YOUR GUIDE TO GROWTH

A practical guide for Community Housing Providers to grow and scale

September 2025

rightlane

Right Lane Consulting is an ethical management consulting firm serving the purpose economy.

Our vision is to build a strong Australian purpose economy that delivers a fairer and more prosperous society.

We employ our distinctive ideas and processes, and our absolute commitment to delivery, to help clients we care about pursue their inspiring missions.

We work alongside clients who do great work within the sectors they operate, and we are driven to create outcomes that truly make a difference.

Right Lane Consulting was established in 1997 to help private, not-for-profit and public sector clients to clarify and accelerate their future plans. We have helped the executive teams and boards of over 500 organisations to define and adapt their direction and strategy, identify and clarify their priorities, align their efforts with their aspirations, get their major projects started and finished, and measure and improve their performance.

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Taking this commitment one step further, in 2022, Right Lane Consulting transitioned to majority foundation ownership – the first Australian consulting firm to adopt such a structure.

In recent times there has been increasing public focus on the role played by professional services firms. Important questions have been raised about the value firms have delivered, particularly on projects involving the use of taxpayer funds.

We are deeply conscious of our role in society, and we believe a conversation on the public value delivered by professional services is long overdue. To that end, Right Lane Consulting remains committed to its purpose of contributing to a better society by helping organisations that do good, do better.

We are a proudly ethical consulting firm demonstrated by our foundation ownership model, the clients we choose to serve, our commitment to our low and pro bono program, and a service model that reflects our ability to keep our rates competitive and add value to our clients.

We back our model and believe it provides a way of doing consulting differently and better.

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Acknowledgement of Country

Right Lane Consulting is headquartered on the land of the Wurundjeri People of the Kulin Nation and the Gadigal People of the Eora Nation. We pay our respects to their Elders past and present.

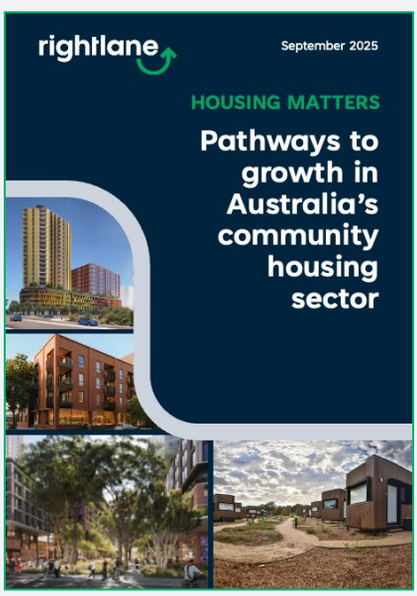
We recognise the ongoing impacts of colonisation contributes to higher rates of housing insecurity and homelessness within Aboriginal and Torres Strait Islander communities.

Right Lane Consulting acknowledges and celebrates Aboriginal and Torres Strait Islander peoples across Australia.

This was and will always be their land.

Contents

This document is a practical 'how to guide' accompanying our Housing Matters Report 2025 *Pathways to growth in Australia's community housing sector*. Access the Report here.



Note on language: The term 'community housing provider' has been used in this Report to refer to not-for-profit, regulated community housing providers, however, we note other terms such as 'community housing organisation' are also used in the sector.

Artificial intelligence (AI) use: This Report has been developed drawing on Right Lane Consulting's knowledge, ideas and insights. AI technologies were used to support the drafting process in some sections of the Report. Our AI platforms do not use Right Lane Consulting data to train its models.

Data accuracy: Every attempt has been made to use the most recent data available. The snapshot figures in the case studies represent FY24 figures.

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About the Guide

A clear and deliberate approach to growth is essential to translate a Community Housing Provider's (CHP's) purpose and vision into greater impact for the residents and communities they serve. This document provides a practical 'how to guide' for CHPs to grow and scale.

Why we developed this Guide

Australia's community housing sector is at an inflection point. Growth of the sector and CHPs is a given. Our *Housing Matters Report 2025* (Report) highlights this growth imperative and showcases how leading CHPs are navigating their own growth journeys. There is no one pathway to growth and all CHPs - from national providers to small place-based providers - have a role to play in addressing Australia's housing crisis.

We are privileged to work with a range of clients focused on developing solutions to Australia's escalating housing crisis and providing more safe, secure and affordable homes. CHPs are at different stages of their growth journey and are pursuing a wide range of growth pathways. We have witnessed firsthand the complexity CHPs are grappling with as they seek to grow and scale their organisations to meet the need for more housing.

We wanted to provide CHPs with practical advice and tools on how to best navigate their own growth journey to deliver more social and affordable housing – and ultimately achieve greater social and economic impact. CHPs that adopt a deliberate but flexible approach to growth are more likely to succeed, particularly in turbulent times.

The result was this document *Your guide to growth: A practical guide for Community Housing Providers to growth and scale* (Guide). We hope this Guide provides value to any CHP with a growth ambition regardless of their size, current capability or capacity, or where they are at in their growth journey.

What's in the Guide?

We developed the **new CHP Growth Domain model** specifically to support CHPs as they grow and scale. The model helps CHPs clarify the impact they seek to create and what success looks like to them, build internal capability and capacity, seize strategic opportunities, and turn growth into scale. The model is not prescriptive, but rather a tool to guide thoughtful, purpose-aligned decision-making.

The model covers 4 domains to help CHPs navigate their growth journey:

1. **Set the growth ambition**
2. **Embed foundations for growth**
3. **Define the growth roadmap**
4. **Scale proven growth initiatives**

We also identified **8 essential traits** that underpin the growth of CHPs. These traits are internal to the organisation and reflect the common ingredients for success.

Not all traits are equal in terms of their impact on growth, but all are essential to grow sustainably. The traits are aligned to the Growth Domain model to demonstrate how they support CHPs to navigate their growth journey.

How this Guide was developed

This Guide brings together Right Lane Consulting's deep experience, knowledge and insights, research on strategy best practice, and our work with a wide range of clients, not just in the housing sector but across our consulting practice, to set their strategic direction and growth ambition and execute their strategy.

Housing and homelessness is one of Right Lane Consulting's focus areas and we aim to support growth in the supply of social and affordable housing for people who need it most. Right Lane Consulting has been actively building its housing and homelessness practice over the last 3 years and in 2024/25 alone we served 14 clients across 28 engagements.

Our work with a diversity of clients in the housing and homelessness sector including CHPs, peak bodies, government entities and investors means we bring a unique, multi-sector view of Australia's housing crisis – and potential solutions to address it – to our work.

We drew on our expertise and knowledge of Australia's community housing sector to develop this new CHP Growth Domain model and essential traits for growth. We also refined the model and traits based on our interviews with 11 leading CHPs. These CHPs are featured in our Housing Matters Report 2025 as case studies that demonstrate different pathways to growth.

We also sought feedback from these CHPs and several friends of the firm on the draft Guide. We thank everyone for their valuable insights to refine the practical frameworks in this document for use by the community housing sector.

Want to know more?

If you would like to discuss any aspect of this Guide or accompanying Report, or would like Right Lane Consulting to present to your board or executive team, please contact:
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Please enjoy the Guide.

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Acknowledgments

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Featured CHPs:

- Rian Ritter-Branthwaite, Director Aboriginal Services and Drago Chikitch, Director, Assets and Development, Aboriginal Housing Victoria
- Charles Northcote, CEO, BlueCHP
- Jane West, CEO, BRIC Housing
- Nathan Dal Bon, CEO, CHC Australia
- Chris Smith, CEO, Foundation Housing
- David Fisher, CEO, Housing Choices Australia
- Maria Palumbo, CEO, Junction
- Andrew McAnulty, CEO, Link Wentworth
- Joe Achmar, CFIO, St George Community Housing (SGCH)
- James King, CEO, Unison
- Emma Nicholson, Head of Housing, Uniting NSW.ACT

Peer reviewers:

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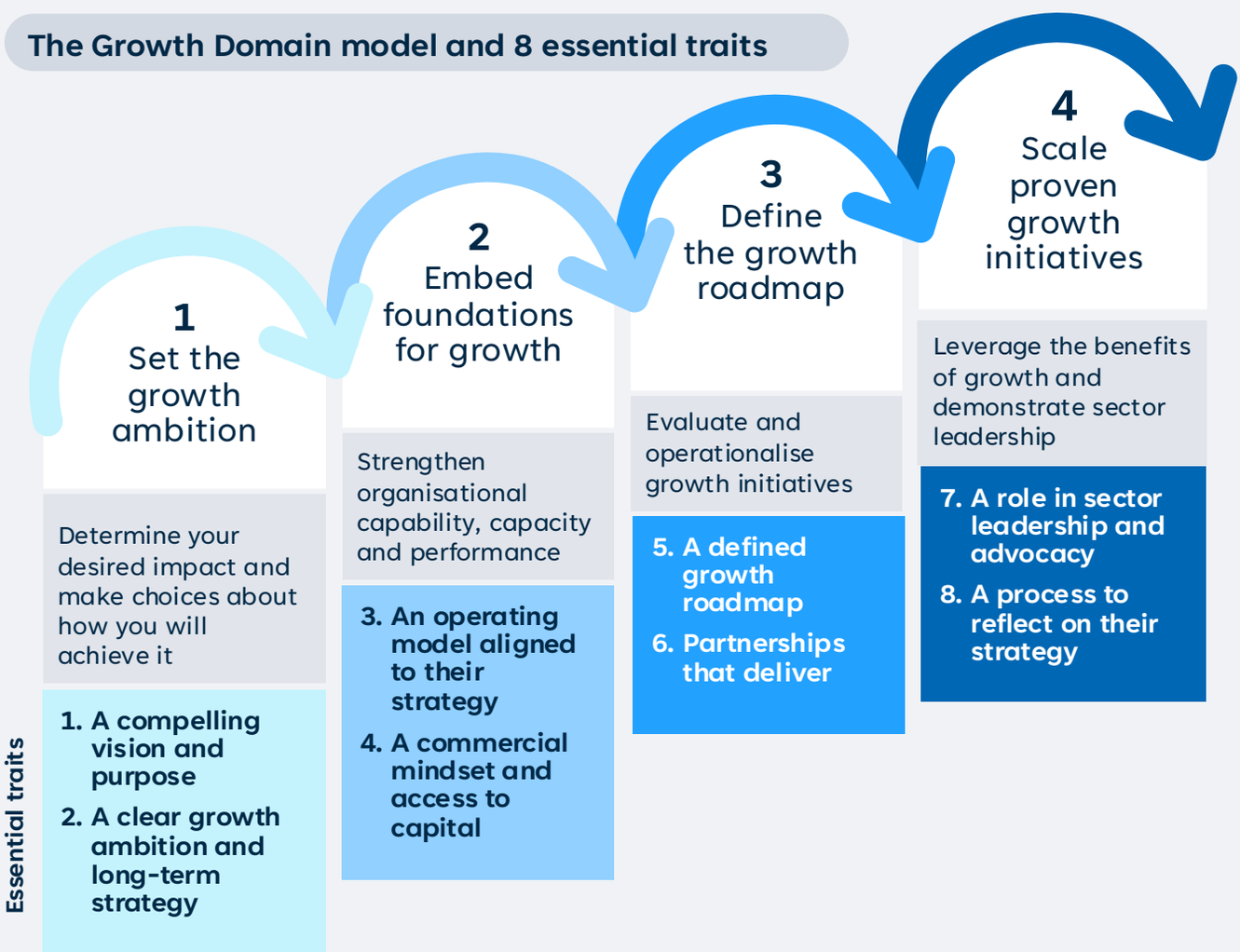
- Mike Allen, Chair, Link Wentworth

We would also like to thank our Right Lane Consulting colleagues for their review and design of the Guide.

The CHP Growth Domain model and 8 essential traits

The new CHP Growth Domain model and 8 essential traits were developed by Right Lane Consulting to support CHPs to adopt an intentional approach to growth.

The Growth Domain model and 8 essential traits



The Growth Domain model steps CHPs through 4 domains of growth

Domain 1
Set the growth ambition

Determine your desired impact and make choices about how you will achieve it

Getting the first domain right can make or break your ability to grow and scale.

Growth starts with clarity. ***Domain 1. Set the growth ambition*** lays the foundation for all other growth-related decisions. A compelling growth ambition is more than a numerical target; it reflects an organisation's purpose and desire to expand its impact.

Our interviews with senior leaders of some of Australia's leading CHPs echoed the advice we give our clients: a clear growth ambition is essential to guide the development and execution of your growth strategy.

Domain 2
Embed foundations for growth

Strengthen organisational capability, capacity and performance

Strong foundations don't just enable growth; they accelerate it. Investing in the second domain earns your organisation the right to grow. Ambition alone is not enough. CHPs must also be prepared to deliver on it.

Domain 2. Embed foundations for growth focuses on strengthening organisational capability, capacity and performance to support sustainable growth. The CHPs we interviewed invested significant time and resources to embed strong foundations. This investment demonstrates that an organisation has built the operating model and organisational culture required to scale responsibly.

For some CHPs, Domain 2 will be a discrete stage in their growth journey. Other CHPs will complete Domain 2 in parallel with Domain 3. Which approach is pursued will depend on the current state of the organisation and its desired future state.

Domain 3
Define the growth roadmap

Evaluate and operationalise growth opportunities

The third domain turns ambition into action. With a clear growth ambition and strong foundations in place, the next challenge is to bring that ambition to life. ***Domain 3. Define the growth roadmap*** focuses on evaluating the range of growth opportunities available and translating selected opportunities into a deliverable and actionable plan. This domain makes growth tangible and bridges the gap between intent and implementation.

There is no single pathway to growth. CHPs are pursuing diverse growth initiatives such as expanding development pipelines, diversifying services, entering new geographies, exploring mergers – and often combining several approaches. They use clear criteria to identify 'best bets', and sequence initiatives accordingly, often piloting innovative models to test new growth opportunities.

Each CHP's optimal pathway to growth will depend on the strategic decisions it makes in Domain 1 and Domain 2. These decisions provide the guardrails for assessing opportunities and ensuring growth initiatives align with your strategic direction, capability and capacity.

Domain 4
Scale proven growth initiatives

Leverage the benefits of growth and demonstrate sector leadership

The fourth domain enables growth to become transformative. ***Domain 4: Scale proven growth initiatives*** builds on Domain 3 and focuses on expanding growth initiatives that have delivered value and impact. Domain 4 marks the transition from growth as a series of discrete initiatives to growth as a way of operating.

Embedding growth into the core business and leveraging the benefits of scale helps CHPs build resilience, attract long-term investment and support, and deepen their impact. When CHPs scale effectively and take an active role in sector leadership and advocacy it positions them to become enduring, influential leaders in the housing system.

8 essential traits support CHPs to successfully grow and scale

	Essential trait	Supporting quotes	
DOMAIN 1	**1** **A compelling vision and purpose**	*'First of all, it was clarity of vision – understanding why these things mattered. It was almost like a re-education piece.'* - Maria Palumbo, CEO, Junction	*'To provide "a home, a life, a future" for our current and future tenants...it drives everything we do.'* - Jane West, CEO, Bric Housing
	2 **A clear growth ambition and long-term strategy**	*'A really, really clear strategy on what we will and won't do. There's no ambiguity.'* - Chris Smith, CEO, Foundation Housing	*'The majority of the focus has been intentional in the sense that we redefined what success looks like to us.'* - James King, CEO, Unison
DOMAIN 2	**3** **An operating model aligned to their strategy**	*'Achieving impact is dependent on having a national service model and the right capabilities – investment in technology and in our people.'* - David Fisher, CEO, Housing Choices Australia	*'We're reconfiguring our teams to support more rental housing... this includes shifting the cultural mindset, upskilling staff, and introducing new systems and processes.'* - Emma Nicholson, Head of Housing, Uniting NSW.ACT
	4 **A commercial mindset and access to capital**	*'Turning the organisation's profitability around meant we could attract a higher calibre team, invest in impact work, and build real capability.'* - Maria Palumbo, CEO, Junction	*'We had to get more creative with how we leverage our balance sheet. I think we're becoming more sophisticated and getting better at structuring deals.'* - Joe Achmar, CFIO, SGCH

Note: Quotes are not verbatim but represent the interviewer's best attempts to capture their intended meaning.

8 essential traits support CHPs to successfully grow and scale

DOMAIN 3	**5** **A defined growth roadmap**	*'It's intentional, but it's always opportunistic ... whilst you know where the flag is on the hill ... you take advantage of opportunities, but you still keep the flag, the aspirational target.'* - Charles Northcote, CEO, BlueCHP	*'When you've got staff operating at 100% with business as usual and then you roll out these [growth] initiatives, you have to consider the capacity of staff to actually contribute or champion these initiatives meaningfully.'* - James King, CEO, Unison
	6 **Partnerships that deliver**	*'We've strategically partnered with the right organisations to help us deliver our projects and drive our growth.'* - Chris Smith, CEO, Foundation Housing	*'We're being very flexible and agile and finding opportunities that otherwise wouldn't exist through new partnerships.'* - Jane West, CEO, Bric Housing
DOMAIN 4	**7** **A role in broader sector leadership and advocacy**	*'To create systemic change, we need to advocate for how a government can change its policies, practices and procedures to address disadvantage.'* - Drago Chikitch, Director, Assets and Development, Aboriginal Housing Victoria	*'For the next 10 years there is a real window where collaborations with State Government and Federal Government could yield a real closing the gap around the shortage of social housing.'* - Andrew McAnulty, CEO, Link Wentworth
	8 **A process to reflect on their strategy**	*'You need to constantly revisit your targets and see what's realistic.'* - Nathan Dal Bon, CEO, CHC Australia	*'With the board we have 4 strategy sessions a year; one is a full strategy day and the other 3 are updates.'* - Charles Northcote, CEO, BlueCHP

Note: Quotes are not verbatim but represent the interviewer's best attempts to capture their intended meaning.

A compelling vision and purpose

A vision articulates the change you want to see in the world

We believe a vision should reflect the bold, long-term change you want to create in the world. A bold vision serves as a unifying focal point for effort and acts as a catalyst for team spirit, motivating employees to go 'above and beyond' to achieve it [a b]. You may have a 50-70% chance of achieving the vision and it usually requires a lot of hard work, a little luck, and the efforts of others.

A purpose reflects why your organisation exists

A purpose articulates your role in helping create that change and should reflect your organisation's core reason for being. Your organisational purpose provides a source of meaning and significance for people in their work [c].

In the community housing sector, CHPs essentially have a similar purpose to provide safe, secure and affordable housing – and this social purpose is galvanising for many. However, the distinctive way you articulate your purpose may help you stand apart and resonate more strongly with internal and external stakeholders.

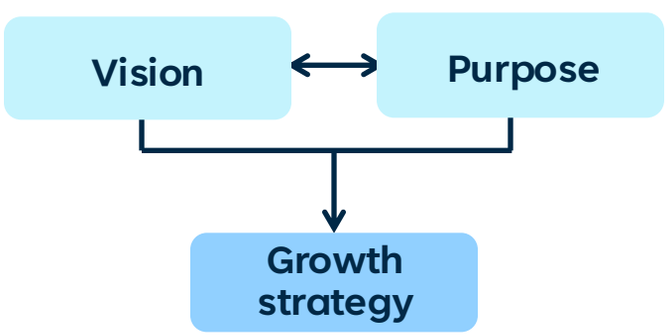
A well articulated purpose can be particularly important for younger generations. A 2025 survey by Deloitte found that 89% of Millennials and 86% of Gen Z respondents say that having a sense of purpose at work is very or somewhat important to their overall job satisfaction and well-being [d].

A compelling vision and purpose provide a long-term guiding light for your organisation

A clear and compelling vision and purpose are essential to provide a shared 'light on the hill' or a compass to help your team navigate continuous change [e]. We recommend involving employees and other relevant stakeholders in shaping your vision and purpose to build buy in and alignment.

Clearly communicating your vision and purpose to internal and external stakeholders, and especially to new board members and employees, is an ongoing responsibility for the CEO and board [b f]. Together, a clear vision and purpose creates alignment and guides strategic decision-making to support growth and innovation that delivers greater impact [g].

Your growth ambition and strategy should be firmly anchored in your vision and purpose. Revisiting these statements is therefore a worthy first step on your growth journey to ensure the right guardrails are in place to guide strategy development.



Characteristics of compelling vision and purpose statements [a b c e]

A good statement should:	Vision	Purpose
Reflect the reason your organisation exists	-	✓
Reflect the change you want to create in the world	✓	-
Be enduring with a long-term horizon of 10+ years	✓	✓
Provide a compass to guide decision-making	✓	✓
Be compelling and motivating	✓	✓
Create alignment and galvanise resources	✓	✓
Be framed primarily for an internal audience	-	✓
Be framed primarily for an external audience	✓	-
Be clear and concise (less than 15 words)	✓	✓

Sources: [a] Collins, Jim., & Porras, Jerry. (1996). Building your company's vision. *Harvard Business Review*.; [b] The Strategy Institute. (2024, 11 September). *Strategic vision: A guide for developing a clear roadmap for your organisation*.; [c] Hill, Linda & Lineback, Kent. (2011, 13 July). The fundamental purpose of your team, *Harvard Business Review*.; [d] Deloitte. (2025). 2025 *Gen Z and Millennial survey*.; [e] Krivkovich, Alexis, et al. (2025, 18 June). A new operating model for a new world, *McKinsey & Company*.; [f] Bradley, Chris., Hirt, Martin & Smit, Sven. (2011, January). Have you tested your strategy lately?, *McKinsey Quarterly*.; [g] Malnight, Thomas W., Buche, Ivy & Dhanaraj, Charles. (2019). Put purpose at the core of your strategy, *Harvard Business Review Magazine*, September-October.

A clear growth ambition and long-term growth strategy

Determining your desired impact and being intentional about how you achieve it is critical

Intentionally setting an ambitious but realistic growth ambition in a long-term strategy is critical. At Right Lane Consulting, our tried and tested approach draws on research on how to effectively develop strategy. We particularly like the work of Roger Martin [h] who frames strategy as an integrated set of simple strategic questions:

- What is your winning aspiration?
- Where will you play?
- How will you create value?
- What capabilities must you have?

Answering these questions allows you to be clear on the 3 critical components of your long-term strategy – your objective, advantage and scope: [i]

1. **Objective:** What is your long-term growth ambition? (e.g. number of homes, number of people supported).
2. **Advantage**: What are your distinctive capabilities or strengths? (e.g. trusted relationships, development expertise, culturally safe service models).
3. **Scope**: Where will you focus your efforts? (e.g. resident cohorts, geographies, product types).

These 3 elements reinforce each other and together provide a coherent high-level strategy that can galvanise internal commitment, attract partners and funders, and set useful boundaries for future decisions.

Clarifying your scope choices upfront is essential to inform your approach to growth

In Right Lane Consulting's experience supporting leading CHPs across Australia to develop their strategies, CHPs can often share similar objectives (e.g. to double their housing portfolio) and advantages (e.g. social purpose, resident focused, strategic partnerships). However, their scope choices – or the strategic parameters they set – about which resident cohorts to serve, geographies to operate in, housing products to offer, stakeholders to partner with, or funding sources to use vary significantly.

It is therefore a CHP's scope choices that have the most influence on their growth strategy. We know from the literature that deciding what you will focus on – and equally, what you won't – through establishing clear boundaries is fundamental for strategic clarity [j]. Scope choices about *where* to compete have an outsized impact (80%) on growth, compared to choices about *how* to compete (20%) [k].

Scope choices impact the type of growth opportunities pursued, resourcing priorities, and the operating model and are therefore a crucial discussion point for boards and executives to align on. These choices not only shape your growth strategy but also signal to internal and external stakeholders what kind of organisation you intend to become.

Scope choices in 5 areas will set clear parameters to guide growth

Scope choice to consider		Pursue this choice if you want to...
Resident cohorts	• **Who will you serve?** (e.g. young people, women, families)	• Specialise in supporting a specific cohort • Diversify the residents you serve
Geography	• **Where will you operate?** (e.g. metropolitan, regional, interstate)	• Expand interstate
Products and services	• **Which types of housing will you provide?** (e.g. social, affordable, market) • **Which support services will you provide?** (e.g. case coordination, community hubs, specialist homelessness support)	• Offer new housing solutions to serve a wider range of residents • Offer additional services to better support existing residents
Partnerships	• **Which partners will you collaborate with?** (e.g. existing partners, private sector, other CHPs)	• Access capabilities not available internally • Deliver outcomes that could not be achieved alone
Funding	• **Which funding sources will you target?** (e.g. government, investors)	• Diversify your funding sources • Access new or additional capital

Sources: [h] Lafley, A.G., & Martin, Roger L. (2013). *Playing to win: How strategy really works*. Harvard Business Review Press.; [i] Collis, David J. & Rukstad, Michael G. (2008, April). Can you say what your strategy is? *Harvard Business Review*.; [j] Rumelt, Richard. (2011). *Good strategy, bad strategy: The difference and why it matters*. Crown Business.; [k] Bradley, Chris., Hirt, Martin., & Smit, Sven. (2011, January). Have you tested your strategy lately?, *McKinsey Quarterly*.

An operating model aligned to their strategy

Aligning your operating model to your strategy is essential to support growth

A new strategy may require certain elements of your operating model to be adjusted – or completely overhauled [l]. An operating model is the bridge between strategy and execution. It is the blueprint that articulates how an organisation allocates and manages its resources to achieve its strategic ambition [m]. An operating model reflects the organisational 'hardware' and 'software' that must be designed specifically to support delivery of your strategy [n].

Research suggests that only 10% of organisations are successful at aligning their strategy with their operating model [n]. Therefore, getting the operating model right can have a big impact on your performance.

Right Lane Consulting's operating model framework presents 5 organisational elements that interact with one another as a reinforcing system to create value. Deciding which element or elements to focus on – and in which order – depends on:

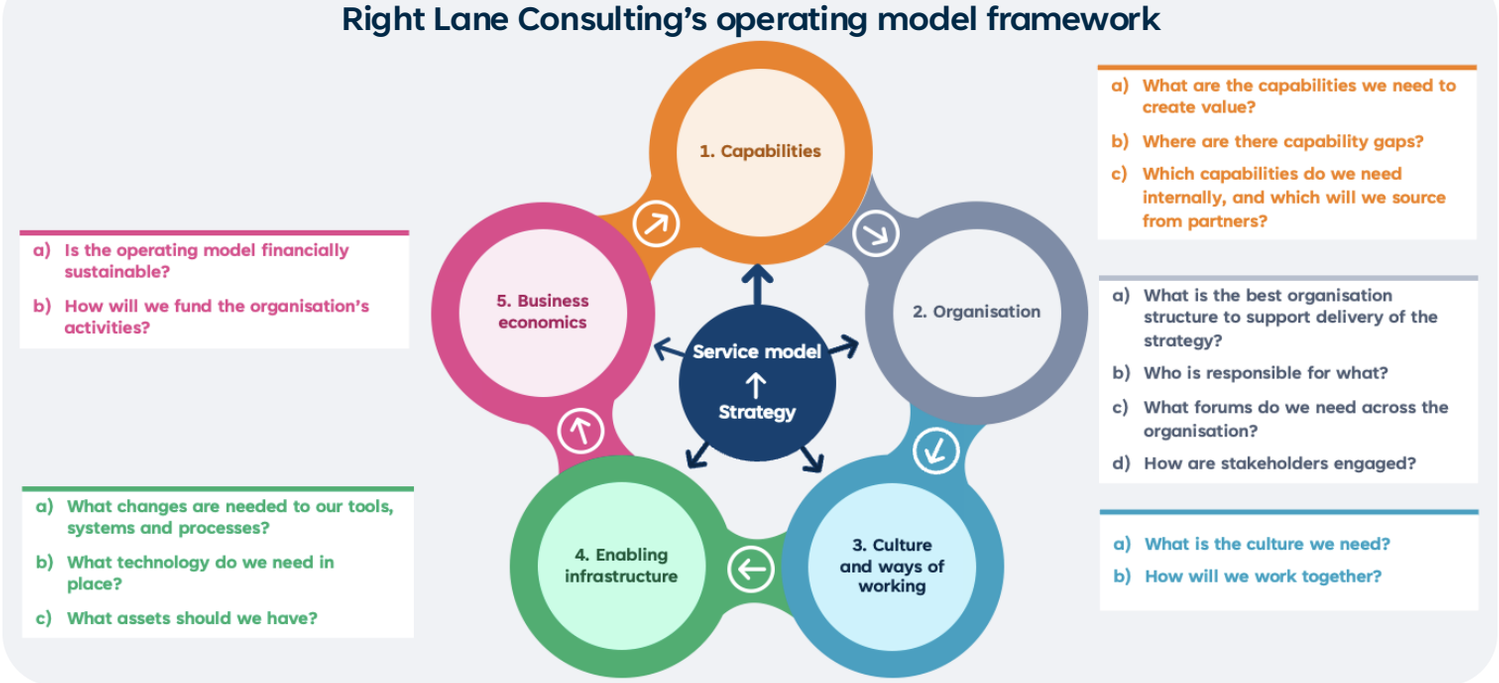
- Where you are now, where you want to go, and the gap between your current and future state [o].
- Which elements matter most and the elements you wish to excel at versus the elements that can be 'good enough' [l].

Targeted investment in your operating model will build capability, capacity and performance

CHPs we interviewed are building an operating model with greater internal capability and capacity to support increased complexity and scale. Investing in all 5 elements of the operating model were frequently highlighted as key ingredients to successful and sustainable growth:

1. **Capabilities**: Leveraging distinctive capabilities or addressing capability gaps – such as in development, commercial finance, project management or wrap-around support services – to deliver the strategy.
2. **Organisation**: Establishing the right organisational structure with experienced, professional leaders that have clear roles and responsibilities to govern and execute your strategy.
3. **Culture and ways of working:** Listening to the voice of residents and empowering employees to deliver excellent services that meet resident needs in an efficient, sustainable manner.
4. **Enabling infrastructure:** Increasing the sophistication and scalability of internal systems and processes to drive efficiencies, improve service quality, and maintain service standards while the organisation grows.
5. **Business economics:** Lifting financial performance to generate surpluses to reinvest into the business and access working and development capital.

Right Lane Consulting's operating model framework



Sources: [l] Blenko, Marcia, Garton, Eric, & Mottura, Ludovica. (2014, December). Winning operating models that convert strategy to results, *Bain & Company*.; [m] Garton, Eric. (2017, 23 November). Is your company actually set up to support your strategy? *Harvard Business Review*.; [n] Carucci, Ron & Shappell, Jarrod. (2022). Design your organisation to match your strategy, *Harvard Business Review*.; [o] Krivkovich, Alexis, et al. (2025, 18 June). A new operating model for a new world, McKinsey & Company.

Domain 2 Essential trait 4

A commercial mindset and access to capital

A commercial mindset maximises the resources available to deliver impact

Profitability is a game changer for NFPs and strengthens their ability to deliver on their vision and purpose [p q]. CHPs must balance a commercial mindset with a social heart to achieve sustained growth and impact.

A CHP's constitution and charitable status mandate that any surplus (i.e. profit) is reinvested into the business to fulfil its purpose. Improved profitability and financial sustainability allows CHPs to invest in their capability and capacity. This lifts organisational performance and ultimately results in greater impact.

That's why a purpose driven, commercial mindset and a focus on both financial and non-financial performance is fundamental to attract partners and funding, and enable limited resources to achieve maximum impact for the residents and communities you serve [r]. The requires a strong understanding of the performance metrics and benchmarks you must meet to satisfy internal and external stakeholder expectations in the short-term and long-term, and at both a project and organisational level.

What does this essential trait look like in practice?

Junction actively worked to improve its cost efficiency and profitability as part of a broader strategy focused on 'getting the business right'. Once the operating model foundations were in place, Junction was well placed to pursue a growth strategy and attract partners.

Link Wentworth is focused on creating a 'surplus culture', while still being strongly people first. They describe themselves as a profit-for-purpose organisation, reinvesting in growth and additional services for those in need, by understanding the drivers of cost across the business.

Focusing on the 'business economics' of your operating model helps you access the capital required to fuel growth

CHPs require significant amounts of both working capital and development capital to grow and deliver on their purpose. Right Lane Consulting's operating model framework poses 2 key questions under business economics:

1. Is the operating model financially sustainable?
2. How will the organisation's activities be funded?

Creating a financially sustainable operating model may include [q s]:

- Lifting the commercial and business acumen of your board, executive and broader team
- Diversifying revenue streams and reducing reliance on government funding
- Closely examining your cost base and profit drivers to drive efficiencies
- Increasing the sophistication of financial practices including financial benchmarking, modelling, forecasting and reporting
- Elevating financial governance and due diligence
- Maintaining sufficient reserves to buffer uncertainty
- Embracing technology including automation and AI to reduce manual work
- Clarifying risk appetite
- Structuring development deals with favourable short-term and long-term financial impact that can be replicated

Funding organisational activities may include:

- Strategically reinvesting surpluses into building internal capabilities
- Determining how best to leverage your balance sheet to fund development
- Developing innovative funding models and partnerships to secure new sources of capital

By focusing on the financial performance of your organisation, you can determine what your current and future financial needs are, and how to bridge any funding gaps.

Sources: [p] BDO USA. (2019, 10 July). *Non-profit heart, business mindset: Maximising good*.; [q] CPA Australia. (2023, August). *Finance management and governance guide for not-for-profit (NFP) organisations*.; [r] Certified Accountants ANZ. (2021, November). *Enhancing not-for-profit and charity reporting*.; [s] Hiscox, Hannah & Narsey, Bhavesh. (2025, 19 May). Navigating financial sustainability in a complex not-for-profit landscape, *GrantThornton*.

Domain 3 Essential trait 5

A defined growth roadmap

While a deliberate approach to strategy is critical, flexibility is necessary

Successful growth requires a deliberate and focused approach. However, a central challenge of strategy is that choices must be made now, but their impact occurs in a future environment we cannot fully know or control [t]. Therefore, striking the right balance between commitment and flexibility is key. At Right Lane Consulting, we believe the combination of a growth strategy and a growth roadmap helps CHPs strike the right balance.

The growth strategy sets your longer-term growth ambition (as described under essential trait 2). A growth roadmap details what you will do in the short-medium-term to work towards achieving this ambition. The roadmap is more dynamic than the strategy, adapting to changing external conditions and new opportunities. The roadmap should be periodically reviewed to support executives and managers to focus efforts.

The senior CHP leaders we interviewed highlighted the importance of being flexible to capture new opportunities. The community housing sector is evolving quickly, with new growth opportunities emerging through changing policy, funding and regulatory settings, partnership opportunities, and market dynamics. Through planned opportunism [u], CHPs proactively look ahead to assess where and when growth opportunities aligned to their strategic direction are likely to arise. CHPs that move decisively but strategically are best placed to capture these opportunities and accelerate the achievement of their growth ambition.

A growth roadmap translates your growth ambition into action

A growth roadmap defines how you will achieve your growth ambition by articulating the:

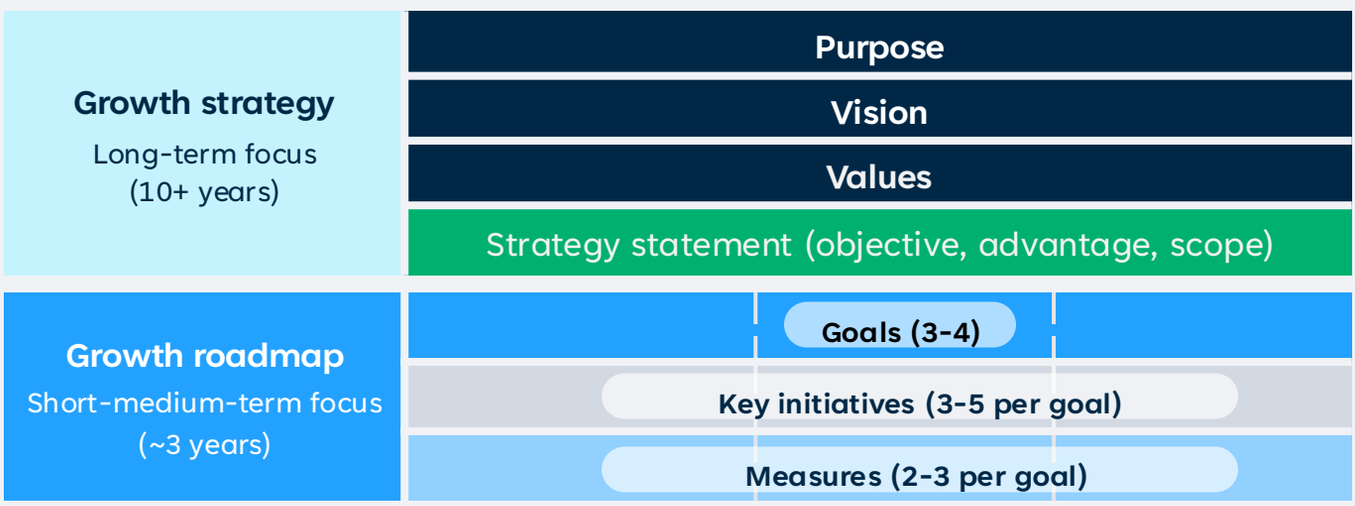
- **Goals** you wish to achieve in the next 2-3 years and are fundamental to your success
- **Key initiatives** or major bodies of work that you will need to undertake each year to achieve your goals
- **Measures** that will help you monitor progress towards your goals, growth strategy and overall growth ambition

A growth roadmap operationalises your growth strategy by detailing the timing and sequencing of when initiatives will be delivered, what resources, working capital, partnerships and capabilities are needed, and baselines and targets for measures. Implementing your strategy also requires a structured approach to assess possible growth opportunities and determine which options to pursue.

While the growth strategy will be set by the board and executive team, a growth roadmap may have more involvement from management. Shorter time horizons have less uncertainty and therefore decision-making can be delegated to management as the strategy cascades ambition into action [v].

A well-defined growth roadmap builds focus, aligns teams and resources, and turns ambition into practical, achievable steps – enabling CHPs to grow sustainably and deliver their desired impact.

A growth strategy and roadmap are complementary



Sources: [t] Bradley, C., Hirt, M., & Smit, S. (2011, January). Have you tested your strategy lately?, *McKinsey Quarterly.*; [u] Govindarajan, Vijay. (2016, May). Planned opportunism, *Harvard Business Review Magazine.*; [v] Raynor, Michael. E. (2007). *The strategy paradox: Why committing to success leads to failure (and what to do about it)*, Currency Doubleday.

Partnerships that deliver

Values aligned partnerships are an integral part of any growth strategy

Organisations are increasingly using partnerships to address social challenges [v], and CHPs are no exception with partnerships an integral part of their growth strategy. Partnerships are a way for CHPs to access new capabilities and share risk and investment in new social and affordable housing developments.

Partner selection must emphasise cultural fit, strategic fit and trust. For CHPs, choosing the right partners and developing trusted relationship status with Federal and State Government and private (e.g. developers, investors) stakeholders is necessary to establish credibility and fuel growth.

The importance of developing values aligned partnerships that deliver 'win-win' outcomes was highlighted by every CHP we interviewed. There was a clear view that successful partnerships draw on the strengths of each partner to deliver mutually beneficial outcomes – and greater outcomes than what could be achieved individually.

In time, establishing values aligned partnerships and delivering great outcomes together will become a virtuous cycle where success builds your credibility and makes it easier to attract partners and resources.

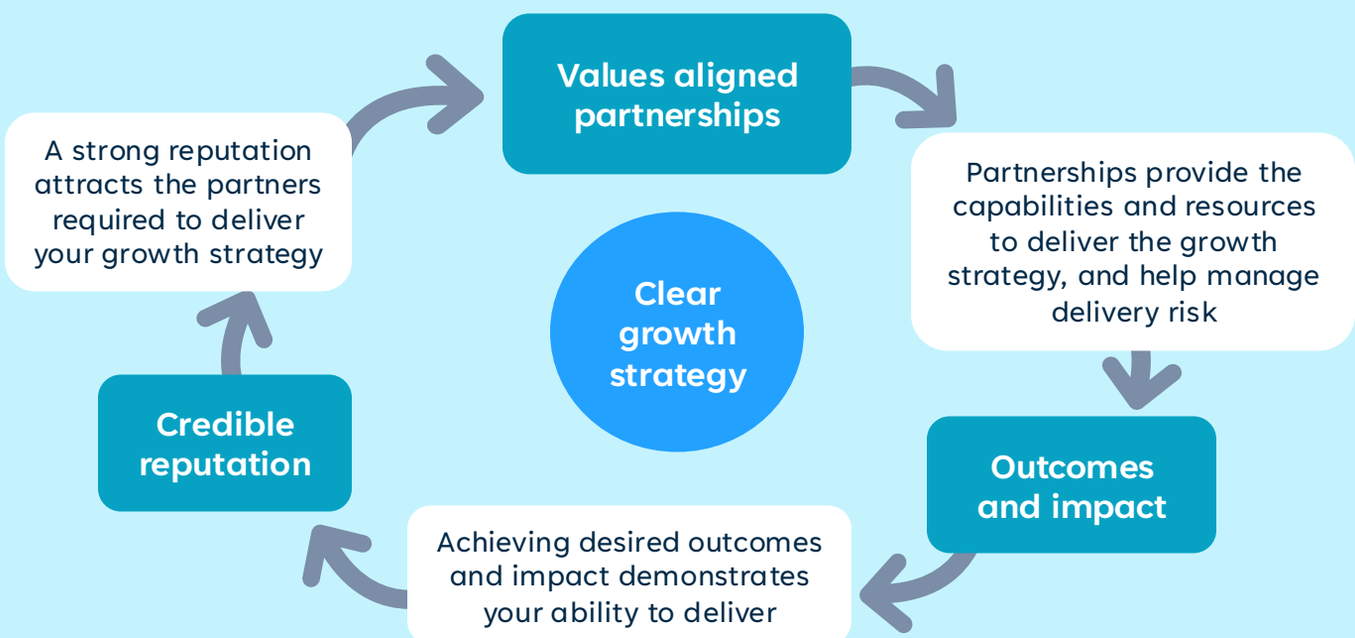
Successful partnerships require upfront due diligence and ongoing management

Successful partnerships don't just happen. To develop strong, values aligned partnerships, CHPs and their partners need to [w x y]:

- align on what the partnership will achieve
- establish the right governance structure
- agree risk sharing and actively manage identified risks
- emphasise accountability and agree metrics to monitor performance
- build trust
- nurture the relationship and commit to ongoing management
- foster effective communication
- build a dynamic partnership that can adapt over time
- review the partnership periodically.

As CHPs enter more, and more complex, partnerships they need to consider the processes, systems and structures to support upfront due diligence and ongoing management to deliver tangible value for all partners. For example, CHPs might develop a partnership strategy map to communicate the shared objective, align the individual interests of each partner, establish suitable governance, and agree metrics to measure impact [z].

A virtuous cycle of success



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Domain 4 Essential trait 7

A role in sector leadership and advocacy

Unlocking the growth of the community housing sector requires innovation and sharing of knowledge

In our Housing Matters Report 2025, we devote a section to the need for Australia's community housing sector to grow at unprecedented levels. We estimate the sector needs to accelerate its Compound Annual Growth Rate (CAGR) to 15% – a significant increase on a historic CAGR of 6% – to meet housing demand.

To achieve this rate of growth, new approaches are needed. We are already witnessing CHPs adopt innovative approaches to secure the partnerships and funding required to deliver more housing such as consortia models. Many CHPs are using partnerships to pilot initiatives and experiment with new ways to bring together the capabilities and resources to achieve more, different or better housing outcomes.

Several CHPs are also innovating their operating models. Innovative operating models can become powerful growth engines that enable scale. We therefore recommend CHPs place more emphasis on how they can centralise and systemise activity throughout their organisation – and across the sector – through innovative models.

Proactively sharing what did and did not work from innovative approaches will enable other CHPs to 'leapfrog' some of the learning – saving them time and money. We strongly encourage CHPs to adopt a highly collaborative approach in the spirit of 'a rising tide lifts all boats' to support the community housing sector to grow.

Organisational growth is reliant on supportive sector settings

Many of the challenges CHPs face to further growing their organisation are systemic barriers including policy and funding uncertainty, a complex planning environment, and significant compliance requirements.

To unlock growth at the organisational level, growth must be unlocked at the sector level. This requires CHP senior leaders to take an active role in advocating for appropriate sector settings and shape their future, instead of reacting to it [aa].

In our Housing Matters Report 2025, we highlight that growing the supply of social and affordable housing is a collective problem, with different stakeholders able to provide different solutions. We encourage all CHPs with a desire to grow to be active advocates for the community housing sector.

To create more supportive sector settings, we advocate for:

- The development of a long-term, national housing and homelessness strategy
- Consistent and predictable funding programs to enable CHP growth and attract institutional investment
- One national regulatory framework
- Investment in building the capacity of the community housing sector

Innovative operating models in community housing

Model	Description	What this could look like for CHPs
Hub and spoke	This is where 'back office' or corporate functions are centralised and support place-based, local delivery.	In a CHP context, the hub might be the parent company, and the spokes are subsidiaries, Special Purpose Vehicles or joint ventures.
Platform	This is where technology enables the organisation to scale delivery; think Uber and its expansion into Uber Eats and other categories through the same platform.	For CHPs, this might look like implementing a national platform that supports consistent and high-quality service delivery in each jurisdiction, while allowing delivery to be tailored to the local context.
Aggregated service providers	This approach is commonly used in government to identify preferred providers and negotiate a discount through the bulk purchase of goods and services.	Some CHPs have made steps toward this model, for example, in insurance. This approach could be extrapolated to other services such as electricity and legal advice, as well as to aggregated debt funding.

Sources: [aa] Leinwand, Paul & Mainardi, Cesare. (2016). *Strategy that works: How winning companies close the strategy-to-execution gap*. Harvard Business Review Press.

Domain 4 Essential trait 8

A process to reflect on their strategy

Growth requires continuous reflection, not just execution

A growth strategy reflects the best pathway forward based on what is known about the operating environment at a given point in time. In turbulent contexts, such as the current Australian community housing sector, strategies must evolve.

CHPs must build structured reflection into their growth journey to help sustain success. This means deliberately examining:

- The internal and external conditions that enabled earlier success and whether they still hold.
- What worked and why, including whether growth initiatives can be replicated, enhanced or retired.
- The capabilities, partnerships and resources required to scale, and whether there are gaps to fill.

Strategy experts [ab] agree that leaders should:

- Set a regular cadence to measure, monitor and review strategic progress and growth initiatives.
- Monitor the operating environment (e.g. resident feedback, policy shifts, partner performance, broader housing market signals).
- Listen to indicators of whether the current strategy is working as intended.
- Adjust direction or priorities as new information emerges.

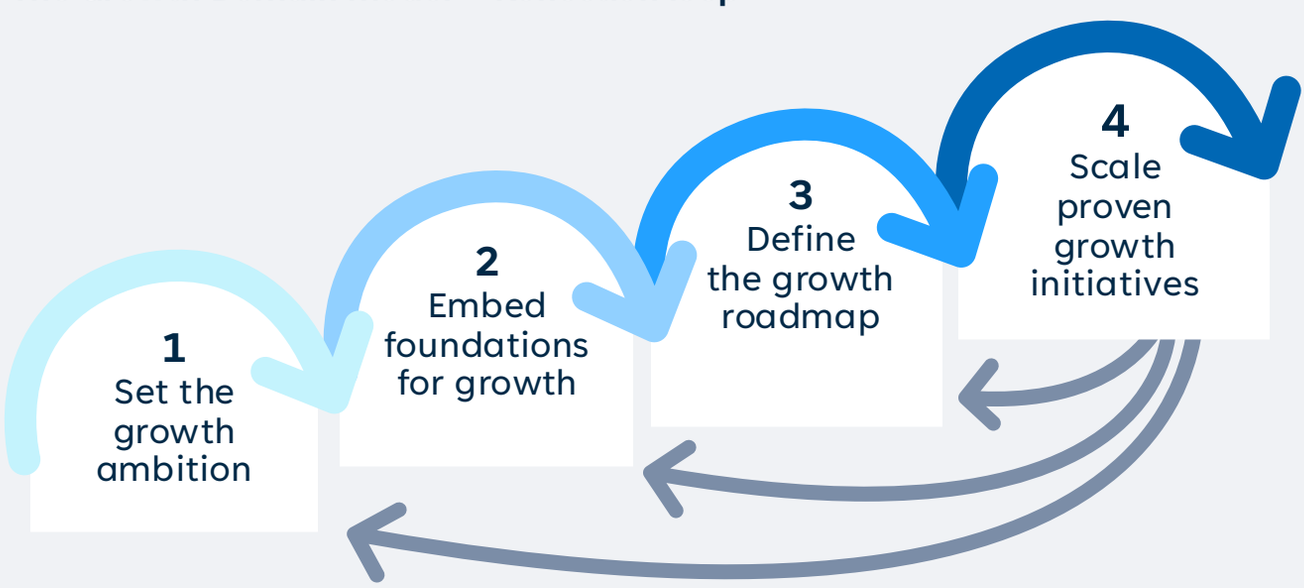
Periodic review of your growth strategy helps 'close the loop' and reinforce earlier strategic choices

Scaling is not a one-way journey. As CHPs grow in size, complexity and capability, they should revisit earlier growth domains to ensure these continue to serve the organisation at scale.
This includes:

- *Domain 1. Set the growth ambition*: Reassessing whether the original growth ambition still reflects the organisation's aspirations and market position.
- *Domain 2. Embed foundations for growth*: Checking whether foundations still enable the next stage of growth, or if further investment in your operating model, capability and capacity is required.
- *Domain 3. Define the growth roadmap*: Adjusting the strategy roadmap to align with current scale and context.

This review process helps CHPs remain agile, respond to evolving challenges and opportunities in the sector, and turn reflection into an engine for sustained impact. It helps ensure growth remains intentional and aligned to purpose, even as circumstances change.

The Growth Domain model – Reflection loop



Sources: [ab] Chamorro-Premuzic, Tomas., & Lovric, Darko. (2022, 20 June). How to move from strategy to execution, *Harvard Business Review*.; Mankins, Michael & Gottfredson, Mark. (2022). Strategy making in turbulent times, *Harvard Business Review Magazine*, September-October.; Rumelt, Richard. (2011). *Good strategy, bad strategy: The difference and why it matters*. Crown Business.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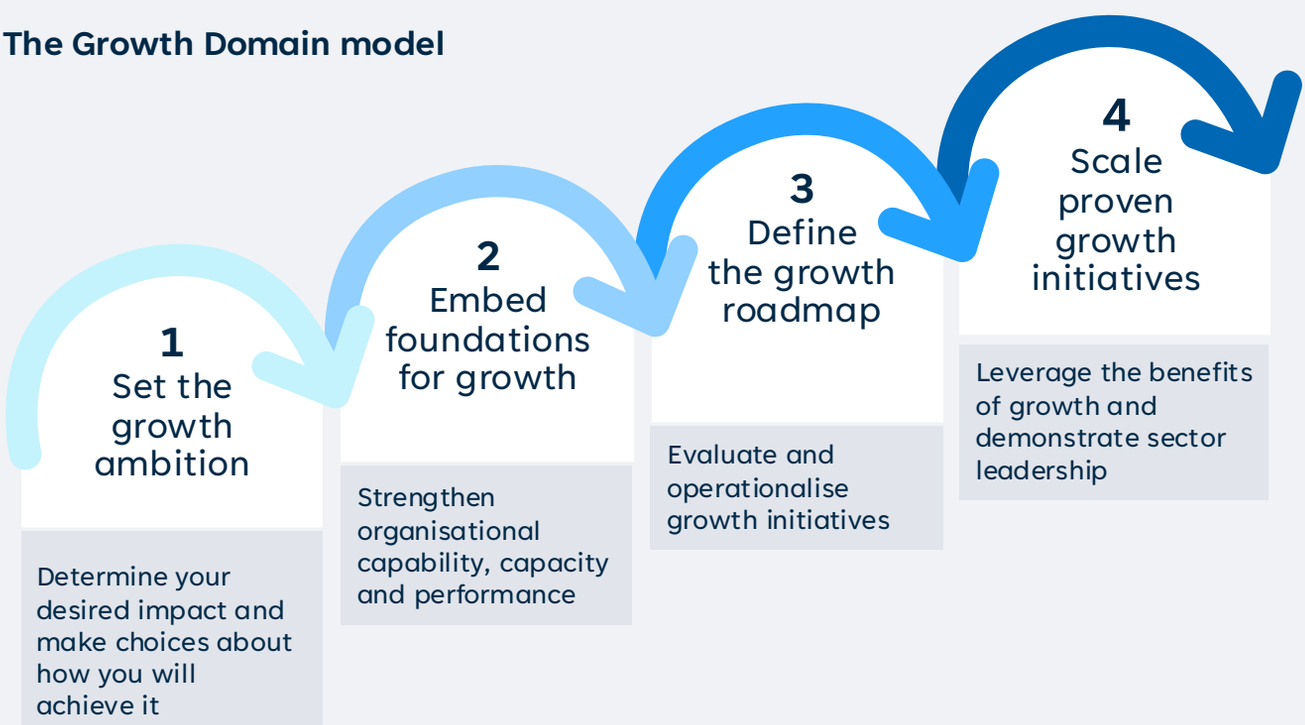
SECTION 2

Strategic questions and initiatives for CHPs to consider

This section provides the strategic questions and common strategic initiatives for CHPs to consider for each of the 4 domains in the Growth Domain model.

The Growth Domain model



Domain 1 Set the growth ambition

Strategic questions to consider when setting your growth ambition

Theme	Key strategic questions	Supporting questions
Current operating context	Where are we now?	• What is our current growth trajectory over the next 3, 5 and 10 years? • What are the current drivers of our growth? • What's working and not working?
	What factors and conditions does our current success depend on?	• Which factors or conditions in our internal and external operating environments might change over time, or are already changing, thus putting our success at risk? • How can we prepare for these possible changes to mitigate or leverage their impact? • How does our strategy align to Federal and State Government housing policies and priorities?
Strategic direction	Why do we want to grow?	• What impact do we want to achieve through growth? • Is growth aligned to our purpose and values? • How does growth contribute to achieving our vision? • What problem or need does growth address? • What benefits do we believe can be achieved from being a larger organisation?
	What is our growth ambition?	• How do we define 'good' growth? • What is our growth ambition for the next 10 years? (e.g. target number, target date) • How do we measure growth? (e.g. number of people housed, number of homes managed, number of new homes developed, revenue, portfolio value)
	Which unique strengths or distinctive capabilities can we leverage?	• What can we do better than other CHPs that allows us to add value? • How do we position ourselves in the market and communicate our value proposition to different audiences and stakeholders? • How can we build the kind of capabilities that will propel us forward, time after time?
	How will we measure success?	• Which non-financial measures are appropriate? (e.g. housing portfolio size and mix, resident satisfaction, staff engagement) • Which financial measures are appropriate? (e.g. LVR, EBITDA) • How will we monitor and report on progress? (e.g. frequency, audience) • How are we contributing to the United Nations 2030 Sustainable Development Goals?

Domain 1 Set the growth ambition

Strategic questions to consider when setting your growth ambition (con't)

Theme	Key strategic questions	Supporting questions
Resident needs	Who will we house?	• Who are our current residents? How are their needs changing? • Who might be our future residents? What are their needs? • What is our role in meeting these needs? (e.g. provision of additional support services)
	How will we house them?	• What level of subsidy is required? (e.g. social housing/affordable housing) • What size homes are needed? (e.g. studio/1 bed/2 bed/3 bed) • What housing typology will work best? (e.g. unit/ townhouse/house, salt and pepper approach/whole building)
	Where will these homes be?	• Where are these homes based? (e.g. regional/metropolitan, existing geographies/new geographies) • What makes a good place for our residents to live?
	How do we incorporate lived experience?	• How do we learn from residents and incorporate the resident voice into building design and service delivery? • How do we 'walk alongside' our residents?

Common initiatives undertaken as part of this domain

Initiatives	Actions
Clarify your strategic direction	• Refresh your purpose, vision and values • Develop a long-term growth ambition

Domain 2 Embed foundations for growth

Strategic questions to consider when embedding foundations for growth

Theme	Key strategic questions	Supporting questions
Governance framework 	What governance do we need?	• What leadership capability and culture do we need to govern and manage a larger and more complex organisation? • Do we have clear financial and decision-making authorities and delegations? • How frequently should the board and executive meet and what should their meetings focus on?
Internal capability and capacity 	How ready are we to grow?	• How aligned are internal stakeholders on our growth ambition? • How do we maintain and evolve our culture as we grow? • What change management processes do we need to put in place?
	Do we have a scalable operating model?	• What organisational size would enable economies of scale? • Is our current operating model able to sustain growth over the next 5 to 10 years? • Do we need to consider an alternative operating model to enable sustained growth? (e.g. hub and spoke, platform aggregating service providers)
	Which capabilities do we need to develop or acquire?	• Which capabilities do we need to build? • How do we fill any capability gaps? (e.g. develop internally, partner, outsource) • What data do we need to inform decision-making?
	How can we build capacity?	• What additional staffing do we need? (e.g. number of FTE, role) • What system or process improvements do we need to implement to create time and cost efficiencies and support scale?
Financial profile 	How will we fund growth?	• How will we access working capital to fund internal capability and capacity building? (e.g. operating surplus, reserves, grants, strategic partners) • How will we fund more housing? (e.g. government funding, institutional investment, banks, equity, philanthropy) • What is the cost of different sources of capital to support growth?
	What does our financial forecast look like?	• What Return on Investment (ROI) do we need to achieve, and over what time frame? • How do we diversify our income? • What will the short- and long-term impact be on our cash flows? • What will the short- and long-term impact be on our balance sheet? • Will our debt ratios remain within acceptable thresholds? • Do we have sufficient cashflow to cover ongoing and planned (e.g. future maintenance) operating costs? • Will we remain solvent?

Domain 2 Embed foundations for growth

Strategic questions to consider when embedding foundations for growth (con't)

Theme	Key strategic questions	Supporting questions
Risk profile	What is our risk appetite?	• What are our major risks and how do we mitigate them? (e.g. financial, reputational, regulatory/policy, operational, construction) • What does appropriate risk sharing and a risk adjusted return look like for each party?

Common initiatives undertaken as part of this domain

Initiatives	Actions
Review governance settings	• Develop and implement sophisticated governance frameworks • Review board performance
Pursue process and system improvement	• Build a scalable, integrated IT platform • Conduct process mapping and standardise processes • Embed artificial intelligence (AI) into practice • Remove information and communication silos
Pursue cost efficiencies	• Re-engineer and streamline processes • Review and renegotiate service provider contracts • Improve the energy efficiency of assets
Implement sophisticated reporting	• Develop and implement an impact measurement framework • Develop and implement an ESG measurement framework
Pursue resident satisfaction	• Embed resident voice in processes
Review business performance	• Determine the cost to serve different resident cohorts • Develop robust financial models • Divest of underperforming assets or parts of the business • Review and refine the operating model
Review workforce capability and capacity	• Develop a workforce strategy • Redesign the organisational structure
Pursue employee satisfaction	• Develop and deliver a wellbeing program • Develop and deliver a learning and development program
Review risk settings	• Review organisational risk settings including risk appetite statements, risk profiles and risk registers • Determine risk settings for major strategic projects or developments

Domain 3 Define the growth roadmap

Strategic questions to consider when defining your growth strategy and roadmap

Theme	Key strategic questions	Supporting questions
Growth options	What are the different growth options?	• How can we achieve organisational scale? (e.g. merger, acquisition, stock transfer) • How can we achieve housing portfolio growth? (e.g. develop/acquire/manage homes, geographic expansion, service/cohort expansion)
	How do we assess which option is best?	• How does the project contribute to organisational performance? • What assessment criteria will we use to determine which growth options to pursue? (e.g. impact, cost) • Which growth options are we best placed to pursue? • What are our 'best bets' for success?
Growth roadmap	How do we fund growth?	• How will we access sufficient working capital to fund operational growth? • How will we access capital to fund new developments?
	How do we build our portfolio?	• How do we build our development pipeline? • What assessment criteria will we use to determine which development options to pursue? • How do we operationalise new developments and set them up for successful tenancy?
	Which partnerships do we need to grow?	• What will partnering with others achieve that we couldn't achieve alone? • How do we decide who to partner with? • What form should these partnerships take? (e.g. formal/informal)
	Which legal structure is most appropriate?	• Which legal structure is most appropriate for our organisation? (e.g. hub and spoke, parent/subsidiary) • Which legal structure is most appropriate for developments? (e.g. Special Purpose Vehicle)

Domain 3 Define the growth roadmap

Common initiatives undertaken as part of this domain

Initiatives	Actions
Scope your strategy	• Align on the principles or assumptions underlying your growth strategy • Scope, prioritise and sequence strategic initiatives for the next 3-5 years against the goals identified in the growth strategy • Scope measures to report progress against the strategy
Develop a roadmap for growth	• Develop assessment criteria to determine which growth initiatives to pursue • Develop detailed plans to operationalise the growth strategy
Expand operations	• Expand interstate to serve residents in different geographies • Move into different forms of housing to serve residents at different points in the housing continuum (e.g. affordable, market, Build-to-Rent) • Move into different housing to serve residents with different needs (e.g. women, youth, people with a disability) • Provide additional support services for tenants • Expand through mergers with other CHPs or with community organisations providing wrap around services
Build development capability	• Appoint new roles with development experience • Develop assessment criteria for potential projects • Build a development pipeline
Grow and diversify funding	• Appoint new roles with commercial financial experience • Build financial modelling capability • Articulate a value proposition to funders and investors • Develop new funding models (e.g. capital light strategy) • Develop new business models (e.g. establish adjacent social enterprises)
Determine appropriate partnerships	• Develop partnership principles or criteria • Identify and pursue values aligned partnerships • Develop new partnership models • Embed a partnership approach to operations

Domain 4 Scale proven growth initiatives

Strategic questions to consider when scaling proven growth initiatives

Theme	Key strategic questions	Supporting questions
Level of success	How successful were we in implementing this growth initiative?	• Did we achieve our internal measures of success? • Did we meet partner and funder expectations? • What worked well and should be continued? • What lessons did we learn? What would we do differently next time?
Ability to scale	How easily can this initiative be scaled?	• What barriers or challenges are there to scaling? (e.g. capital, competition) • What enhancements can we make to our operating model? • What additional capacity or capabilities do we need to scale? • How will we fund greater scale – working capital for operations and development capital? • What partnerships do we need to scale and in what form?

Common initiatives undertaken as part of this domain

Initiatives	Actions
Reflect on success	• Establish a performance and accountability framework to measure success and impact against KPIs, benchmarks etc. (e.g. CEO performance agreement) • Determine appropriate methods to report results to internal and external stakeholders (e.g. board reporting) • Conduct a detailed debrief to determine what went well, lessons learned and areas for improvement for specific growth initiatives • Conduct annual board and executive strategy sessions to reflect on changes in the operating environment and impacts on the strategy
Scale delivery	• Determine how to scale up the funding model, development project etc. • Negotiate a long-term arrangement with a funder or partner to secure funding on a larger scale and/or ongoing basis

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