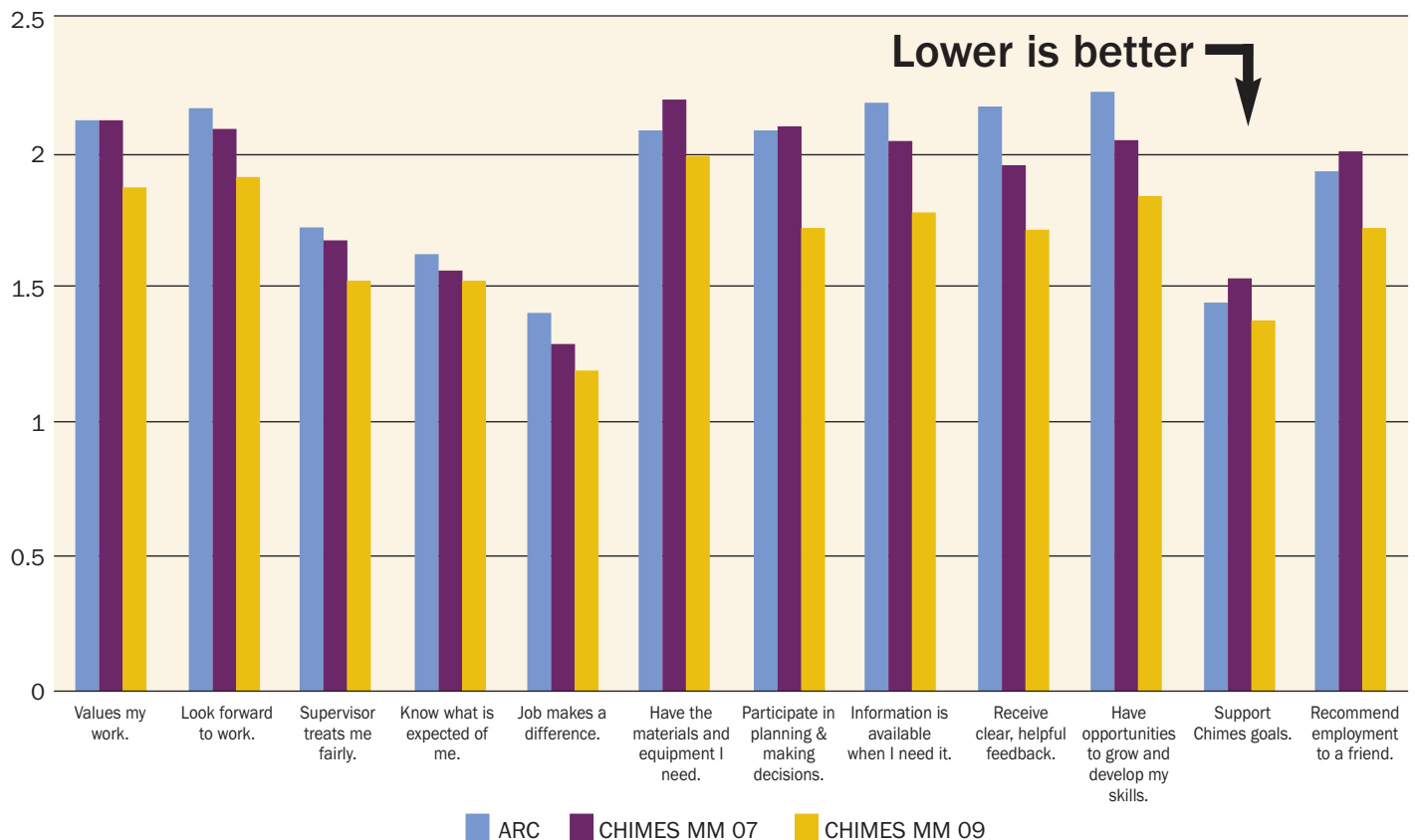
An example of one of the action plans from the current strategic plan was Support Our Middle Managers. The analysis of our employee satisfaction survey revealed that our middle managers were not as satisfied as our direct support professionals or administrative staff. The middle managers' comments reflected frustration with being "caught in the middle" between the needs of the direct support professional staff and the directives from the

administrative staff. The action plan focused on providing additional support to the middle managers through workshops and trainings and highlighting their role in agency publications.

The results of the employee survey are segmented by many factors – the middle manager survey results showed a marked improvement in satisfaction on all areas for FY 09 compared to FY 07. The largest improvement was within Chimes Delaware. This may reflect the positive impact of the action plan to support middle managers – providing recognition to the key role of middle managers in the success of the organization in achieving its mission.

Chimes Family of Services achieved its goal of strengthening the infrastructure and is now able to lead from a position of strength as the organization moves forward with its new strategic plan, a working document that is effectively guiding Chimes' future growth.

Results of Employee Satisfaction Survey for Middle Managers FY '07 Compared to FY '09



HIGHLIGHTS OF ACCOMPLISHMENTS: GOALS AND OBJECTIVES

Chimes Family of Services has achieved:

- 1. Implementation of Metrics System**
 - Leading and lagging indicators
 - Data driven decisions
- 2. Alignment of Strategic Goals, Metrics and Performance Evaluations**
 - Implementation in Chimes Maryland and Chimes International
 - Planned implementation for 2010 in Chimes Delaware and Chimes Virginia
- 3. Solicitation of Stakeholder Satisfaction**
 - Segmented
 - Tracked longitudinally
- 4. Best Practices Instituted**
 - Board Governance
 - Compensation Plans
 - Succession Planning
- 5. Enhancement of Direct Support Professional Staff Wages**
 - Delaware
 - Maryland
 - Virginia
- 6. Enhanced Public Awareness and Advocacy**
 - Advocacy with National Wage Campaign
 - Advocacy on State Levels for Access and Appropriate Funding
 - Collaboration with State of Maryland with Closure of Rosewood Center
 - State Quality Awards
 - Recognition of Provider Excellence in Service Delivery
- 7. Implementation of Operational Efficiencies**
 - Consolidation of business office functions
 - Revision of policies for travel, vehicles and leave time
 - Consolidation and integration of insurance policies
 - Transitioned services in New Jersey to other providers
- 8. Enhanced Technology Infrastructure**
 - Network Operations
 - Disaster Recovery
 - Security
- 9. Expansion and Development**
 - Organic Expansion and Growth within All Subsidiaries
 - Holcomb expanded residential services into New Jersey
 - Holcomb won the bid to provide Chester County Crisis Intervention Services
 - Chimes Delaware expanded to include individual support services
 - Chimes Delaware expanded into Southern Delaware for residential and vocational services
 - Chimes Maryland opened four new residential homes
 - Chimes Virginia expanded into day services
 - New Business Lines
 - America's Pride
 - Stadium Contracts
- 10. New Facilities and Reorganization to Enhance Service Delivery**
 - Relocation and expansion of Holcomb's clinical services and corporate offices
 - Acquisition and renovation of facility for Holcomb's residential crisis intervention
 - Acquisition and renovation of building for Chimes School
 - Renovation of Chimes Newark Work Center and corporate offices
 - Relocation and expansion of Liberty Club East
 - Expansion of Chimes Virginia Clubhouse and corporate offices
 - Acquisition and renovations of new housing Maryland, Delaware, New Jersey
 - Elimination of medical day services in Maryland
 - Expansion day habilitation services in Maryland
 - Enhancement of infrastructure for residential services in Maryland

{ Chimes Performance Excellence Journey Initiative of 2005 - 2009 Strategic Plan }

A key strategic initiative focused on defining and replicating quality throughout Chimes Family of Services.

In 2004, the standard response to, “how do you define quality?” was “I’ll know it when I see it.” Today, Chimes’ definition of quality is, “compliance with regulations, meeting or exceeding stakeholders’ expectations and incorporating best practices.”

Terry Collard, Vice President/Chief Strategic Officer, led and coordinated the initiative to identify frameworks and tools to incorporate measurable quality throughout Chimes Family of Services. The Baldrige Criteria provided the framework to assess organizational performance against performance excellence standards. The American Society of Quality (ASQ) provided the tools to improve workflows and define measures.

Along the way on the quality journey, Chimes Maryland and Chimes Delaware submitted multiple applications for state quality awards. Each application documented improved performance, which was reflected in the advanced recognition. Terry Collard and Martin Lampner, Executive Vice President/Chief Administrative Officer served as state quality award examiners in Maryland and Delaware respectively. Chimes worked

with ANCOR, the national association of providers, and the American Society of Quality to initiate a pilot metrics project with ANCOR members. This initiative was the foundation for the current ANCOR Performance Excellence program in collaboration with Deyta, a provider of performance management systems designed to capture and apply consumer and employee assessments of an organization’s performance.

Chimes shared its experiences along the quality journey across the nation and internationally with ANCOR, IASSID, other providers, quality organizations, and colleges. See the box listing state quality awards. (below)

Chimes mission, “models of excellence with innovative, flexible, and responsive solutions that are customer focused and results oriented” reinforces that quality is a key driver in our service delivery system. Chimes subsidiaries provides award winning services as evidenced by the awards listed in the box below.

STATE QUALITY AWARDS

2002	Maryland – Bronze Award
2004	Maryland – Gold Award
2004	Delaware – Commitment Award
2006	Delaware – Merit Award
2006	Maryland – US Senate Productivity Award

SERVICE AWARDS AND ACCREDITATIONS

- 2004** Holcomb Eli Lilly Award
- 2005** Chimes Delaware State Wide Provider Award
- 2005** Chimes DC, Certificate of Achievement
- 2006** Chimes DC, Silas Miller, NISH East Region Supervisor of the Year
- 2006** Chimes DC, Baltimore Workforce Investment Board Encore Award in recognition of Outstanding Partnership with Career Center Network
- 2006** Chimes DC received the highest score of all community rehabilitation providers for NISH/GSA Certification
- 2006** Chimes Delaware, Sponsorship by Dover Kiwanis Club
- 2006** Chimes Delaware, Best Practices on School to Work, Autism Society
- 2006** Holcomb: JACHO Accreditation
- 2006** Holcomb, Creativity in Anti-Tobacco Award from the American Cancer Society
- 2007** Chimes Maryland, Governor’s Volunteer Service Award
- 2007** Holcomb, Open Door, Dare to Soar from Cecil County
- 2008** Chimes Maryland Respite Provider of the Year
- 2008** Chimes Maryland, Saundra McKnight, Direct Support Professional of the Year
- 2008** Chimes Israel, First workshop for people with developmental disabilities received ISO 9001 certification in Israel
- 2009** Chimes Maryland, Chimes Delaware & Chimes Virginia: 3 Year CARF Accreditation
- 2009** Chimes Delaware, George Farren, Direct Support Professional of the Year
- 2009** Chimes DC, 100% compliance on Ability One review
- 2009** Holcomb Open Door, Child Mental Health training initiative for Trauma Focused Best Practices
- 2009** Holcomb, Chester County Award for Outstanding Staff Contributions (received each year for the past five years)



Chimes School



Holcomb Valley Creek Crisis Center

“With a lot of help from our friends” Donor Dollars at Work

Chimes is very fortunate to have philanthropic support from many people, businesses and foundations which we have leveraged with public resources to acquire, expand and enhance our facilities. A major strategic success was to provide therapeutic environments that encourage skill acquisition and promote community integration. During the current strategic plan, multiple capital projects were completed:

- Purchased and renovated seven new homes in Maryland and Delaware.
- Established a permanent home for Chimes School to provide a state of art environment for students with autism and other disabilities.
- Relocated and expanded Liberty Club East.
- Renovated Curtis Hall Senior Assisted Living Center
- Relocated and expanded Chimes Virginia’s offices and Clubhouse.
- Renovated Chimes Delaware’s corporate offices and expanded the vocational center.
- Renovated a facility for the Chester County Crisis Center, Valley Creek, as a part of Holcomb’s expansion.
- Expanded work centers in Israel.



Delaware Workshop



Chimes Maryland Home



Rosh Ha'ayin Center in Israel



Curtis Hall



Liberty Club East