

Strategic Initiative:
A Business Plan for ASPIRE of Southwest Missouri

By

Andrew Frost

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Strategic Initiative: A Business Plan for ASPIRE of Southwest Missouri

ASPIRE of Southwest Missouri was founded in 2007 and for the past five years has served and continues to serve single parents within the Jasper and Newton county area in realizing their dreams of receiving higher education. In 2012 the board of directors for ASPIRE. of Southwest Missouri voted to not only renew their mission but also voted to have a business plan authored. The business plan that was authored not only supports the company's mission but also ensures long-term stability for the local non-profit. The business plan constructed achieves these goals by detailing a new marketing strategy, organizing an operational plan, re-creating a management plan, and finally describing their current financial position as well as projecting future contributions.

Keywords: ASPIRE, Non-profits, Jasper County Non-Profits, Newton County Non-Profits, Business Plan, Marketing Plan, Operational Plan, Management Plan, Financial Plan.

Table of Contents

I. Executive Summary..... Page 4

II. Descriptive Analysis..... Page 5

III. Marketing Plan..... Page 7

IV. Operational Plan..... Page 17

V. Management Plan..... Page 22

VI. Financial Plan..... Page 27

VII. References..... Page 30

I. Executive Summary

It is the mission of ASPIRE of Southwest Missouri to enable single parents to attain self-sufficiency through post-secondary education. Our goal is to allow all economically disadvantaged single parents in Southwest Missouri the opportunity to improve the quality of their lives and their children's lives through higher education.

ASPIRE of Southwest Missouri was formerly established as the Single Parent Scholarship Fund of Jasper & Newton Counties (SPSF) in 2006. Originally the organization was stated as an initiative of United Way of Southwest Missouri to help single parents in our community. It has since become an independent, non-profit agency affiliated with ASPIRE (Assisting Single Parents in Realizing Education), a national organization of single parent scholarship programs based in Arkansas. The local organization was established and incorporated in October 2009. In 2010 the organization was certified as a 501c3 and gave out its first scholarships that spring.

Currently the organization is made up of one executive director, one secretary to the board of directors and nine members of the community that serve on a volunteer board. The organization regularly gives out approximately 16 scholarships and has the potential to expand to 20 in the immediate future. In addition, ASPIRE of Southwest Missouri is currently in good financial standing and has the appropriate liquidity reserved to continue to meet its annual obligations.

This plan serves as a strategic initiative or re-design of the non-profit organization's structure and offers a clear concise marketing, operational, managerial and financial strategies going forward to ensure the longevity of the organization and its programs.

II. Service Description

ASPIRE of Southwest Missouri was formerly established as the Single Parent Scholarship Fund of Jasper & Newton Counties (SPSF) in 2006.¹ Originally the organization was stated as an initiative of United Way of Southwest Missouri to help single parents in our community. It has since become an independent, non-profit agency affiliated with ASPIRE (Assisting Single Parents in Realizing Education), a national organization of single parent scholarship programs based in Arkansas. The local organization was established and incorporated in October 2009. In 2010 the organization was certified as a 501c3 and gave out its first scholarships that spring.²

Statistics in Jasper and Newton Counties have continually shown that the area has a higher percentage of single-parent families below the poverty level (36.6%) as compared to the national average (24%). The majority of these families are headed by individuals with only a high school education.

One of the best weapons to combat poverty is education. Education is foundational in determining a family's quality of life. Uneducated adults have a hard time finding jobs, and without jobs they can't adequately care for their children and therefore become dependent on government assistance. ASPIRE (Assisting Single Parents in Realizing Education) has a mission to support impoverished single parents in attaining an education — opening doors to careers that will sustain their families. We provide incentive scholarships to qualified, low-income, single parents who are pursuing a post-secondary degree through a college, university, or technical school program. The goal is to help them obtain well-paid, skilled employment, thus breaking the cycle of poverty in their families.³

ASPIRE of Southwest Missouri currently serves an average of 16 single parents each year and contributes \$1,000 every semester they are enrolled in school to help offset their education as well as associated expenses.⁴ Furthermore, the organization provides incentives for maintaining grades on a semester and will eventually expand into offering yearly

workshops the recipients can attend that are directly related to increasing the quality of life for the recipient and their children. ASPIRE of Southwest Missouri intermediate goals are not only to continue to support those receiving financial assistance but also to increase the number of recipients to 20 a year. It is the hope of ASPIRE of Southwest Missouri as well as this author that the organization reaches its long-term goal of sustainability and continues to serve the Southwest Missouri area for generations to come.

III. Marketing Plan

The marketing plan for ASPIRE of Southwest Missouri consists of four major parts: (1) strategic focus and plan, (2) current analysis, (3) service market-focus, and (4) promotional strategies.

Strategic Focus and Plan

The following section details the overall objectives ASPIRE of Southwest Missouri and the three main aspects that are influential for a successful marketing plan: (1) mission statement, (2) goals, and (3) a competitive advantage for ASPIRE of Southwest Missouri that will create long-term sustainability.

Mission

It is the mission of ASPIRE of Southwest Missouri to enable single parents to attain self-sufficiency through post-secondary education. Our goal is to allow all economically disadvantaged single parents in Southwest Missouri the opportunity to improve the quality of their lives and their children's lives through higher education.⁵

Goals

In the coming three years beginning July of 2013 and concluding July of 2016, ASPIRE of Southwest Missouri would like to achieve the following goals:

Nonfinancial Goals

1. To increase community awareness of the ASPIRE organization.
2. To increase the overall number of applicants within the scholarship pool.
 - a. To inform the appropriate faculty of both Missouri Southern State University and Crowder College about the ASPIRE scholarship.
 - b. To create a relationship with high school counselors from Joplin, Carthage, Webb City, and Neosho and inform them of the ASPIRE scholarship.
3. To maintain at a minimum of 15 full scholarship recipients and 5 half scholarship recipients each year.

Financial Goals

1. To increase financial partner awareness within Jasper and Newton County.
2. To continue to fundraise within the community (Celebration of Success).
- 3.
4. To be able to make short-term gains into a long-term-financially stable reality.

Competitive Advantage

ASPIRE of Southwest Missouri is completely locally owned and operated. ASPIRE of Southwest Missouri is providing a needed community service in an industry where they have the ability to initially reach 100% market share. These competencies generate the competitive advantage of uniqueness. While there are other scholarships in the area as well as other non-profits, none of those organizations target single parents in education to the extent ASPIRE of Southwest Missouri is capable of doing.

Current Analysis

Strengths, Weaknesses, Opportunities and Threat Analysis

Internal Factors	Strengths	Weaknesses
Management	The current board is made up of experienced business professionals on a volunteer basis from several industries.	The two largest higher education entities (MSSU, Crowder College) do not have enough representation.
Offerings	ASPIRE offers a unique scholarship.	Community awareness of the scholarship is minimal.
Marketing	Multiple markets within Jasper and Newton Counties all possess a need for the scholarship.	Community relations are increasing; however, overall awareness is still very low.
Personnel	All volunteer board, committed professionals and very little turnover.	Small board for such a large area.
Finance	Great financial position. With an increase in recipients, an increase in funding should result.	Limited to Jasper and Newton Counties for financial support. Furthermore, it is possible that each donor attaches a stipulation to their donation.

External Factors	Opportunities	Threats
Social	Opportunity to create community awareness through three major areas: (1) generating traffic to website, (2) creating a social media campaign, and (3) creating relationships with schools and business throughout the community.	Affiliation with either the ASPIREUS parent company or the United Way may restrict or limit possibly all three major opportunities.
Competitive	Uniqueness of scholarship can minimalize any and all competition. Furthermore, an integrated Marketing Campaign could put ASPIRE of Southwest Missouri in a “winner take all” market share situation.	Potential that the United Way or another company enters the market and thus becomes potentially competitive.
Technological	Infrastructure is already in place to begin an integrated (social media/online) marketing campaign.	Potential competitors already have an online/social media presence that may result in lack of ease of entry. Furthermore, without an online presence many potential private donors may overlook the ASPIRE organization

Economic	Growing number of single parents in Jasper and Newton Counties with limited income. Furthermore, companies are always looking for an organization to donate to for tax/PR purposes.	Businesses within the community are restrained by how much they give to “charity as a whole” which creates instant economic competition.
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The definitive strength that creates the competitive advantage for ASPIRE of Southwest Missouri is without a doubt the organization uniqueness relative to the industry as a whole as well as the local area. The most prominent weakness as well as opportunity for growth is without doubt awareness. The largest threat is to remain passive and not adopt a strategy that would result in increased market share or complete market share.

Industry Analysis: The Need for an Organization like ASPIRE in Southwest Missouri

Single Parents. According to the 2010 census, there are approximately 2,354,104 households within the state of Missouri.⁶ Of those households approximately 16.3% or 381,075 households are single parent households.⁷ Furthermore according to the 2010 State of Missouri Census for Jasper County, there are a total of 44,674 households and over 17.8% of those households are classified as single-parent homes.⁸ According to the State Census for Newton County, there are 21,719 households, and over 15.1% of those households are classified as single parent homes.⁹

While these numbers alone may look promising, they are not what they appear. According to the U.S. Census Bureau, the average number of single parent households has increased by approximately 4.0% since the year 2000,¹⁰ and the data estimates for the future do not indicate a decline in this rate thus far. In addition, based on a five-year estimate from 2007-2011, the U.S. Census Bureau estimates that 31.4% of all single-parent households in the state of Missouri live at the poverty line or below it.¹¹

According to USA Today and the Center on Philanthropy of the United States, non-profit giving has actually increased \$6 billion dollars from 2010 to 2011 to \$217 billion dollars annually.¹² This could possibly signify that as the economy recovers charitable giving is likely to increase; charitable giving was at a high of \$298 billion in 2007 before the economic collapse.¹³ It is imperative that ASPIRE of Southwest Missouri positions the organization to take full advantage of increasing charitable contribution.

Competitor Analysis

The charity/non-profit industry represents approximately a \$217 billion dollar industry.¹⁴ According to the Center on Philanthropy of the United States, approximately 70% of all non-profits experienced an increase in need or the need remained the same as of December 2011.¹⁵ This means that non-profits are competing now more than ever for a limited number of available funds. This also means that on a financial level every charitable organization that is registered would be considered a financial competitor. In the service provider sector, the largest competitor ASPIRE of Southwest Missouri has is the United Way of Southwest Missouri and Southeast Kansas.

The United Way of Southwest Missouri is an organization that helps fundraise and facilitate donor funding to specific purpose throughout Southwest Missouri and Southeast Kansas. Essentially the United Way is made up of a variety of community outreach organizations. According to their year-end report, the United Way made contributions of \$70,288.44 in 2011.¹⁶ ASPIRE of Southwest Missouri, even though they are not a member of the United Way, can still remain competitive through two main ways: (1) ASPIRE has no administrative fees making the organization easily more marketable and the more money out-

going for its true purpose, (2) ASPIRE has the unique ability to promote its uniqueness within the community and not become “another face in the crowd.”

Organization Analysis

Currently ASPIRE of Southwest Missouri serves between 12 and 15 students with the full scholarship each semester. To expand the amount of individuals served, they have added a partial scholarship designed for single parents whose grades in the past may not support high academic achievement but may leave the selection committee to after an interview believe otherwise.

ASPIRE of Southwest Missouri is governed by a volunteer board of nine members from the community, and its day-to-day operations are overseen by an executive director. The organization would like to increase board membership to 12 individuals on a two year term rotation. Ideally at least three of these seats shall be reserved for influential individuals through Crowder College and MSSU due to the direct relationship that is necessary for successful implementation. The organization is also establishing committees to expand organization membership to additional professionals throughout the community.

Client Analysis

Client Characteristics: ASPIRE of Southwest Missouri currently serves single parents both male and female within Jasper and Newton Counties. Every client has to be either about to enroll in college classes or is already enrolled in college classes. Most all the clients come from a background of significant financial need as evidenced by their Pell Grant eligibility. The majority of our clients are women and approximately 48% have children at home under the age of six.¹⁷ As of 2009, 50% of clients had children between the ages of seven and

eighteen still living at home.¹⁸ However, only 63% of the clients had any child support given to them, and 19% of clients have been a victim of spousal abuse.¹⁹

Overall the rate of single parents has increased in Jasper and Newton Counties by approximately 4%, and there is no evidence to believe that this rate will decrease in the next few years as of now.²⁰ The data does also suggest some good news; 56% of clients served are first-time college attendees.²¹ This is one of the statistics the organization is most proud of, and the organization believes that they will be able to increase the statistic in the coming years as the need also increases. The fact the organization's community currently has a need and that need is expected to continue solidifies the necessity of the organization.

Service – Market Focus

Marketing and Service Objectives

ASPIRE of Southwest Missouri's marketing objective is to take advantage of the organization's unique position to increase market share (service-ability). This overall marketing objective will be achieved through two sub-objectives (1) increase the applicant pool using a re-vamped marketing campaign and (2) increase community contribution to the organization through involvement with local colleges as well as informing the community at large about the organization through a similar campaign.

Current Markets will be grown by expanding organization awareness. This will be done in three steps: (1) Create an on campus awareness at both MSSU and Crowder College, (2) create a relationship with high school counselors who are capable of selecting individuals who will meet the application requirements, and (3) in addition to the "Celebration of Success" have a year-end report that is mailed out to current sponsors and to potential sponsors.

Target Market

Ideally the target market will meet all of the following criteria:

- ♦ Reside within Jasper or Newton Counties in Missouri.
- ♦ Be a single parent.
- ♦ Be between the ages of 18 and 30 but possibly older.
- ♦ Demonstrate financial need through FASFA.
- ♦ Have a FASFA on file.
- ♦ Be currently enrolled or enrolling in a two- or four-year college.
- ♦ Demonstrate the potential for academic success.
- ♦ Be goal orientated, i.e. they have a goal in mind or reason to attend college.

Client Value Proposition

ASPIRE of Southwest Missouri offers single parents added financial assistance to attend a university or college of their choosing and in doing so allow the organization's clients to realize the value of what higher education can do for them. Due to the fact all of the organization's clients live on a constricted budget, the organization believes that in most cases the scholarship provided makes the difference in that parents ability to realize their higher education ambitions.

Points of Difference (Competitive Advantage)

The “competitive advantage” falls into two important aspects:

- ♦ Uniqueness of the service offering. No competitor or non-profit organization within the immediate area solely provides financial assistance to single parents. This allows the organization to focus all energy and resources into one specific task that in turn exemplifies the organization.

- ♦ Low overhead of the organization. No competitor or non-profit within the immediate area that serves single parents does so 100% based off of community contributions. Furthermore, the organization's competitors carry overhead and have administration expenses; ASPIRE has neither.

Proposed Promotional Strategies

Internet Marketing Campaign

Organization's Website: Currently the organization does have a website; however upon further review, the website does need to be re-done. In the next year it is ASPIRE of Southwest Missouri's goal to establish a website that has the capability to accept an online pdf application for potential recipients. It is also the organization's goal to purchase a 256 ssl certificate for the website so the organization may begin to streamline donations throughout the year online. The website will also showcase current ASPIRE information as the statistics for donors. Finally, after these changes are made, ASPIRE will partner with the MSSU Marketing Department as a non-profit organization for the annual Google AdWords Challenge.

Social Media Campaign: Currently ASPIRE of Southwest Missouri is part of the Facebook social network. Ideally within one year's time, ASPIRE would like to have a social network built up of donors and recipients using two primary social media outlets: Facebook and YouTube. Both of these technologies will be overseen by the community outreach committee. Facebook will be instrumental in spreading information and reminders to sponsors and recipients. Essentially, ASPIRE will give individuals a reason to check the organization's page every week. The use of YouTube will be mostly used for financial

promotional purposes to showcase the organization primarily on the organization's website but also as a tool for sponsors to gain more insight or more sponsors.

Campus Awareness Campaign

Faculty Awareness: Due to the fact that advisers, mentors, and professors have direct day-to-day contact with their students, the word-of-mouth campaign they can provide is vital to the organization's success. Ideally, ASPIRE would like to get as many faculty members promoting the organization as possible. The initial step that needs to be taken is simply making the faculty members aware of the organization's existence. In September of 2013 ASPIRE will begin its faculty awareness campaign by creating a small goodie bag (i.e. life savers) that will be distributed to faculty members across campus. In addition ASPIRE will invite financial aid counselors to a breakfast social in the fall and provide them with an awareness packet of information. This will be done for both the MSSU and Crowder College campuses.

Single Parent Student Awareness: Due to the fact that the entire objective of the organization is to provide financial support to single parents, it is also vital that single parents on both college campuses are aware of the ASPIRE organization. This campaign will be done two-fold: (1) both MSSU and Crowder College have a required orientation for all incoming freshmen. ASPIRE will develop a presence at both of these sessions through either marketing material or in-person representation, (2) one month before the application deadline, ASPIRE will run an advertisement in each respective campus newspaper.

Fall Telethon: Starting in November of 2013, ASPIRE will host a fall telethon on the campus of MSSU. ASPIRE will seek sponsorship through the MSSU School of Business. The telethon will be live from 5 a.m. – 8:00 a.m. and will receive media coverage from the

local news providers. The telethon will be staffed by student organizations in half-hour shifts and all proceeds will go to ASPIRE.

Community Awareness Campaign

Fall Tele-thon: Starting in November of 2013, ASPIRE will host a fall telethon on the campus of MSSU. ASPIRE will seek sponsorship through the MSSU School of Business.

The telethon will be live from 5 a.m. – 8:00 a.m. and will receive media coverage from the local news providers. The telethon will be staffed by student organizations in half-hour shifts and all proceeds will go to ASPIRE.

Year-end report: Due to the increasing need for sponsors to have some form of security as to where their donation goes, ASPIRE will start providing a year-end report. This report will highlight recent financial campaign results, how many single parents they were able to serve, current sponsors, and include a letter from the board president as well as a few updates from recipients currently in the program. ASPIRE will then be able to use this information to market to its current sponsors, provide information to the community as a whole, and as a tool to gain new sponsors.

Celebration for Success: Each year ASPIRE hosts an end of the school year banquet. This is currently ASPIRE's largest fundraiser for the year and also the most expensive. This event has become a tradition for the program and should continue to be that way for years to come. ASPIRE should make a TV appearance/radio announcement the week before to increase donations and community involvement. The message that this event spreads to the community is one of both hope for tomorrow and pride for today.

Proposed Budget (2013 -2014)

Projected Expenses from Campaigns	\$ 8,100
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Internet Marketing Campaign

- \$ 500 – website revised

Campus Awareness Campaign

- \$ 800 – faculty “Life Saver” goodie bag

- \$ 200 – financial aid counselor breakfast

- \$ 100 – promotional marketing material

Community Awareness Campaign

- \$1,500 – telethon expense

- \$5,000 – Celebration for Success

Estimated Revenue from Campaigns	\$ 14,000
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Internet Marketing Campaign

- \$ 1,000 donations online

Community Awareness Campaign

- \$ 3,000 telethon campaign

- \$ 10,000 Celebration of Success

Note: The above numbers are all projected estimates and subject to change at any time.

IV. Operational Plan

The following section details the overall strategy and processes that ASPIRE of Southwest Missouri uses to ensure both immediate and long-term goals are met. The operational plan is defined by three sub-plans: (1) applicant operational process, (2) financial operational objective, and (3) marketing campaign implementation schedule.

Applicant Operational Process

The applicant process is without a doubt the single most vital process to the organization. As the organization's purpose is to serve single parents in realizing their higher education goals, the application process is the fundamental concept of the organization's existence. The application process is administered bi-annually: (1) February 15 – April 15 and (2) September 15 – November 15. This process is overseen by a committee of five board members and is supervised by the executive director of the organization. Of the five board members, one seat shall be reserved for the representative of MSSU and one seat shall be reserved for the representative of Crowder College. The remaining three seats are at large and are determined at the beginning of each application cycle.

At the end of the application period, the application committee then sets the interview schedule for all new applicants and determines if any renewal interviews are needed. The committee then proceeds to interview applicants. After the last applicant is interviewed, the application committee adjourns for twenty-four hours unless otherwise determined by the executive director. The committee will then reconvene and discuss who shall receive the current cycles scholarships. Once discussion has ended, the committee will submit 15 names for full scholarship rights and 5 names for partial scholarship rights. The board will then entertain any discussion on the issue and then proceed to vote.

The application process concludes with the organization mailing either acceptance or rejection letters. The acceptance letter contains information regarding responsibilities and what must be achieved to maintain the scholarship as well as the protocol to ensure renewal. The rejection letters contain a brief description as to why the rejection occurred and include

an invitation to reapply during the next application cycle. The application process and committee meeting schedule is located in the table shown below:

Begin Date	Process	Leadership	End Date
February 15	Spring application cycle begins	Individual applicants	April 15
April 22	Application committee is convened and interviews begin	Five member committee and executive director	May 2
May 3	Application committee determines recipients	Five member committee and executive director	May 3
May 8	ASPIRE board of directors meets to approve recipients	ASPIRE board of directors	May 8
May 9	Recipients contacted	Secretary of the board of directors	May 9
September 15	Fall application cycle begins	Individual applicants	November 15
November 25	Application committee is convened and interview begin	Five member committee and executive director	December 5
December 6	Application committee determines recipients	Five member committee and executive director	December 6
December 11	ASPIRE board of directors meets to approve recipients	ASPIRE board of directors	December 11
December 12	Recipients' contacted	Secretary of the board of directors	December 12

Financial Operational Objectives

While the application process occurs twice a year, the financial objectives of the organization must be maintained year-round. ASPIRE of Southwest Missouri does have minimal overhead costs but it also has a high operational cost. The financial operational objective is two-fold, (1) generate enough cash inflow to guarantee long- term sustainability, and (2) maximize community scholarship contributions.

The fiscal year for ASPIRE begins in July and ends the following May after the conclusion of the “Celebration of Success” Throughout the course of the year the

organization maintains minimal overhead and administrative costs. In years past the organization has maintained less than \$5,000 combined office, training, and marketing expenses.²²

ASPIRE is on a projected track to give \$31,800 in scholarships and student support during the 2013 fiscal year.²³ In order to sustain or even increase this amount of financial support for future years, the organization will hosts at minimum two major fundraisers a year. The financial operational plan and associated committee schedules are located in the following table:

Begin Date	Process	Leadership	End Date
July 1	Fiscal year begins. projected budget and pro-forma statements	Treasurer	Statements due: August
August 1	Committee for fall telethon convenes	Three member committee supervised by vice president	August 1
September 1	Telethon committee meets with sponsoring student organization(s)	Telethon committee/ treasurer/student leadership	September 1
October 17	Fall telethon hosted at MSSU in odd years and Crowder in even years	Telethon committee/ treasurer/student leadership	October 17
November 1	Treasurer to report on fall telethon and present updated budget expectations	Treasurer	November 1
December 12	Check is "Cut" for fall scholarship recipients	Treasurer	December 12
February 1	Board hosts Celebration for Success planning session	Board of directors	February 1
March 1	Four member Corporate Donations Committee convenes	Corporate donations committee	June 1
March 1	Four member Individual Contributions Committee convenes	Individual contributions committee	June 1
March 1	Four member "Celebration of Success" Communications Committee Convenes	Celebration of Success communication committee	June 1

May 8	Check “Cut” for spring scholarship recipients	Treasurer	May 8
June	Celebration of Success	Board of directors	June
July 1	Misc. continuous expenses: website, social media, advertising material costs associated with the fundraisers	Treasurer	June 30 (Year End)

Marketing Campaign Implementation Schedule

The three previously mentioned marketing campaigns are the newest addition to the organization and will become influential to the organization in the immediate future. The overall objective of each campaign is to increase community awareness of the organization. This is vital to the organization because this process will generate both applicants and fundraising. The following table provides a schedule for the three marketing campaigns:

Begin Date	Campaign and Event	Leadership	End Date
January 1	Online campaign: website re-design begins	Intern	June 1
January 1	Online campaign: social media presence	Stipend recipient	December 31
March 1 & 10	Campus campaign: candy-grams sent to faculty	Board member(s)	March 10
March 1	Community awareness: Celebration for Success marketing begins	Communications committee	June 1
June 1	Online campaign: Redesigned website launch	Intern	June 1
June	Community awareness: Celebration of Success	Board of directors	June

September 1	Campus/community awareness: advertising for fall telethon	Telethon committee	October 1
October	Campus/community awareness: fall telethon	Committee/student leadership	October
October 1& 10	Campus awareness: Faculty candy-grams	Board member(s)	October 10
December	Community awareness: year-end report	Secretary	December 31

V. Management Plan

ASPIRE of Southwest Missouri is currently managed by an executive director who oversees the day-to-day operations and reports directly to a volunteer board made up of prominent members of the local community. After further analysis it will be recommended that the organization update its management structure going forward. The purpose of a management plan is to describe the ideal management structure for the organization for the future. This purpose is achieved by defining the executive director role, re-designing the board of directors, and concluding with prominent theories of management theory and motivation.

Executive Director

The executive director is responsible for overseeing the organization as a whole and ensuring that the organizations day-to-day operations are carried out. The executive director in conjunction with the board of director's secretary ensures that all applications received are processed within a timely manner and that an interview schedule is set and met. The director also works in conjunction with the organization's treasurer to ensure that all expenses are accounted for and all financing activities as suggested are properly executed. The executive

director also serves as the face of the organization for the community and will meet regularly with donors and potential donors to understand and address all concerns that may arise.

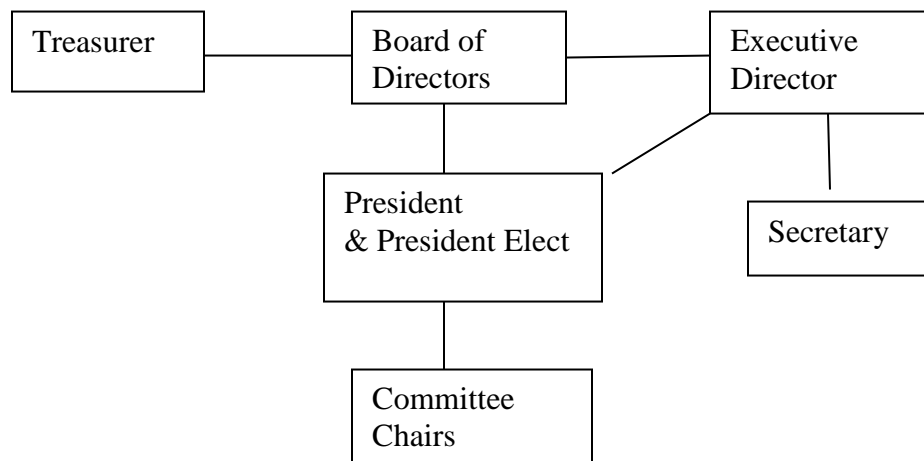
While this is not currently a paid position, it is recommended that it becomes a paid position in the future for a few key reasons. The first of which is that an executive director will have the desire to ensure that the organization's funds are utilized efficiently because they are liable for these funds and it has a direct impact upon their ability to achieve the goals they hope to achieve. In addition it is generally accepted within the business world that organizations with a full-time administrator that financial contributions increase because this is a large function of their job. Finally, a paid executive director has the ability to coordinate marketing activities on a daily basis and can ensure the recommended integrated marketing campaigns are carried out.

Board of Directors

The Board of Directors serves as the governing body that is responsible for overseeing the entire organization on a monthly basis. The Board of Director's directly oversees and gives direction to the current executive director of the organization as well as the secretary to the board. The board also will directly oversee all major financial issues such as budget approval and scholarship allotment. The board currently consists of nine members from the local community, however, this structure will end, and a new structure will take effect at the beginning of the 2014 fiscal year.

The ideal structure of the board will be: a board president who is responsible for presiding over all meetings and events; a president elect who presides over the meetings in the president's absence and serves as the chairman for the Celebration of Success Committee; a secretary who has various duties as determined by the board; and a treasurer.

These individuals along with the executive director will make up the executive committee. The remaining seats on the board are as follows; four chairs for the community at large, one chair reserved for a representative from Crowder College and one chair reserved for a representative from Missouri Southern State University. At the time of appointment, the Board's executive committee will make a recommendation for which of the open community chairs shall be the chairperson of the community awareness and fundraising committees respectively. The application committee will be chaired on a rotating basis by the reserved educational representatives. For further clarity of the organizational structure see below:



Discussion of Management Practices and Organizational Motivation

In order to accurately conclude the management section, a discussion concerning leadership style and organizational motivation is a necessary conversation that must be held to determine management style and should coincide with the organization's purpose. As far as non-profits are concerned, there are three predominant leadership (management) theories that are both ideal and practical to implement. These theories are (1) Taylor's Theory of

Scientific Management, (2) Mayo's Theory of Human Relations, and (3) Maslow and Herzberg's Theory of Human Needs.

Taylor's Theory of Scientific Management is a classical approach that assumes people are rational. Frederick W. Taylor in his work *The Principles of Scientific Management* states, "The principle objective of management should be to secure maximum prosperity for the employer, compounded with the maximum prosperity for the employee."²⁴ While on the surface this theory looks both simplistic and effective, the theory does not hold together well for many non-profit organizations because Taylor's theory says that workers are motivated solely by the pay they receive for the work they do. Thus if an organization is in good standing and is paying its employees well then it is more likely to net a positive gain of prosperity in the long term. This theory can also be associated with the return of the applicant, yet, given the socioeconomic background of the applicants, it is not a very convincing argument that if ASPIRE were to increase the scholarship the selected individuals may become more successful in college.

Mayo's Theory of Human Relations is a humanistic approach that assumes that a human's ability to achieve is directly related to their overall satisfaction. Elton Mayo's theory of motivation examined the social needs of the worker. He believed that pay alone was not sufficient to motivate employees to put forth their best effort. He believed that the social needs of the workers should be taken into consideration.²⁵ Mayo's theory took great relevance during the worsening economic conditions during the Great Depression. In one study over 21,000 workers were interviewed to learn what they liked and what they disliked about their current job. "Complex" and "baffling" results lead the research team to conclude

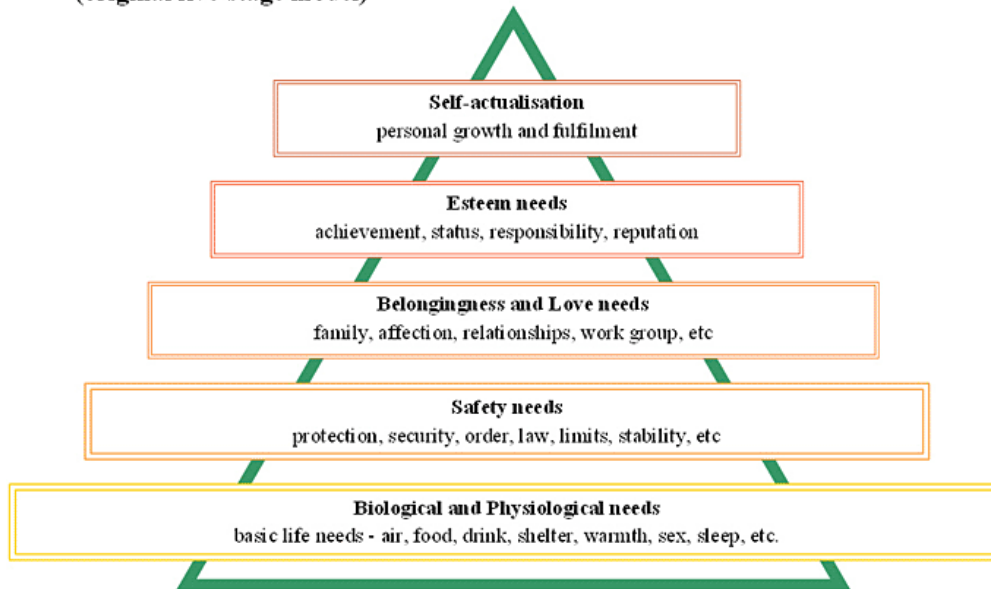
that things like work conditions and wages were equally important in determining overall satisfaction and productivity.²⁶

While this theory is more realistic to both the management of a non-profit like ASPIRE of Southwest Missouri and how the organization should treat its applicants, the theory fails to set definitive standards of what is an acceptable practice and what is not. For example, being involved in the organization emotionally and full heartedly is a step in the right direction, but too much involvement can lead to bias and an agency problem.

Maslow and Herzberg's Theory of Human Needs is a hybrid approach that is based off of two main principles that more clearly define humanistic standards and accurately account for behavior. The first principle is referred to as "*The Deficit Principle: a satisfied need is not a motivator of behavior.*"²⁷ The second principle is "*The Progression Principle: states that needs come in a hierarchy and that each prior level must be fulfilled to progress to the next level of the hierarchy*"²⁸ (See figure below for representation of the hierarchy).

This humanistic theory will work best for ASPIRE management strategy because it aligns best with the organization's purpose. The organization exists to help single parents achieve financial security as well as receive a higher state of self awareness through education. As far as the day-to-day management operations are concerned, this theory also works the best as management follows the same path and becomes both more self aware of the job but also what the organization is and can be overall, which in turn can eliminate associated agency problems.

**Maslow's Hierarchy of Needs
(original five-stage model)**



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VI. Financial Statement Analysis

The financial plan consists of two main provisions both of which are designed to create intermediate-and long-term sustainability. The first provision is a budget projection for the 2013-2014 fiscal year, the second is a series of recommendations concerning how the organization would like to achieve and expand upon its financial stability going forward

Provision One (Current Financial Position & Budget Projection)

The overall ASPIRE financial position is in good standing and is within the range of comfort-ability for a non-for-profit organization of their size. Furthermore, in business when it comes to financial decisions the best indicator of future success is a history of success and a competitive advantage; these two items are realistically what every investor should look at and most successful investors do. ASPIRE can offer donors not only another tax deduction

but also the ability to directly see how that money is spent and the accompanying results. To further expand upon this, a detailed projected budget is provided below:

**ASPIRE of Southwest Missouri
2013 Projected Budget^
FY 2013 (Jan-Dec)²⁹**

Support	
Foundations and Trusts	28.1%
Corporations	48.3%
Individual Contributions	21.8%
In-Kind Support	1.8%
Total Support	100%
Expenses	
Scholarships	
Student Scholarships (16 scholarships, 2x year @ \$750/ea)	44.9%
Merit Scholarships (14 scholarships, 2x year @ \$250/ea)	13.1%
Student Support	1.5%
Community Outreach	
Advertising	1.4%
Production	1.8%
Fundraising	10.5%
Fees and Dues	
Audit	2.8%
Bank Fees	0.0%
Membership Dues	1.6%
Personnel	
Salaries and Wages	17.0%
Payroll Taxes	0.0%
Training	0.9%
Travel	0.5%
Office Expenses	
Rent	0.0%
Repairs and Maintenance	0.0%
Insurance	0.0%
Utilities	0.4%
Office Supplies	1.8%
Equipment	1.8%
Total Expenses	100%

^ All provided financials will be provided in percentage form to respect and protect the privacy of the organization.

Provision Two (Financial Recommendation)

While ASPIRE of Southwest Missouri is currently in good standing, improvements can still be made to improve this standing from good to excellent. In addition if the organization moves forward with their goal of 20 applicants, they will need to increase their financial standing. Therefore after a close review of the organization's financials, the following is a series of recommendations that the organization will need to address by the end of this fiscal year.

The first recommendation is to formalize financial procedures. ASPIRE of Southwest Missouri is still in the "growth" stage which makes this an ideal time to formalize all financial procedures. The organization has already begun this process, but it should expand the process to include a comprehensive financial assessment that can be provided upon request to all donors.

The second recommendation is to make the money within the reserve work for the organization. As a nonprofit, ASPIRE is allowed to invest a certain percentage (an exact number to be determined by the Board of Directors) of the organization's cash holdings if that money is used for a specific purpose and is accounted for within the required zero balance formula for non-for-profit organizations.

The third and final recommendation is to hold the salary of the executive director and staff to 20% of the intake. Every organization needs a defined leader that can have a "closeness" to the organization; most board members cannot. In addition keeping this salary expense at a maximum rate of 20% prevents an agency problem and also allows creditors and donors to have assurance of where the money is really going.

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