

## Pilot Program Policy – Policy I-145

A Pilot Program is a preliminary trial-based initiative designed to test the feasibility, effectiveness and impact of a new concept, process, product or service on a limited scale before a full-scale rollout. Pilot Programs are intended to provide insights and data that will inform decision-making and help refine or validate the proposed innovation.

Pilot Programs must be presented to the Optimist International Board (OI Board) for approval with the following criteria included in the proposal:

1. **Set Term:** Each Pilot Program must have a clearly defined term, which is the time frame during which the Pilot Program will be operational. Depending on the complexity and scope of the initiative the set term for a Pilot Program could be between three months to a maximum of three years. Extensions to the term may be granted based on the results of interim evaluations with any extension formally approved by the OI Board.
2. **Objectives Outline**
  - a. One of the following criteria must be the primary objective for the Pilot Program:
    - i. Support Clubs in their viability
    - ii. Strengthen member personal development
    - iii. Expand revenue for Optimist International (OI)
    - iv. Increase growth in membership
    - v. Create new service in communities
  - b. The supporting documentation of a Pilot Program shall include:
    - i. An evaluation of the feasibility and practicality of the proposed initiative in a real-world setting
    - ii. What empirical data and user feedback will be gathered and how, to identify strengths, weaknesses and potential areas for improvement
    - iii. The Pilot Program's potential impact on OI, Districts, Clubs and/or members and operational processes
    - iv. Assessment of resource requirements and any unintended consequences
3. **Financial Impact:** A Financial Impact Study must be conducted both prior to the launch of the Pilot Program and upon its conclusion. This study should include:
  - a. **Pre-Pilot Program Financial Analysis:**
    - i. **Budget Forecast:** Outline the estimated costs associated with the Pilot Program including direct expenses (e.g., equipment, personnel, marketing) and indirect costs (e.g., administrative support).
    - ii. **Funding Sources:** Identify the sources of funding for the Pilot Program including internal budget allocations and external grants or investments.
    - iii. **Expected Financial Benefits:** Project potential cost savings, revenue generation or other financial benefits that the Pilot Program aims to achieve.

The Financial Impact Study report should be reviewed by the Finance Committee to ensure that financial considerations are thoroughly evaluated before making decisions on program initiation.

4. Oversight Committee: It must be established in the proposal which committee will oversee the progression of the Pilot Program. That committee will continue to evaluate the Pilot Program, and this oversight will be an agenda item on the committee agenda during the term of the Pilot Program and will be on any future Committee Charge Letters should the term exceed the current year.
5. Exit Strategy if Not Continued or Implemented: If a decision is made not to continue or fully implement the Pilot Program a detailed impact assessment must be carried out. This assessment should include:
  - a. Analysis of the reasons for discontinuation and their implications for the organization
  - b. Evaluation of the impact on OI including any negative effects or disruptions caused by the Pilot Program
  - c. Recommendations for mitigating any adverse effects and managing OI expectations
  - d. Documentation of lessons learned and potential improvements for future initiatives

The impact assessment report should be presented to the OI Board to ensure transparency and informed decision-making.

6. Communication of the Pilot Program: Effective communication is critical to the success of a Pilot Program. The following steps should be taken to ensure that all members are informed:
  - a. Initial Communication
    - i. Announcement: Upon approval of the Pilot Program a formal announcement should be made to all members. This announcement should include the purpose, goals and anticipated outcomes of the Pilot Program.
    - ii. Details: Provide detailed information on the Pilot Program's term, key milestones and any expected changes to processes or workflows.
  - b. Ongoing Communication
    - i. Regular Updates: Regular updates should be communicated throughout the Pilot Program's term. These updates should cover progress, interim results and any adjustments to the Pilot Program.
    - ii. Feedback Channels: Establish and maintain channels for members to provide feedback or ask questions. Ensure that this feedback is reviewed and addressed in a timely manner.
  - c. Post-Pilot Communication:

- i. **Results Presentation:** At the conclusion of the Pilot Program, communicate the results including successes, challenges and lessons learned. This should be shared with all members involved in or impacted by the Pilot Program.
  - ii. **Future Steps:** Clearly outline any decisions made regarding the continuation or scaling of the initiative based on the Pilot Program results and provide information on the next steps, if applicable.
7. **Review Process:** There shall be a review process. A comprehensive review of the Pilot Program must be conducted at the midpoint and at the conclusion of the set term. The review should include:
  - a. Assessment of the progress made towards achieving the Pilot Program's objectives
  - b. Analysis of collected data and feedback from participating Districts, Clubs, members and/or entities
  - c. Evaluation of resource usage and operational challenges encountered
  - d. Identification of any modifications needed to improve the Pilot Program or address unforeseen issues
  - e. **Post-Pilot Financial Evaluation:**
    - i. **Actual Costs:** Compare actual expenses incurred during the Pilot Program with the initial budget forecast.
    - ii. **Return on Investment (ROI):** Evaluate the financial returns or savings generated by the Pilot Program relative to its costs.
    - iii. **Cost-Benefit Analysis:** Assess whether the financial benefits of the Pilot Program justify the costs and whether the initiative is likely to be cost-effective if scaled.

The Financial Impact Study report should be reviewed by the Finance Committee to ensure that financial considerations are thoroughly evaluated before making decisions on Pilot Program continuation or scaling.

  - f. **Recommendations for scaling or modifying the initiative based on Pilot Program findings**

The review report should be prepared by the Oversight Committee and submitted to the OI Board for evaluation.

**Approval and Oversight:** All Pilot Programs must be approved by the OI Board before commencement. The OI Board may assign an OI Committee to be the Oversight Committee of the Pilot Program. The assigned Oversight Committee is responsible for reporting the Pilot Program's progress to the OI Board when requested to do so. The assigned Oversight Committee is charged with ensuring compliance with this policy and making recommendations regarding the continuation or termination of the Pilot Program based on review findings, financial impact study results, communication effectiveness and overall impact assessments.

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